

Mentor Session 1

Introduction to Entrepreneurship

- Introduction and overview
- What is an entrepreneur?
- Research into entrepreneurs
- Top ten traits of entrepreneurs
- Lesson—how do you measure up so far?

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Introduction

Welcome to your first mentoring seminar.

Whether you are embarking on your first career, have come to a career crossroads much later down the line or whether you fall somewhere in between, you will benefit greatly from these sessions.

Firstly, let me congratulate you for coming this far. You obviously care deeply about who you are and what you are going to do with your life. You would be amazed how many people never even get to that point.

This is not an ‘all or nothing’ education, however. Whether we finish our journey together with you feeling confident to begin your new life as an entrepreneur, whether you decide to remain happily just as you are, or you decide to find some other great organization to work for, you are going to understand yourself and your motivations in life with a new and invaluable clarity.

Let me first tell you a little about myself and my experiences. I am a successful working entrepreneur, and contribute a large proportion of my time to mentoring others eager to succeed in the entrepreneurial world. My own entrepreneurial roots go back as far as I can remember. I was always a bit of a maverick, even at school. Growing up, I lived in many countries and was exposed to many cultures and languages – this helped me become a keen and curious observer of life. I was always one of those people who had a knack for listening, even as a child when kids would often confide in me. Conversely, I was also quite shy and something of a ‘loner’.

I learned early on, however, that I could make friends and help other people not through my personality but by my

contribution. At that age I didn't have a word for it, but today it's my watchword and what I base much of my life around.

Over the last 20 years I have started over half a dozen businesses; indeed, today I still run three so I am very much a working entrepreneur. However, I take the time to actively help others through giving my time, my resources and my money – my favourite phrase to sum up my philosophy is *you get what you give* – I find the more I give out to others, the more help I get back. Don't think that my giving is driven by a desire to get something in return, it is not. I am just reporting a healthy consequence of my actions. If you 'give to get' you will not have the same results, I assure you.

INSIDER TIP

I find the more people I help, the more seem to help me. I also find that the harder and smarter I work the luckier I get. Finally the more passionate and enthusiastic I am I find I get the same response from others.

Try it, you will find the same!

Over the years I have mentored hundreds of people from every race, class and culture. I have done this in the UK and the US, with everyone from business school students, to friends, to business colleagues. I have done this as part of 'Digital Ventures' (www.digital-ventures.com) and also as part of team at the London Business School and Stanford University. I have seen ideas from camera stores to dairy farms, from software to restaurants. In every case I have to say the same simple learning applies – those that were the most successful and happy were those that followed their passion and dreamed big dreams!

Over the next eight sessions I will take you on a journey to discover what an entrepreneur really is, what the research tells us and what the prevailing myths are. I will give you an insight into what life is like for a working entrepreneur, providing stories and examples from talented entrepreneurs I have being lucky to come into contact with. Then, together we will look at the different areas of your life and carry out a personal assessment of your potential to successfully become, and prosper as, a working entrepreneur.

I want you to think about yourself in a way that you have never done before. Don't immediately create excuses why it won't work for you. I want you to grab this opportunity with both hands and give it your best shot. Be painfully honest and as open-minded as you can; the benefits are going to be huge, no matter what outcome you choose. This is not a passive learning experience, I need you to get stuck in, and question and record your own thoughts as we go along.

Let's get started on our journey, joining us will be our fictional friend Jane. Grab a pen now and take a look at the web site to download the forms we will start using below www.tobeanentrepreneur.com. If you don't have web access try and take a copy of the page as you will need more space than is provided in the book to work effectively.

Together with Jane, take a quick look at this list of ten questions that will help you answer the ultimate question: Do you want to become an entrepreneur?

There is no right or wrong answer at this time; just write whatever comes into your head. Keep your list to hand. We will then revisit it towards the end of our time together with what I promise to be surprising results!

So take your pen and the downloaded sheet of questions and complete it quickly and honestly. Below is how Jane did it to give you some ideas and how to go about it.

Top ten ways to answer the ultimate question – do I want to become an entrepreneur?

Name: Jane Toomey

EQ Score: 68%

1 What characteristics do you share with successful entrepreneurs?

At this point I think, very little. I work as a logistics manager for a local catering firm and don't get much of a chance to put my own ideas into action. Although, I do have lots of dreams and ideas, I am not the most gregarious or 'risk hungry' person you will ever meet – I don't think that sounds like an entrepreneur.

2 What are your reasons for wanting to become an entrepreneur?

I'm not sure I really do want to be an entrepreneur, I mean I like the idea of working for myself and I know I have good ideas but I need to understand more about what the lifestyle would actually entail.

3 How would your family and friends react to you becoming an entrepreneur?

Would it impact them very much if I chose to become an entrepreneur? I'm not sure. They know even less than I do about real entrepreneurs. I suppose they would worry about the risks involved and my mum would say 'let someone else take the headache of running the businesses. My friends wouldn't believe I could do it!

4 What do you think your life would be like on a day-to-day basis?

I suppose no one day would be the same and I would have to attend a lot of meetings about funding and revenue but I know there will

be much more to it. I'm tempted to say 'sit and count all my money' because they seem to be focused on making as much money as possible but again I may be surprised with the reality.

5 What do you think the downsides are and how would you cope with them?

From what I understand about entrepreneurs I think they tend to make a lot of money then lose it all and then build it up again. Can I cope with the risk of losing it all? I'm renting an expensive flat and it's not just me. I have promised to put my brother through college next year and he would suffer if it all went wrong. Entrepreneurs also seem like big egos who like to do it all themselves — I think I would miss support of team members around me supporting me, celebrating and commiserating with me.

6 What is your ultimate vision or goal?

I don't really know yet . . . I would like a family and a job related to my love of cooking, recipes and good healthy food that allowed me lots of time to spend with loved ones.

7 What are your core personality traits?

I am not sure. I am good with people I guess and I am a good organizer. I also come up with good ideas but beyond that I am not sure. I also don't know if those skills would stand up on their own without the support of a big company around me.

8 What life stage are you at and how do you think this will affect your chances?

I am four years out of school. I never went to college because I did a summer job in a catering firm and they agreed to take me on as an assistant straight out of school. I have a real passion for food and catering in general and I think they spotted that. I have only worked for this one company and haven't seen much of the world. I

think it might work against me. I have moved out of home and I am renting a flat—so I don't really own anything.

9 What resources do you have available to you?

That would be a problem I think I have a very small amount of savings which were meant to go towards buying a flat. They wouldn't really be enough to start a business with. I don't think a bank would give me any money and my friends are all paying off college debts.

10 What can you see yourself doing for the rest of your life?

That is an easier question. I can see myself being around food, cooking and catering of some kind for the rest of my life. I don't know if that is the right answer but right now, there is nothing else.

Jane notes:

I feel a bit vague in my answers but I don't really know what it means to be an entrepreneur and I don't really know what I want to do with my life. Hopefully by the time I look at these questions again I'll know exactly what I am going to do next, whatever path I choose.

You can see that Jane is totally new to the idea of being an entrepreneur, a situation which may not apply to you; you may have started your journey already. Don't avoid these questions, however, as they will be very useful for you as you go through the mentoring sessions. Take the time to write down the answers on a separate notebook which you can use for making all the notes as we go along.

Top ten ways to answer the ultimate question – Do I want to become an entrepreneur?

Your name:

EQ Score:

- 1 What characteristics do you share with successful entrepreneurs?**

- 2 What are your reasons for wanting to become an entrepreneur?**

- 3 How would your family and friends react to you becoming an entrepreneur?**

- 4 What do you think your life would be like on a day to day basis?**

- 5 What do you think the downsides are and how would you cope with them?**

6 What is your ultimate vision or goal?

7 What are your core personality traits?

8 What life stage are you at and how do you think this will affect your chances?

9 What resources do you have available to you?

10 What can you see myself doing for the rest of your life?

Your notes:

Have you answered the questions as best you can? OK, let's move on and learn more about entrepreneurship.

What is an entrepreneur?

The age of the entrepreneur has now well and truly arrived. Twenty years ago the word *buccaneer* would have been used in the same breath as entrepreneur, but now the definition of an entrepreneur is, someone who is willing to take risks to launch a product or service successfully.

A popular misconception is that inventors and entrepreneurs are one and the same. This is not the case. An inventor creates something new. An entrepreneur assembles and then integrates all the resources needed – the money, the people, the business model, the strategy, and the risk-bearing ability – to transform the invention into a viable business. He or she is a person who organizes, operates, and assumes the risk for a business venture. They have a talent for homing in on opportunities and have the abilities needed to develop those opportunities into profit-making businesses

It is a contradiction in terms to call yourself an entrepreneur when you're actually betting other people's money. Let's define the entrepreneur as someone who is willing to take a risk with their own capital. In other words, they have upside but they also have considerable downside.

'The other thing that unites us as entrepreneurs is a burning desire to be our own bosses.'

Sir Stelios Haji-loannou

Founder and chairman, easyGroup

Research into entrepreneurs

The recent surge of interest in entrepreneurship has resulted in more focused research, which serves to benefit us all.

Across the globe, recognition is finally being given as to the importance of entrepreneurship to society.

'Entrepreneurship is America's most important competitive advantage. It's what America does much better than any other advanced industrial nation.'

William Bygrave, Babson College

Whilst traditional research rarely focused on entrepreneurs as a distinct group, this is now changing. Academic researchers have begun to look at the entrepreneurial process as something quite different from starting a small business or managing an established company. Research points to the entrepreneur's ability to take calculated risks and to have an achievement orientation, a sense of independence, an internal locus of control and a tolerance of ambiguity.

Contrary to popular belief, studies have shown that an entrepreneur does not need specific inherent traits, but rather a set of acquired skills.

'Successful entrepreneurs have a wide range of personality types. Most research about entrepreneurs has focused on the influences of genes, family, education, career experience, and so forth, but no psychological model has been supported.'

*'There is no evidence of an ideal entrepreneurial personality. Great entrepreneurs can be either gregarious or low key, analytical or intuitive, charismatic or boring, good with details or terrible, delegators or control freaks. What you need is a capacity to execute in certain key ways.'*¹

¹William Lee, What successful entrepreneurs really do (Lee Communications, 2201, Pleasanton, CA)

This is good news for those of us who don't fit the stereotype, and I include myself in that. You don't have to have an elusive set of special genetic traits to be a successful entrepreneur, and what you do need can be acquired from speaking to experienced entrepreneurs and reading as much as you can get your hands on.

What the evidence does tell us is that as a group, they demonstrate a unique response to the world around them.

*'They work hard and are driven by an intense commitment and determined perseverance; they see the cup as half full, rather than half empty; they strive for integrity; they thrive on the competitive desire to excel and win; they are dissatisfied with the status quo and seek opportunities to improve almost any situation they encounter; they use failure as a tool for learning and eschew perfection in favour of effectiveness; and they believe they can personally make an enormous difference in the final outcome of their ventures and their lives.'*²

So, everything you need can be learned. However, there is a core set of traits that is found among many successful entrepreneurs that they may have acquired through experience or been lucky enough to have been gifted as a child. It's a useful exercise to look at these traits in some detail. Indeed, even though you didn't know it at the time, you were being compared with these when you did the quiz. They were all questions based on the following characteristics.

These are a set of characteristics that are available to anyone. The following is not drawn from scientific

² New venture creation, Jeffrey A Timmons and Stephen Sinelli

research, but from 20 years of personal experience and observation into the consistent characteristics of successful entrepreneurs.

The top ten traits of successful entrepreneurs

There are certain qualities common to many entrepreneurs. It's safe to say that most successful entrepreneurs possess at least some, and probably the majority, of these characteristics. This is not exclusive to entrepreneurship. If you want to be successful in anything you will need a combination of these attributes. You will have to focus on developing the traits that you currently don't possess if you want to make the grade.

The thing about being someone extraordinary like you, someone who is pushing boundaries, is that all the usual challenges to a successful outcome become more extreme. Being an entrepreneur is the severest test of anyone's 'character' and that's the point. It's not your skills or your charm or your age/race/color or creed it's about you and your *internal* resources.

'Anyone who can face up to decision making can learn to be an entrepreneur and behave entrepreneurially . . . Entrepreneurship is a behaviour rather than a personality trait. In 30 years I have seen people of most diverse personalities and temperaments perform well in entrepreneurial challenges. Some entrepreneurs are egocentric and others are painfully correct conformists. Some are fat and some are lean. Some entrepreneurs are worriers and some are relaxed . . . some have great charm and some have no more personality than a frozen mackerel!'

Peter Drucker

1 Persistence

'Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination are omnipotent.'

Calvin Coolidge

In my opinion, there's no single quality or trait that's more important to being a successful entrepreneur. Persistence is what keeps you motivated when things aren't going the way you thought they would – and they rarely do. The dictionary defines *persistence* as two words, *persistent determination*; but I shall increase the list to *persistent determination, motivation and belief*.

Determination: Winners implement their ventures with total commitment. They seldom give up, even when confronted by obstacles that seem insurmountable.

Motivation: You must be willing to keep trying when things go wrong, and accept that, ultimately, it's up to you to make your dream come true. Motivation enables you to stick with your dream when the going gets rough; it has to come from within you.

Belief: You control your success or failure, and that it is not decided by luck, circumstance, or external events. Successful entrepreneurs have an enduring belief in themselves that gives them the capacity to recover from serious defeat or disappointment.

'If you want to be successful in a particular field or endeavour, I think perseverance is one of the key qualities.'

It's very important that you find something that you care about, that you have a deep passion for, because you're going to have to devote a lot of your life to it.'

George Lucas

2 Confidence

'All you need is ignorance and confidence and the success is sure.'

Mark Twain

Together with persistence, you will need to start thinking about your confidence level. You've got to have a good measure of confidence in yourself, but also in other people and in your surroundings. Self-confidence is an essential trait in an entrepreneur, because you're regularly called upon to perform tasks and make decisions that require great amounts of faith in yourself. You need to have a strong but realistic belief in yourself and your ability to achieve your goals.

Mark Twain's seemingly contradictory quote highlights the fact that 'ignorance' actually goes hand-in-hand with confidence for many new entrepreneurs. They have no fear of the unknown, they just do it. In fact, if they knew what many people did they probably wouldn't attempt the fantastic feats they do, as so many successful entrepreneurs have done before them.

Without confidence it would be very hard to get that first investor to give you a start, or to encourage your first staff member to come on board, or to sell to the first customer. You will discover that confidence has a bearing on almost all the critical milestones in any venture's success.

3 Vision

'Vision is the art of seeing the invisible.'

Jonathan Swift

Entrepreneurs have a vision of what the future could be like for them and their businesses. And, more importantly, they have the ability to implement this vision or dream. Most great entrepreneurs have a strong desire to originate an idea or product, to develop something new, to be innovative and to make something happen. They want to imprint their dreams and ideas on a concept in a unique and different way. Often the idea can be pushing a boundary that society or industry has set, and it can't re-invent itself due its long history of operating in a particular way – that's where a paradigm shift can make you very successful. Richard Branson is a perfect example of someone who is constantly trying to change businesses from music, to airlines to mobile phones and now banking. In each case there was an opportunity to re-invent the business for the benefit of the consumer and as a result he could build a new and flourishing company in an old stagnant market!

4 Action

'Hatching an idea is only the beginning of the battle. The foundation for nearly every conspicuous American achievement, organization or institution was laid by the sweat and sacrifice and unconquerable perseverance of some man possessed by an idea he was willing to give his life for, if necessary. Don't make the mistake of imagining that an idea, no matter how good, can win its way in the world unless you have grit enough, backbone enough, enthusiasm enough to get behind it and push with all your might.'

Forbes, 1921

This is the trait that sets apart those with the dream from those that succeed. It's great to dream but you then need the ability to execute and turn the idea into reality and on to commercial viability. It's critical once you believe in an idea that you make the step to some form of action right away in order to start building momentum towards your goals. 99% of budding entrepreneurs fail at this; they talk a good game but do not follow through. Winners decide on a course of action and they implement it as quickly as possible.

Once you do get started, being an entrepreneur is all about getting things done, usually against the odds. It is about setting goals and exceeding them. Rather than being content with reaching goals, successful entrepreneurs continue setting new goals to challenge themselves. They don't procrastinate. They make decisions swiftly and this swiftness is a key factor in their success.

5 Dedication

'The price of success is hard work, dedication to the job at hand, and the determination that whether we win or lose, we have applied the best of ourselves to the task at hand.'

Vince Lombardi

No 'ordinary' amount of action is required to succeed; it requires your total dedication.

This dedication will be a combination of stamina, passion and commitment. A high level of stamina is essential in allowing you to meet the intense demands of running a business along with single-mindedness that will drive you until you reach your goal.

Winners give everything to their business right from its conception, sometimes at considerable cost to their

relationships with their friends and families. They work tirelessly and with a tremendous amount of passion. Passion is particularly important for entrepreneurs because, although rewarding, the process of starting and building a new firm is demanding. Twelve-hour days and seven-day weeks are not uncommon when an entrepreneur is striving to get a business off the ground.

Of course, this dedication must stem from a place of love or it is simply unsustainable. Entrepreneurs must love what they do. It is that love that drives them and gives them the energy to be totally dedicated when the going gets tough.

6 Faith

'All the strength and force of man comes from his faith in things unseen. He who believes is strong; he who doubts is weak. Strong convictions precede great actions.'

James Freeman Clarke

Most successful people in general, as well as entrepreneurs, have had to take a leap of faith in their venture at some point to avoid defeat. They have to go the extra mile when all else seems lost. A well-known and powerful little poem best illustrates this point:

If you think you are beaten, you are;

If you think you dare not, you don't;

*If you'd like to win, but think you can't it's almost a cinch
you won't;*

Life's battles don't always go to the stronger or faster man;

*But soon or late the man who wins is the one who thinks
he can.*

Walter D. Wintle

As an entrepreneur, there will be many times when you will have to have to demonstrate faith in your idea, your colleagues, your family and yourself. But you will need to go beyond the logical acceptance of the need for faith to actually finding it – it is not a tangible thing. Faith requires that you reflect and consider your position and then continue against all the logical evidence because you believe in your dream.

Do not confuse belief with faith.

'Faith is not belief. Belief is passive. Faith is active.'

Edith Hamilton

7 Integrity

'The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office.'

Dwight David Eisenhower

This may seem a less obvious trait in the list but I believe it's one of the most powerful ways to succeed in the long term.

As the life of an entrepreneur is a long term game, it pays to live your life by strong principles and not to compromise these in order to achieve your goals. 'You get what you give' is one of my touchstone phrases and a great mantra to live your life by.

You will have many opportunities take shortcuts along the road to entrepreneurial success but it rarely pays to do so. Those that are honest and treat others with respect and fairness will be the ultimate winners. Experience has taught me that people will follow a person with true integrity into the wilderness and beyond, whereas a leader without morals will soon be alone when the money runs out.

8 Adaptability

'All fixed set patterns are incapable of adaptability or pliability. The truth is outside of all fixed patterns.'

Bruce Lee

A truly successful entrepreneur is totally flexible in the achievement of their outcome. They are receptive to change, can adjust perceptions, goals or action based on an assessment of new information.

One of the great benefits of a small or early stage business is the ability to change rapidly, often much faster than the competition. You may have to change your basic idea based on customer feedback. You may have to rethink the way you deliver a product; your go-to-market strategy; your sales method or one of the many of the other factors that affect success. The people involved in the journey with you will also need to change and adapt with you, the entrepreneur.

Coupled with adaptability is versatility. You will need to be capable of dealing effectively with many subjects or tasks at the same time, along with being able to assume different roles, and to switch back and forth as required.

9 Courage

'Success is not measured by what you accomplish, but by the opposition you have encountered, and the courage with which you have maintained the struggle against overwhelming odds.'

Orison Swett Marden

As an entrepreneur, you will need to be able to face your fears and take action. You will have to overcome countless odds and believe me; it will pay to have nerves of steel. So many

people fail when they are required to show their mettle. In order to succeed you need to be able to find the internal resources to make the tough decisions along the road.

Successful entrepreneurs will often have had to give up their jobs to embark on a new venture. Deciding to risk the unknown, at the expense of a regular salary and benefits such as health insurance, pension plans and paid vacations takes immense courage.

In addition, the prospective entrepreneur frequently has to face friends, family, and maybe a spouse who do not always understand or support his or her desire for self-employment, with all its risk and uncertainty, and its drain on their time, energy, and resources. With sustained courage and conviction, you'll be surprised at how often things work out even better than you had ever expected them to.

10 Communication

'Certainly a leader needs a clear vision of the organization and where it is going, but a vision is of little value unless it is shared in a way so as to generate enthusiasm and commitment. Leadership and communication are inseparable.'

Claude Taylor

All of the traits we have discussed in this session would be pretty redundant without the ability to get your message across to all the relevant parties. If you cannot inspire, enthuse, motivate and excite people about your dreams then they will be much harder to achieve.

Excellent communication skills are critical in enabling you to interact well with people of varying personalities and values,

many of whom will not necessarily share your passion or motivation. You will need to communicate yourself out of the many roadblocks you will meet along the way, from financing and legal issues, to recruitment, and to simply helping people ‘get’ your idea. It all requires your ability to communicate effectively.

INSIDER TIP

Selling and great communication abilities are not a “dark art” for people who love to talk. I am an introvert who had to teach himself to sell and to talk to people persuasively and you can too, there are lots of great books, DVDs and inexpensive courses on the these topics.

Don’t worry if you don’t feel like you have these skills, you can easily learn them!

As such you must also be a consummate sales person. You must be able to use words and explain concepts effectively and persuasively, both verbally and in writing. You also need the ability to present proposals clearly to influence bankers or investors to supply money. Your communication skills will also be called upon in your dealings with employees, to help them understand the exact nature of their job and the results you expect, and also to encourage customers to buy from you.

The candidates most likely to be successful entrepreneurs will have some or all ten of the traits discussed—how do you measure up? You are not expected to possess a complete and polished set from the outset but, can you see yourself with these characteristics or do you think you could learn them?

I suggest you now think about your quiz results again now that you know the different areas the questions relate to. Thinking about these traits; now do you feel you can integrate them into your life? Whether you ultimately see yourself as an entrepreneur or not, you will undoubtedly find they boost your personal and professional success.

Find a copy of all the lessons and forms for you to use on our website www.tobeanentrepreneur.com

Lessons

Based on your learning of these entrepreneurial traits, complete this checklist:

How you measure up (rank from 1–5, with 1 being least like you and 5 being a strong match to you)			
	Personality trait	Your answers	Jane's answers
1	Persistence		3
2	Confidence		4
3	Vision		2
4	Action		4
5	Dedication		3
6	Faith		3
7	Integrity		4
8	Adaptability		2
9	Courage		2
10	Communication		4

Now choose out of the ten traits which are the following:

Your answers:		
Least like you	More like you	Strong match to you

Jane's answers:		
<i>Adaptability</i>	<i>Persistence</i>	<i>Confidence</i>
<i>Courage</i>	<i>Dedication</i>	<i>Action</i>
	<i>Faith</i>	<i>Communication</i>
	<i>Vision</i>	<i>Integrity</i>

Notes

Refer back to the quiz at the beginning and now think about the ten traits and your ability to develop or work on areas you are less strong in.

In the box below make any notes that are relevant to you and what you have learned so far.

My notes on what I have learned:**Jane's:**

*Poor on adaptability and courage. Not sure how that will impact me.
We'll have to wait and see!*

Once again don't give up if these things look difficult for you – add them to your formula for success. Be positive. If you are not happy with some of these things, note them down – then do what I do; find the additional resources to complement your skill set when the time comes.

Now let's consider some other entrepreneurial qualities.

Of course, it's not as simple as ticking the box in a list of entrepreneurial characteristics in order to understand if you are ideal material!

Life is way to complex for that and so are entrepreneurs.

So to explore in more detail ask yourself the following:

Are you the type of person that likes to bend the rules?

I often find (as has research) that entrepreneurs like to 'change the game'. They like to re-make the rules to give them an advantage. I find myself doing this all the time. For example, if a big company gives me an order and insists

on their terms of business I will always try and make them compromise in a way that suits me, like faster payment terms. Most corporate-minded people wouldn't think it possible with a big company, or just wouldn't bother asking.

You will find again and again that you will need to be looking for ways to buy at a better price, to agree better terms or win an order against the odds. Another good example is when I secured an order with a big corporate and I didn't even have an office! I made a great website, talked the talk, looked good and gave a strong presentation as to our company's skills (which I truly believed in, by the way) – and all while we were a start-up with nothing behind us. That's 'chutzpah', or bottle, and you will need it to win if you plan to build a business against the odds.

INSIDER TIP

Don't be afraid to re-shape the world as you see it to suit you. Many people feel like they have to do things like they used to when they worked for another company or they are shy about getting better terms when working with bigger companies.

Don't be – they are not better than you, you make the rules now, do business in the most advantageous way you can.

Don't forget this may not be you; you may have a team member who can do this for you.

Are you prepared to bootstrap your business and grow patiently?

Time and again I have started a business with little or no money. Even now that I do have money I still don't

waste any of it; I always bootstrap and start slowly. This can be very frustrating, but a lean approach will always pay off because it breeds prudence and patience, helping you build a truly sustainable business and outlast the competition.

This becomes even more relevant when you think about how many people have to borrow or sell part of their company to grow – the less you borrow or sell the faster you will make a profit and the more you will own of the business when it's a success.

Do you have the guts to find the funds when you are up against it? Many times I have had to get a bank loan, borrow up to my limit on credit cards or sell a favourite item to keep the cash flowing—will you do that when your back's against the wall?

INSIDER TIP

Many people forget that not only do you need to be good at selling, you also need to be great at buying and negotiating with suppliers. Great entrepreneurs are often as good at this (i.e. saving money) as they are at promoting their businesses.

“Every penny saved is a penny earned”.

Are you prepared to take on the ‘big boys’ to win?

Once again you will need courage and maybe even a little bravado. I often find myself playing David in a market full of Goliaths. I personally love this as it gives me an ‘angle’ when approaching new clients, i.e. as a smaller player I’m ready to serve and assist my new customers more effectively than the slow and inefficient competition.

Now don't get me wrong, I rarely try and provoke the bigger and meaner competition. Usually I look for a chink in their armour – maybe a niche market they have under-served or overlooked. All the while I exploit my position to get customers to choose me over a bigger rival, using a range of tactics from clever public relations to being able to undercut on price. I'm never afraid of taking on bigger competitors. In fact, it's often part of a strategy to make them buy me out of a market as I have become a thorn in their side!

INSIDER TIP

Make sure you do detailed 'homework' on your competitors. Many people are lazy and don't take the time to fully understand the competition and therefore often miss great opportunities or get easily crushed.

Are you prepared to be flexible and reshape your dream based on customer reality?

Many people work so hard on a particular dream business idea, they become wedded to it. I have found this to be a big mistake. Almost all of my business ideas have had to change at least once after I have gone out and spoken to real customers. In one example, I started a business based on an idea I had gleaned from a business trip in the US in the pre-internet days, called 'fax on demand'. It was very popular in the US and I thought I could do the same in the UK, so I launched a business and bought all the expensive gear. After a year of only having sold a few systems, all I got from customers was, 'that's nice, but what about this new internet-stuff?' So one painful day I disposed of all the expensive gear, changed the name of the business and

started out down the path of a web design . . . and a pretty successful business it was too.

Now if I hadn't made the expensive decision to give up on my first idea and respond to customer demand, I would have gone out of business rather than building a successful one. You must be prepared to try an idea in the real world and keep tailoring it until you find the right formula for your customers. Become totally focused on satisfying their needs and not your own ego and you will have a much better chance of success.

One of the great keys to business success is to constantly read the market and make sure you steer your 'ship' along with the greatest flow of opportunity.

Don't be afraid to give up older ideas and markets to pursue new ones, otherwise you massively increase the risk of failure.

Can you get knocked down and keep getting up?

One of the hardest things for new entrepreneurs is the constant 'no, no, no . . .' you will hear from everyone about everything! People will reject your idea, your plan, your phone calls, your pleas for money or help. You will get knocked back more times than you will be able to remember. You will need to endure this, day in day out, and still be able to get back up and try again the next day. The chances are, one day you will fail all together and your business will no longer exist. Will you be able to get started again – get back on the horse?

Remember, it's not all bad, If you are persistent enough you will find lots of people willing to listen, help you and push you towards your dreams – but you will have to fight to convince those people.

Will you be a fighter and roll with the punches?

Being persistent is critical to any form of success but if you are in a startup it's more important than anything else in my view.

What's great about it is that you don't need to learn it, you simply must 'decide' that you will make your dream work no matter the odds.

After that it's quite easy – don't give up and you will come out the winner!