

## A Successful Store Controls Shrinkage

### *Shrinkage—Why Bother About It?*

#### Letter Number 10

What is shrinkage? Shrinkage is *waste*.

What causes shrinkage? *Carelessness*.

Why fight shrinkage? Because shrinkage eats into the life blood of your store—net profits.

Who is to blame for shrinkage? You are.

Strong statements, and intended to be strong. Successful managers know that shrinkage can be controlled and kept low. Unsuccessful managers still are content with 3% and 4% and 5% shrinkage. Successful managers fight shrinkage every day in the year, doggedly, persistently, skillfully *fight* it. They keep it *low*. Unsuccessful managers scoff at these reports and whisper, "Profiteering."

Lesson No. 1, to be mastered so thoroughly that it becomes part of the manager's religion:

#### *Shrinkage Can Be Kept Low*

Until you thoroughly and honestly believe this, you haven't begun to fight. Lesson No. 2:

#### *The Higher Standard You Set for Yourself, the Better Results You Will Get*

Be content with 3%—you will get 4% or 5%. Set your organization to *work* for 1% and you will get it.

You know the disappointments and heart-aches that you have felt when you have seen an otherwise wonderful year ruined by a high shrinkage. Better twelve months of intensive drive than one night of wondering how it could have happened.

A successful year is impossible with a high shrinkage. A low shrinkage almost insures a successful year. Set your mark at 1%. Dig in your toes and *fight*.

The next series of letters will encourage and strengthen the fighters.