BUSINESS CUBE LOGIC · SME DECISION SELF-CHECK

The SME BCL

3D Decision Checklist

Break one-dimensional blind spots — master Company · Market · Environment decisions

A sound business decision sits at the intersection of company capability,
market dynamics and the external environment — balancing profit, volume and continuity.

Business Cube Logic 3D Decisions Course

Qianliao course · details on the final page

Why do 90% of SME owners fall into decision traps?

Many entrepreneurs suffer from "one-dimensional blind spots" — deciding on a single dimension, never in full view.

01

Looking only inward, ignoring market demand

Building "the product you want" on experience, without checking whether customers truly need it — or whether their disposable income (DI) can afford it.

02

Chasing near-term sales, ignoring internal capability

Grabbing every hot trend, only to find production capacity, supply chain or cash flow cannot keep up — delayed deliveries and collapsing quality.

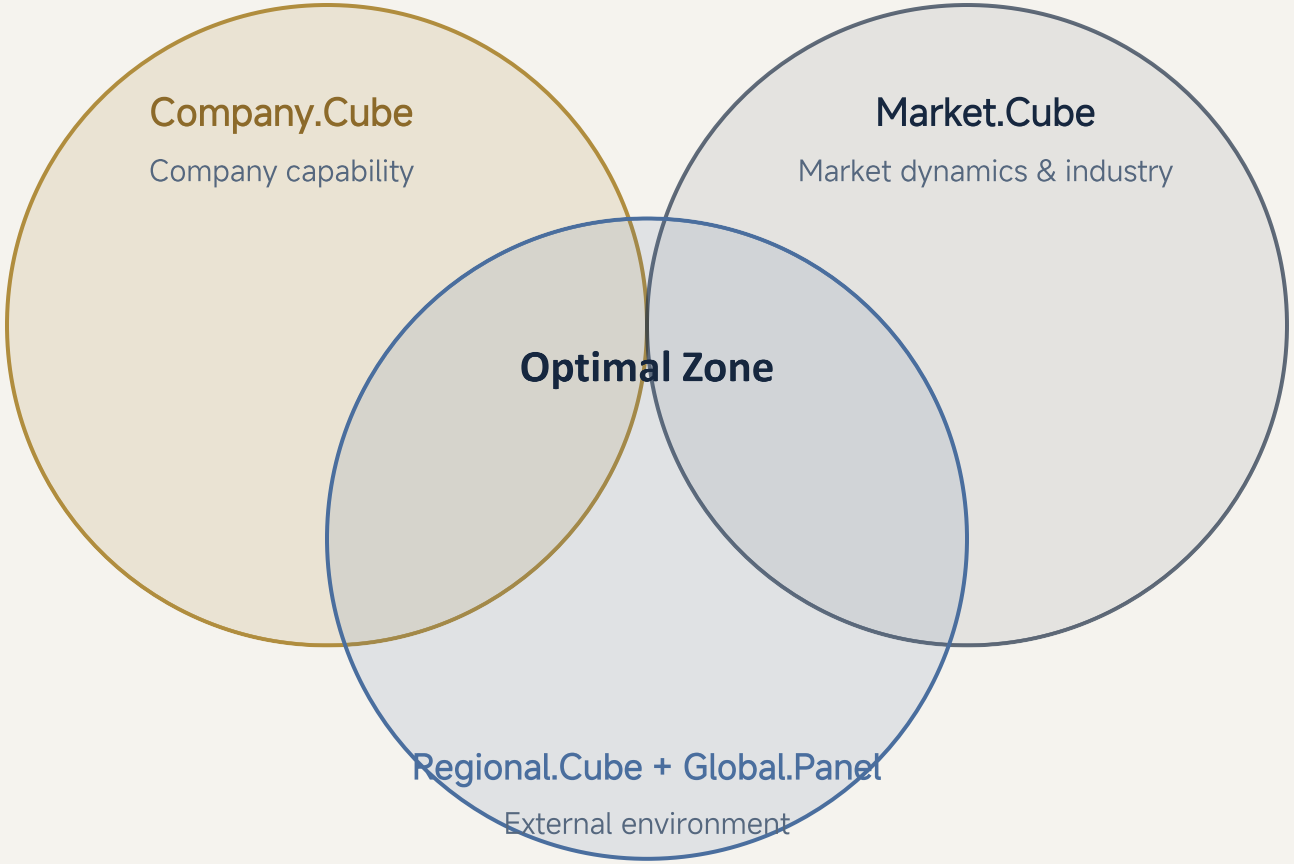
03

Watching only local rivals, ignoring macro risks

Missing cost shocks from rising raw materials (IC(P)), minimum-wage policy or compliance rules — the more you sell, the more you lose.

THE FRAMEWORK

BCL Business Cube Logic — Where Three Cubes Intersect



■ Break linear, one-dimensional thinking

No decision should rest on a single facet — internal capability, true market demand and external shifts must all be examined.

Their intersection is the sustainable decision sweet spot.

PVC Balance

P Profit — healthy margins per deal

V Volume — capacity supports scale

C Continuity — protect cash & moat

THREE-LAYER DIAGNOSIS

Run a "Three-Layer Health Check" Before Deciding

Trace financial symptoms down to the root cause — never just treat the headache.

Layer 1 | Financial Results
Symptoms

Review past results — ROA, ROE, asset turnover, net margin. First ask: are the results good?

Layer 2 | Core Functions
Efficiency

Assess the input efficiency of Management, Finance, Production and Marketing — e.g. Profit ÷ Marketing Cost.

Layer 3 | Capacity & Capability
Root Cause

Examine real boundaries: equipment utilization, warehousing & cold-chain limits, supply-chain responsiveness, hiring capability.

The deeper you dig, the closer to the **real root cause**.

SIX SCENARIOS · SELF-CHECK MATRIX

Six Common Scenarios for SMEs

Before executing any decision, check each item to ensure no major dimension is missed.

3D

01 **Customer Acquisition**
Sales plateaued — ready to spend on promotion?

02 **Price-Cut Promotion**
Rivals in a price war — follow suit?

03 **Product Expansion**
Hot new track — develop a new product?

04 **Cash-Flow Crunch**
Short on cash — just slash expenses?

05 **Capacity Expansion**
Business looks good — buy equipment & hire?

06 **Policy & Environment Shifts**
Rising material costs & tighter compliance?

■ Market — Market.Cube ■ Company — Company.Cube ■ Macro — Regional.Cube + Global.Panel

Every scenario is cross-checked across three dimensions — the core of BCL 3D decision-making.

SCENARIO 01 · CUSTOMER ACQUISITION

Sales plateaued — ready to pour money into promotion?

01

BLIND SPOT

Assuming ads and influencer marketing solve everything, while ignoring internal delivery capacity and external channel efficiency — customers arrive but can't be served, or acquisition costs exceed profit.

Market — Market.Cube

☐ Can the target segment's disposable income (DI) comfortably afford your pricing?

☐ Does your selling point solve a real pain point, or is it a self-indulgent feature?

☐ Will your move trigger competitor retaliation or strong substitution?

☐ Can external logistics or partner platforms (e-commerce, cold-chain delivery) smoothly cover the new target regions at a reasonable cost?

Company — Company.Cube

☐ How long is the new channel's payment cycle? Do supermarkets or e-commerce platforms tie up 3–5 months of receivables?

☐ Does marketing ROI (profit ÷ marketing cost) meet healthy industry levels?

☐ If orders surge 50%, will equipment, manpower and process capacity hit bottlenecks?

Macro — Regional.Cube + Global.Panel

☐ Is the regional economy expanding or contracting? Switch to defensive tactics in a downturn?

☐ Is consumer confidence high — actively spending, or shifting to precautionary saving?

Rivals are in a price war — should you follow and cut prices?

Market — Market.Cube

- ☐ Is there still a reasonable surplus between industry average cost and the market-accepted price?
- ☐ Will a price cut truly expand the total customer base, or just grind rivals over the same customers?
- ☐ Are upstream raw materials trending up? Rising costs plus lower prices is a two-way squeeze.

Company — Company.Cube

- ☐ Are your costs significantly below peers? Without scale advantage, joining a price war is suicide.
- ☐ After margin compression, are there enough current assets or retained earnings to survive the transition?
- ☐ Can cash plus quickly-liquidated inventory cover the next 6 months of fixed expenses?

Macro — Regional.Cube + Global.Panel

- ☐ In stagflation, customers are highly price-sensitive while your costs rise — leaving very limited room to cut.
- ☐ Will shipping-lane conflicts or commodity swings rapidly raise import costs IC(P)?

02

BLIND SPOT

Blindly cutting prices to buy volume (V), while ignoring the devastating hit to profit (P) in thin-margin markets — ending in a cash-flow bleed-out and collapse.

A hot new track emerges — develop a new product?

03

BLIND SPOT

Seeing only the market heat while ignoring the fit of your four core functions; blindly investing in R&D and procurement — the new product is mediocre, old products neglected, fixed assets idle.

Company — Company.Cube

- ☐ How much pure cash will R&D, label filing, trial production and stocking consume? Will it hurt the core business?
- ☐ Expected inventory turnover? If sales disappoint, how much working capital gets locked in stock?
- ☐ Do your four core functions have the capability to support the new product?
- ☐ Make-or-Buy: build a heavy-asset line, or use OEM / outsourcing for flexible capacity?

Market — Market.Cube

- ☐ Are mature substitutes already in the market? Can your differentiation build a defensive moat?
- ☐ Will the new product sell to existing customers (higher order value), or require a costly new customer base?
- ☐ New compliance thresholds (production license, label filing)? What timeline and cost?

Macro — Regional.Cube + Global.Panel

- ☐ Does the product ride global megatrends — ESG, AI digitalization, low-sugar health?
- ☐ For imports/exports or cross-border sales, will tariff barriers or geopolitical limits apply?

SCENARIO 04 · CASH-FLOW CRUNCH

Short on cash — just slash marketing and admin expenses?

Company — Company.Cube | Three-Layer Check

☐ Layer 1: Can you negotiate longer payment terms with suppliers (e.g. 30 → 60 days) to ease the cash strain?

☐ Layer 2: Have you calculated the precise ROI of the four functions to locate inefficiency instead of blind cuts?

☐ Layer 3: Is the cash shortage from unprofitable business, or locked-up current assets (long receivables, slow inventory)?

Market — Market.Cube

☐ Sales continuity: will cutting the marketing budget let competitors quickly carve up your existing customers?

Macro — Regional.Cube + Global.Panel

☐ Will global rate-hike cycles or sharp FX swings raise borrowing costs or shrink overseas receivables?

☐ In a downturn, downstream default risk surges while bank credit tightens in sync.

04

BLIND SPOT

Seeing poor financial results and cutting expenses across the board — killing the most profitable marketing and core operations teams, stalling customer acquisition into a death spiral.

Business looks good — buy new equipment and expand the team?

05

BLIND SPOT

Mistaking a short-term order surge for a long-term trend; blindly adding fixed assets and fixed costs — once the peak passes, depreciation and payroll instantly eat up all profits.

Market — Market.Cube

- ☐ Is growth driven by structural dividends (population, disposable income), or short-term promotions and seasonal swings?
- ☐ Will minimum-wage, social-insurance or labor-law changes sharply raise long-term labor costs?

Company — Company.Cube

- ☐ How much upfront cash does the CapEx require? How long is the payback period (ROI)?
- ☐ What is the real utilization of existing equipment? What are the payback and annual depreciation of new assets?
- ☐ New payroll and depreciation are rigid cash outflows — enough reserves to pay them in low seasons?
- ☐ Can shift adjustments or outsourcing fill the gap instead of buying new equipment?

Macro — Regional.Cube + Global.Panel

- ☐ Is the current boom at the cycle peak or early recovery? Expanding at the peak gets you trapped.
- ☐ Will imported spare parts and maintenance services be hit by geopolitics or export controls?

SCENARIO 06 · POLICY & ENVIRONMENT SHIFTS

Rising material costs or tighter compliance — how to respond?

Macro — Regional.Cube + Global.Panel

☐ Is the price rise a global commodity swing (Global Panel → IC), or a temporary regional shortage?

☐ Are you facing new tariffs, import/export quotas, carbon taxes or labeling rules?

Market — Market.Cube

☐ How price-elastic are customers? If you raise prices 5–10%, will volume fall enough to cut total profit?

☐ Is this shock a volume-scale factor IC(V), or a profit-margin factor IC(P)?

Company — Company.Cube

☐ Can Layer-3 process optimization (recipe tweaks, lower loss rates, more automation) absorb the cost increase?

☐ Enough cash for price-locked procurement (futures / prepayment), or do you need a short-term working-capital loan?

☐ Can you steer customers toward higher-value, higher-margin health or customized product lines?

06

BLIND SPOT

When the environment shifts, either passively absorbing the cost (hurting profit) or directly raising prices (losing customers) — lacking a cross-dimensional conversion mechanism.

NEXT STEP · ADVANCED LEARNING

A business decision is never simply right or wrong — it is the optimal dynamic allocation of resources.

If your self-check reveals one-dimensional thinking, resource misallocation, capacity blind spots or cost risks across multiple scenarios, your business is suffering unnecessary waste.

In the Business Cube Logic 3D Decisions course, you will learn to:

— Map the high / mid / low-margin landscape of your industry

— Precisely calculate the ROI of your four core functions with the three cubes

— Build a risk-resistant system balancing Profit (P), Volume (V) and Continuity (C)

Enroll Now · Qianliao Course

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