

For Entrepreneurs Only....

**Q. *IS RUNNING YOUR OWN BUSINESS
RIGHT FOR YOU?***

**A. *THE THINKING ABOUT
STARTING A BUSINESS TOOLKIT***

THE THINKING ABOUT STARTING A BUSINESS TOOLKIT

BUSINESS HEROES

The following business people contributed to this Toolkit. They gave their time and energies for free in order to help you decide whether running your own business is right for you.

So a great big thank you to them all.

Andrew Bellamy, Synetix
Tony Burpee, Applied Cytometry Systems
David Bullard-Burton, Batoyle Freedom Group
Kate Carter-Brown, Karate-Kids
Jonathan Elvidge, The Gadget Shop
Hugh Facey, Gripple
Owen Gleadall, ITC (EPOS) Ltd
Chris Haskins, Northern Foods plc
Dr Simon Haslam, FMR Research
Clive Jenkins, Jenx
Simon Keats, North Staffs Caravans
Tim Klemz, Compact Engineering
Tim Mason, White Rose Security
Peter Merchant, Trilogy Foods
Adele McGee, Inspire Training and Consultancy
Louise Oliver, Taylor Oliver Partnership
Wayne Rowlatt, Kwok Foods
Mike Sanders, MSSR
Catherine Speed, UPCO
Dr Mike Unwalla, TechScribe
Dr Simon Ward, Molecular Skincare
Dick Watson, Keepmoat Plc
Sheila Woodall, Thorncroft
Simon Woodroffe, Yo Sushi

Introducing For Entrepreneurs Only.....

For Entrepreneurs Only is a group of successful entrepreneurs based in Hull and the East Riding of Yorkshire. Their mission is to help people start and grow businesses in Hull in order to boost the local economy. FEO are people who have been there and are still doing it.

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THE THINKING ABOUT STARTING A BUSINESS TOOLKIT

1. INTRODUCTION

IS RUNNING YOUR OWN BUSINESS RIGHT FOR ME?

Many people dream of working for themselves, being independent, free and having fun. For the majority it remains a dream because we have no way of knowing whether running a business is right for us. Then it is too late and we wonder what might have been..... this is very very frustrating.....

Well now you can find out for yourself whether you have got what it takes to run your own business.

You don't have to take any risks or change your current situation all you have to do is to work through this Toolkit systematically.

You work through the Toolkit yourself and on completion you WILL know whether running a business is right for you.

So if you want to transform your dreams into reality then get started on the Toolkit right now!

WHY WAS THE TOOLKIT DEVELOPED?

I guess the reason you are reading this now is you know you have something that most have not. You know you want to create your own business and perhaps not only prove to yourself but to others that you have the guts and ability to run your own business.

Being in business means you are prepared to proceed even with unanswered questions staring at you as you set off. This Toolkit will help fill in some of those blanks and further confirm your belief that what you are about to do is absolutely the right way forward for you.

The Toolkit encourages you to think and act like a successful business person. It helps you to understand the importance of completing some key business tasks.

Successful business people, who have been there and done it, designed the Toolkit. This helps you learn from them to ensure you don't make the same mistakes, you get down the road to success much quicker and most importantly with less risk. Advice and quotes from successful business people are included in this Toolkit.

WHAT WILL THE TOOLKIT DO FOR ME?

It provides you with tools to help you think about the critical aspects of starting and building a successful business. These tools will help you to turn your dream into reality. It may also help you decide whether starting a business is for you.

DO I NEED TO WRITE A BUSINESS PLAN?

Not yet. You may decide you need to later on, when you have the information you need from this Toolkit.

HOW MUCH TIME DOES IT TAKE TO COMPLETE THE TOOLKIT?

The Toolkit was designed to be completed in 90 days if you work for one hour a day. However, you can spend as much time as you are prepared to devote to finding out if starting a business is right for you.

DO I NEED ANY FORMAL BUSINESS TRAINING?

No!

2. GETTING STARTED

The Toolkit provides a resource to enable you to think about whether you want to start and build your business.

If you really want to be successful in anything the key is **PURPOSEFUL PRACTICE**. You need to practice those things which make you successful. This Toolkit provides you with the opportunity to practice some simple business skills to see if starting a business is right for you.

You would not want your car maintained by someone who had never trained to do the job to take advice from a 'doctor' who had never been to medical school. The same is true in business – if you want to be successful you need to practice. There are no shortcuts or easy ways, it is just hard work.

However, as in most things in life you get out what you put in.

So if you want to reap the maximum benefits for your business then work through the Toolkit diligently.

Each section of the Toolkit invites you to try things out, to step outside your comfort zone in order to develop your business and yourself.

Each section has a short bit of reading to create **AWARENESS**, which is the wisdom of successful business people.

Sometimes you are invited to take **ACTION** by undertaking a simple task.

Completing the Toolkit will provide you with new **INSIGHTS** about starting your business, which will contribute significantly to your action plan.

There are also direct business quotes, and examples, together with signposts to more help.

Business people do it differently; they get on and do things whilst others just dream about it.

The Toolkit has the following sections:

1. GETTING INTO THE ZONE

You need to think and behave like a successful business person. This section aims to explore and install the business mindset and practises, which are critical for success.

2. CREATING SUPERIOR OPPORTUNITIES

Spotting and developing a profitable opportunity. This will help you to translate your idea into a superior opportunity in order to create a valued business.

3. STORIES

You can interview experienced business people and pick their brains. This invaluable wisdom can then be used to develop your business.

4. MONEY

Calculating your personal expenditure pattern and how to manage it so that you quickly move out of survival mode. Secondly, working out the funding needs of your business and how to raise the funds.

5. PURPOSEFUL PRACTICE

Several simple activities to help you to experience the key business skills and attitudes required to start and build a business.

Do you have what it takes? Complete the Toolkit and you will find out!

6. PEOPLE

A simple self-assessment together with an approach to networking with people who can really help you and building a network of trusted supporters.

7. DECISION TIME

Is starting your own business right for you?

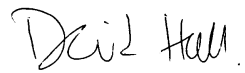
8. NEXT STEPS

What to do next once you have completed the plan

Are you ready to join the innovative band of business heroes?

Don't just dream it, do it!

Good Luck,

A handwritten signature in black ink that reads "David Hall". The signature is written in a cursive, slightly slanted style.

David Hall

TEN MYTHS ABOUT BUSINESS PEOPLE

Myth 1 Business people are born not made.

Reality Business people serve an apprenticeship acquiring skills, contacts and experiences often over a long period to enable them to start their business. This includes large doses of personal development.

This is the reason this Toolkit was developed.

Myth 2 You need to use formal business techniques such as market research, financial analysis and business planning to be successful in business. This is left brain rational thinking.

Reality Business people spot superior opportunities then work hard at marshalling the resources they need to set up their business and build their skills in order to create a valued business. This is right brain creative thinking.

This Toolkit focuses on and develops your right brain creative talents.

Myth 3 Business people are risk takers.

Reality Business people do take carefully calculated risks. They then spend a great deal of time and energy in doing all they can to minimise those risks.

Myth 4 Money from a bank is the biggest blockage to starting a business.

Reality Cash is not normally a real blockage. Eighty per cent of start-up capital is from personal savings, 30 per cent from family and friends and only 15 per cent from the banks. Note: More than one source is used in most cases.

However, raising money can be a problem for high-tech start-ups that require large investments up-front. If you have a superior opportunity, raising money should not be a problem.

Myth 5 If a business person has sufficient capital he or she cannot go wrong.

Reality The opposite is true. Too much money can encourage a lack of discipline that can lead to impulsive spending which normally creates problems.

Myth 6 Any really good idea can be turned into a successful business.

Reality Business people understand the difference between an idea and an opportunity. An idea is something they are personally passionate about. An

opportunity normally solves a customer's problem. This is why we encourage you to develop superior opportunities.

Myth 7 Business people are egotistical, independent and are their own masters.

Reality Yes they are egotistical and independent but they actually can choose to serve many masters, including shareholders, customers, creditors and their own families. It is also extremely rare to develop a business to more than £1 million single-handedly.

Myth 8 Starting a business is risky and often ends in failure.

Reality Most businesses that end cease trading, they do not fail. Less than 2 per cent actually go bankrupt. Businesses fail, business people do not.

Myth 9 Business is about planning in detail, following a well proven detailed logical approach to starting a business.

Reality There is no proven logical approach to starting a business! Business is about passion, guts, bravery, energy and persistence and solving problems as you go along.

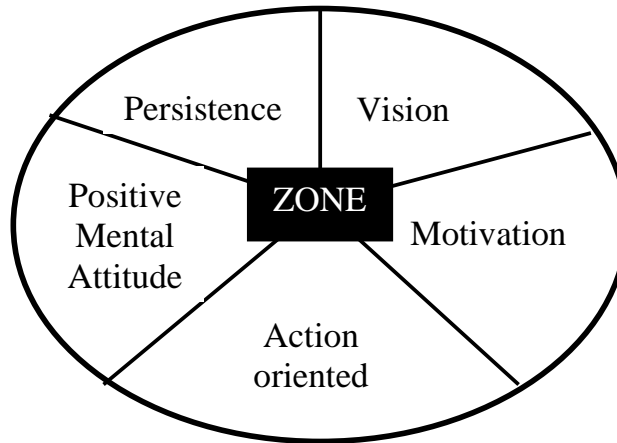
Myth 10 Running a business can consume all your time.

Reality True! If you are successful it takes lots of time and if you are struggling it takes even more of your time! It's also why we encourage you to develop your goal directed energy.

1. GETTING INTO THE ZONE

In order to become a successful business person you need to learn how to think and act like one.

The business mindset has five segments, which when added together will provide the foundation for your success.



1.1 VISION

What:

- A clear picture of what you want to create in the future, which turns your dream into a reality.
- If you can't imagine it you can't create it.

Why:

- Keeps you focused – keep your eyes on the prize!
- Enables you to prioritise and plan.
- Provides the inspiration and passion to keep you going, particularly during the tough times.
- *“Compelling vision allays fear of failure”, Dr Simon Ward.*

How:

- If you haven't already got a vision there are several ways of creating a vision, pick one that suits you:
 - A. Imagine your business as a success in 'x' year's time. What will be happening for customers, staff, you? Try to think about it in detail and write it down. Don't worry if it sounds corny you can shape it up later. Dick Watson of Keepmoat plc used this approach.
 - B. Write an article for the Financial Times about your business success, as you would like it to appear in 'x' years time. Simon Haslam of FMR Research developed this idea.
 - C. Brainstorm ideas with trusted friends or family. Get some energy and inspiration going. Write them down and then refine them. Simon Keats of North Staffs Caravans found this approach really helpful.

Example

Simon Haslam's vision was to help organisations to become more successful by understanding their customers better. He wanted to build a business to £1m sales with a team of no more than 3 people and to have a bit of fun. He also wanted to create enough money so that he didn't have to worry about it again!

"I always have to find my personal core values or drivers and construct my vision around making them possible or enhancing them further", Clive Jenkins.

- The next step is to test your vision. Be brutally honest with yourself.
 - Q1. Does your vision really inspire you to want to create it?
 - Q2. Will it serve as a guide to enable you to prioritise your actions?
 - Q3. Are you able to map out broadly what you need to do to achieve it?

If the answer is yes to these 3 questions then write your vision here:

In 'x' years time my customers will...

E.g., have granted me preferred supplier status

.....
.....
.....

In 'x' years my staff will...

E.g., be producing results beyond my expectations

.....
.....
.....

In 'x' years time I will...

E.g., not have to worry about money

.....
.....
.....

Tip:

Write your vision down and take it with you everywhere. Use it to inspire customers, staff and investors to want to work with you.

1.2 MOTIVATION

What:

- The energy and inspiration to achieve your goals.

Why:

- Successful business is a high-energy process, without which nothing much happens.
- Business people need to stay motivated particularly when the going gets tough.
- If you are not motivated you won't inspire and lead others in your team.
- *"Business people are always on which takes energy beyond what you believe you have. Self motivation and belief provides this for you", Dr Simon Ward.*

How:

- Motivation is the most over-researched but least understood topic in business. There is no magic formula.
- However, here are some tips from successful business people, which you can try out for yourself:
- *"Break things down into mini milestones and check them off as you achieve them. Small steps measure progress and help you build momentum that is easier to sustain. Achievements will make you feel good", Dr Simon Ward.*
- *"Link your motivation to something you are proud of. Pride is a fantastic source of energy and drive", Dick Watson.*
- *"Keep your eyes on the prize. Keep reviewing your vision and thinking and feeling how fantastic it will be when you are a success", Wayne Rowlett.*
- *"Create a cause. Make the achievement of your goals really worthwhile and link them to your personal values", Dr Simon Ward.*
- *"Your vision does not have to include others, it can be as simple as my business will be so successful that by the time I am 'x' years old I will be able to sell and retire on the proceeds", Kate Carter-Brown.*
- *"I keep reminding myself of my personal motivators and that re-energises me", Clive Jenkins.*

These will be either move away from a bad experience e.g., *(I have been poor once and don't want to be again)*. Simon Woodroffe of Yo Sushi used this mantra to drive him forward. (www.yosushi.com)

Or

Move towards a dream e.g., *(I want to be renowned for solving the problem of 'x')*. This was Hugh Facey of Gripple's driver. (www.gripple.com)

Or

Move towards personal freedom e.g., *(I want to be in charge and dictate where and when I work)*. This was Kate Carter-Brown of Karate-Kid's motivator. (www.karate-kid.co.uk)

Write down your motivators here:

- 1.
- 2.
- 3.
- 4.
- 5.

Refer to them regularly.

How do you top up your energy levels and strengthen your motivators, because dealing with energy vampires (bureaucrats) can deplete your motivation. You need ways to top it up:

- *“Exercise hard, this builds strength and stamina which is often understated and gives headspace to reflect along on events”,* Sheila Woodall.
- Take time out to do something you really enjoy. (David Burton of Batoyle goes Clay Pigeon Shooting weekly to top up his energy).
- *“I ride my motorbike! The necessary concentrations shuts out all other thoughts and my mind is blanked, ready for re-boot!”*, Dr Simon Ward.
- Talk to successful business people – they will revitalise you. (This always tops up my energy).
- Get a trusted mentor and energy source, call them up and ask them to re-energise you. (Catherine Speed of UPCO uses this method).
- Read a biography of a successful business person or an autobiography of a sports person who has achieved huge success in their respective field. (Jonathan Elvidge of The Gadget Shop used this approach).
- Kate Carter-Brown goes surfing which she describes as *“a childish, no thought required hobby that leaves me clear to think outside the box”*.

1.3 ACHIEVEMENT AND ACTION ORIENTED

What:

- Competing with yourself to achieve your goals and constantly improve.
- Taking action quickly.

Why:

- Having power over people motivates corporate managers; others want to be loved by their staff. Business people are driven by the need to achieve results.
- Business is a high-energy immediate process. Anything which slows it down de-energises business people.
- Speed is often the basis of competitive edge against larger competitors.

- Business people set themselves targets and stretches themselves to achieve them. They seek feedback on how they are doing and are also striving to improve. This competition with themselves is a characteristic of all high achievers.
- *“If you feel overwhelmed then prioritise, break the jobs down into small parts and get out the spanner and deal with one nut and bolt at a time”, Clive Jenkins.*

Task 1:

Set yourself daily targets and goals and at the end of the day review your success rate.

Q. Were you successful?

R.

Q. What did you learn?

R.

Q. How will you improve on today?

R.

Try completing a diary outlining the above for 30 days. If you can keep it up it will become a very good business habit. Good luck!

- ‘Just do it’ is the business person’s mantra! Big business managers analyse, attend meetings, talk about it, and make detailed plans... *“They are looking for perfection whilst you are looking for a result now”, Sheila Woodall.*

Meanwhile business people just get on and do things and steal the corporates business!

Business people know that action leads to one of two outcomes – success or learning. Both are positive and are valued by business people. How action oriented are you?

Q. *Have you completed the vision and motivation sections yet? If not do them now! Practice getting into the habit of picking up the phone, getting in the car, emailing people - just doing it.*

Gut instinct is one of the best business skills – trust your own judgement. Kate Carter-Brown was told that she could not open a martial art supplies store as there was ‘no call’ ... her gut instinct told her otherwise, and Karate Kid Limited is now the largest online martial art store in the UK.

“Do things as they arise – you will be ahead and never miss an opportunity. Filing cabinets and in-trays are the treacle of success”, Dr Simon Ward.

How:

Task 2:

- Commit for one week to taking action much quicker than you normally do.

As you do things make a note of the outcomes e.g., success or learning

<i>Actions</i>	<i>Success</i>	<i>Learning</i>
1.		
2.		
3.		
4.		
5.		
6.		

Review after one week. What did you learn from the experience of action taking?
Things are never going to be the same again are they...?

1.4 POSITIVE MENTAL ATTITUDE

Business people always see the cup half full. They have a positive mental attitude, which they are able to maintain even through turbulent times.

What:

- A positive attitude to the business, themselves and everybody around them.

Why:

- Success in most endeavours is determined by people's attitudes, not just their skills – same with business people.
- It helps to maintain energy levels, stay persistent and move forward.
- It's very inspirational to others around you when you stay positive. Customers buy passion and commitment, so do staff and investors.
- *"Positive attitude is the next best thing to a Kevlar Jacket", Dr Simon Ward.*

How:

Here are some ways to maintain a positive mental attitude

- *"I always use the mental evaluation at the end of the day i.e., what did I do, how did I do it, what could I have done better. I find this helps to improve my performance and reinforces my momentum", Peter Merchant.*
- Keep your eyes on the prize – your future vision.
- Plan to reduce risks and problems by trying to anticipate events.
- Practise mental rehearsal. Tony Burpee of Applied Cytometry Systems practises negotiations in his head, so when he gets into a negotiation he is well prepared.
- Reframe negative experiences into positive. Simon Woodroffe of Yo Sushi realised it takes 7 calls to get an appointment, so when he has made 5 he punches the air – only 2 more to go. This changes a negative into a positive.
- Regularly replay in your mind those times you were successful and were proud of yourself. Focus on the positive not the negative.

- If things go wrong you need to recover from the experience quickly. Try saying to yourself “that’s not like me – it’s a one off. Let’s get back of track”.
- Stay in the here and now. Don’t worry about the past or the future, you can’t do a lot about them.
- *“If I am flagging I go back to basics and design something (which I love). This helps me to circumvent problems rather than beat myself to death”, Clive Jenkins.*

3 more gems from Dr Simon Ward:

- *“Be prepared. Louis Pasteur once said, ‘Chance favours the prepared mind’. Being prepared is a natural positivity.*
- *Believe in yourself. You’ve come this far; the next step is only one step away.*
- *Tell your friends about your venture. You’ll be amazed at how ‘in awe’ they are! Then talk to an entrepreneur, just to be sure you’re not slipping into insanity”.*

Task:

For one month use any of these approaches daily in order to build your positive mental attitude.

At the end of month ask someone who knows you well to give you feedback on any changes in you they notice.

Celebrate success!

Suggested Read:

‘Success through positive mental attitude’ by Napoleon Hill and Clement W. Stone, HarperCollins.

1.5 PERSISTENCE

One of the qualities most people recognise in business people is their persistence and resilience “when the going gets tough the tough get going, and the business person hangs around and solves it”.

What:

- Persistence is about overcoming resistance over time. It’s about keeping going in order to achieve your goals despite setbacks.

Why:

- The two enemies of persistence – resistance and distraction can block your progress towards your vision, unless they are managed.

How:

Persistence strategies business people adopt include:

- If it works keep doing it... Wayne Rowlatt of Kwok Foods developed a personal mantra “failure is not an option”.
- Use sheer energy and will, to overcome it. This is how Mike Sanders built MSSR.
- Use options thinking to find ways around resistance i.e., what if we did x, y or z... Tony Burpee of Applied Cytometry says “if plan A does not work we dream up plan B, then C until we get the result”.

In order to deal with distractions business people learn to keep their eyes on the prize.

They use this process:

- | | | |
|-------------------|---|--|
| <i>Prioritise</i> | - | What should I focus on right now? |
| <i>Sequence</i> | - | What is the first step? |
| <i>Delete</i> | - | Delete everything else until the priority is achieved. |

Task:

Practise for one week every day; prioritise – sequence – delete. Start the day with it.

After one week review:

1. Were you able to sustain the discipline? Y/N

Q. How did it feel? EASY/DIFFICULT/NO DIFFERENT

Q. *Can you build the discipline into your daily routine? YES – carry on in the same vein. NO – write down the blockages. Make an action plan to remove them and then practise for another week.*

Business people have personal strategies for staying persistent; here is one of mine:

“If I get up one morning and it’s raining and I have a two hour drive to see a customer, then a voice inside my head often says ‘stay in bed’. I call this voice one. Another voice interrupts: ‘now come on you know when you go you are always pleasantly surprised with the results you get’. When I am driving home having been successful, the same voice reinforces my persistence with ‘I told you so!’ This is voice two”.

Positive self-talk is a powerful tool used by successful business people. They ensure that voice two influences them more than voice one!

Ray Kroc the founder of McDonalds summed up the critical nature of persistence to business people:

“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; un-rewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent”.

1.6 SUMMARY

Clearly the components of the zone are strongly related. It should be seen as a whole as opposed to several disconnected ideas.

When you are able to use the five concepts together you can enter the zone and then you will fly.....

The zone is a place where you are able to focus on your key goals without distraction. You are highly effective and enjoy what you are doing. You can easily overcome problems and are not concerned with the past or the future, you are here and now. Your concentration deepens and you produce results beyond your expectations. When you look at your watch you are surprised to see that time has flown.

"I actually gave up wearing a watch when I founded Molecular Skincare – it was too distracting and often shocking to clock the hours in 'real-time'. Once this venture has had enough of me and I exit, I have promised to buy myself a watch with the proceeds. But I already know I will ditch it again when I find a new venture to start up!", Dr Simon Ward.

"When I am in the zone I am flying, operating at my best", Catherine Speed.

"I am able to achieve anything, failure never enters my head", Wayne Rowlatt.

"When someone says 'you can't' I go right ahead and do it – I can, just watch me", Kate Carter-Brown.

Q. Can you now get into the zone? If so, then fly...

1.7 GETTING INTO THE ZONE – SECTION REVIEW

- How did you do?
- Were you able to get into the zone?
- What have you learnt about yourself?

Getting into the zone – rate yourself out of 10 for doing this successfully:

1 = Awful

10 = Excellent

My personal rating

Are you motivated to move to the next section?

2. CREATING SUPERIOR OPPORTUNITIES

What:

Opportunities are the spark that ignites the business flame.

Business people understand the difference between an idea (something that interests them, often the same as existing products and may not solve a customer's problem) and an **opportunity which is something that solves a customer's problem for which they will pay.**

In order to build a valued business, business people create superior opportunities.

Task:

Tick if it applies to you

Do you have an idea or a superior opportunity?

- | | |
|---|--------------------------|
| 1. In a growth market | <input type="checkbox"/> |
| 2. Solves a customer's problem, for which they will pay your price* | <input type="checkbox"/> |
| 3. High sustainable profits | <input type="checkbox"/> |
| 4. Enjoys a sustainable competitive advantage | <input type="checkbox"/> |
| 5. Attracts media and investors interest | <input type="checkbox"/> |

* Note – 95% of businesses solve customer's problems, 5% are the result of technical research which are then translated into commercial applications.

If you want to become a successful business person then your challenge is to build a valued business by creating a superior opportunity.

Why:

- 'Raising funds is the main problem', according to 70% of new business start ups. However, this is a symptom of not having superior opportunity. Why should anyone invest in a new business that is just the same as what already exists and does not solve a customer problem?
- It is much easier to marshal resources in order to build a valued business.
- Normally generates cash and profit quickly.

How:

We found that successful business people use the following process to create superior opportunities.

As you read the process reflect on how much of it applies to your approach to building a business (either planned or already completed).

Be brutally honest with yourself, and then take action to follow the process:

Step 1

You have worked in an industry sector for 10 years gaining knowledge and invaluable experience of what works, the tricks of the trade, who's who and how to make or lose money. You will have built up a network of people within the industry of important contacts. You may have been accountable for the performance of a team and have enjoyed success but also learnt from wrestling with business problems. The experience may have shaped your personal values and dreams of developing your own business.

Step 2

Whilst serving your apprenticeship in your industry you will have noticed things that could be improved or problems that you think are worth solving or opportunities that could be taken. Maybe your employer encouraged you to have a go and take the opportunity, which will be an invaluable experience to you right now.

Step 3

In working for someone else you built good relationships with some customers (or you can use your networks to get you in front of some). You select attractive target customers i.e., growing, strong relationship, willing to work with you etc.

You set out to try to identify any problems they have which you could help them to resolve.

Typical ***problem seeking questions to ask a potential customer:***

- What are your basic priorities right now?
- What problems do you face?
- What improvements would you like to see?

- What issues are you currently wrestling with and would like to resolve?
- What are you working on right now?

Tip:

A test of the quality of your relationship at a point in time is whether they are willing to spend time with you and to talk openly about their real business concerns. You may have to invest some time to build your relationship with them.

If you complete the problem seeking process well you should be able to identify some problems that you are able to work on.

Your challenge in asking the question is to get your customer's to say, "if only somebody could solve the problem of 'x' my life would be so much easier..."

Task:

List here the questions you need to ask to spot a customer's problem.

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Now go and try them on customers to see which work.

"I was manufacturing wire like everybody else. One day I noticed a customer had cut hands and he said 'if only somebody could find a way of fixing broken wire (fences) quickly, cheaply and safely they will get very rich'! So we wrestled with the problem, came up with several prototypes and eventually developed the Gripple and the rest is history".

Hugh Facey - Gripple

Step 4

You select a problem which matches your interests, experiences and meets your business needs. You offer to work on the problem with the customer and then invest time to find a solution.

Your challenge is to find a solution QUICKLY. Speed is everything in this process. You need to appear very helpful, to delight them and to show genuine interest in their problems in order to build trust and to have a chance of replacing existing suppliers.

Clearly you pick problems with a chance of success which could lead to significant profitable opportunities for you.

Andrew Bellamy of Synetix spent 5 months with Air Products in the USA (a target customer) asking problem seeking questions. *“The result was a multi million pound joint venture which we are now selling to other customers”.*

“When my customer’s said they had problems with suppliers and I offered to help and my production team complained how difficult it would be for them, I knew I was onto a winner. I also knew my customers would love it and my competitors would not be bothered. That’s how I built my business by solving customer’s problems, creating goodwill and then building my sales with them. It just works”! Wayne Rowlatt.

Your challenge is to get a target customer to say, **“if only somebody could solve the problem of ‘x’ they would get very rich”!**

Step 5

If you have done your job well and delighted your customers you should be in a strong position to sell them more and to develop a strong long-term partnership.

“If it’s a really strong proposition then make sure you patent it”, Peter Merchant.

“Once a customer has been found never leave them to find their own solutions. Always try to be one step ahead as a suggestion acted upon is likely to be more profitable than a request, which has already been priced up”, Tim Klemz.

Step 6

You take the solution you developed for your target customer and go and sell it to others, who have similar problems.

Hugh Facey solved the broken fence problem for one customer in Australia and then sold his new patented solution (The Gripple) all over the world.

This step is about translating your solution into your superior opportunity, which you sell to others.

Forty years ago Northern Foods did little business with Marks and Spencer. Chris Haskins met a buyer from M&S who complained that they were having real problems with their suppliers of trifles. Haskins offered to solve the problem and did so very quickly. *“We worked 24 hours a day for 3 days and solved the problem. M&S loved us and placed a big order. Today we are the largest supplier of anything to M&S”.*

Chris Haskins, Northern Foods.

Task:

YOUR PROBLEM SEEKING PROBLEM SOLVING PLAN OF ACTION

1. *Core skills/experiences*

List your core skills/experiences, which you are proud of here:

- E.g., what can you uniquely offer customer’s i.e., good relationship builder.
-
-
-

2. *Target customers*

A. Your criteria for selecting target customers are based upon the following

- E.g., good relationship, key influences in the industry etc.
-
-
-

B. Your list of target customers:

-
-
-
-
-

3. *Learning from experiences*

List here 3 business people you can talk with to find out their approach to problem seeking problem solving. This will also give you confidence to try it yourself.

- 1.
- 2.
- 3.

Go listen and learn from them.

4. *Problem seeking actions*

What questions do you need to ask in order to identify customer problems, which could become your superior opportunity?

- E.g., tell them the Hugh Facey, Gripple story and ask, “so if I could solve the problem of ‘x’ and really help you what would it be?”
-
-
-
-

5. Complete the following 'if only somebody could solve the problem of they would get very rich!

6. *Prioritise and fix*

Once you have a problem to work on then it's down to hard work and common sense. Just do it!

Examples of business people who have turned a customer problem into a superior opportunity and built a valued business:

- 1. Do the opposite** E.g., A car dealership asked people what they did not like about car dealerships and then did the opposite i.e., "we don't like pushy salesmen" so they got rid of them
- 2. Become the customer** Hanson's sales people sold Hanson products in B & Q stores to identify the problems B & Q had selling them and then solved them.
- 3. 'Go to California'** Go to a different country and steal a good idea i.e., Starbucks was started by a guy who went on holiday to Italy and set up a chain of similar shops in the USA.
- 4. Fusion** Put two things together that create something new i.e., Laundrymat + Billiard tables = new concept.
- 5. Copy substitutes** Snack Apple in Australia made apples look like coloured kids sweets.
- 6. Work back from the price point** Jeans company, Bugle Boy Industries, set up manufacturing in China to hit the price point M&S demanded.
- 7. Ask where can't you use it** E.g., Sony asked where you can't listen to music – developed the walkman.
- 8. One stop shop** Mothercare turned a chemist chain into a one-stop shop for kids.

CREATING SUPERIOR OPPORTUNITIES – SECTION REVIEW

- Do you now understand some real customer problems?
- Have you got that the critical point is that you start with customer problems and develop your offering to meet that NOT the other way around?
- Check out with trusted business advisors what they think of your opportunity.

Rate your business opportunity out of 10

3. STORIES

What:

Business people learn by listening to the stories of successful business people who have been there and done it. Battles fought, fears conquered, mistakes made, lessons learned...

All business people have stories to tell and if you ask them they will share their priceless wisdom with you, warts and all.

Why:

- Business people prefer to learn how to build a business from other successful business people. It is a major source of their learning, particularly the mistakes, the scary bits and the personal costs involved.
- You don't have to make the same mistakes as others; stories help you to reduce risk and achieve your dream quicker, with less pain.
- Business people find listening to other stories a major source of inspiration and passion and a great way to top up their energy; it often helps to see other ways of building a business. New ideas can arise out of the blue simply by listening to someone's story.

How:

Your task is to interview three successful business people who have made it. The process is designed to help you to collect and organise their wisdom in a manner, which will help you to develop your own recipe for success.

A key business skill is persistence, so get on the phone and call up some business people. Tell them you are building your business and would really value 30 minutes of their time (they will give you more!) to help you. Ask, "do you mind if I pick your brains?"

You should listen with humility and let them do the talking. Gently probe for examples or clarity if you don't understand something.

Make sure you write to them to thank them properly.

Don't be naïve and ask for any favours. You are there to learn not to beg for help.

Follow the structure set out in the worksheets completing one per interview.

At the end summarise the lessons you have learned and how you will use their experiences to help you to build your own business.

THE BUSINESS PERSON'S STORY – Interview 1

BACKGROUND

Name:

Business:

When they started:

What were they doing before they started:

The original idea:

How long did it take from idea to start-up?

Who or what was the biggest help?

What has given them the most satisfaction?

THE INTERVIEW

Q1. Tell me about your business from start-up, perhaps including the high and low points for you?

Q2. What experiences did you have which enabled you to start your business?

Q3. Why did you start your business?

Q4. What obstacles did you face and how did you overcome them?

Q5. What mistakes did you make?

Q6. Do you have a superior opportunity and how was it created?

Q7. How do you get and stay in the zone? E.g., persistent, motivated etc.

Q8. What is your recipe for success?

Q9. What key lessons have you learned which might help me?

Q10. Get some practical information e.g., what websites do they use, what magazines do they read, what networks do they belong to, what advisors do they use, which banks are entrepreneur friendly etc?

THE BUSINESS PERSON'S STORY – Interview 2

BACKGROUND

Name:

Business:

When they started:

What were they doing before they started:

The original idea:

How long did it take from idea to start-up?

Who or what was the biggest help?

What has given them the most satisfaction?

THE INTERVIEW

Q1. Tell me about your business from start-up, perhaps including the high and low points for you?

Q2. What experiences did you have which enabled you to start your business?

Q3. Why did you start your business?

Q4. What obstacles did you face and how did you overcome them?

Q5. What mistakes did you make?

Q6. Do you have a superior opportunity and how was it created?

Q7. How do you get and stay in the zone? E.g., persistent, motivated etc.

Q8. What is your recipe for success?

Q9. What key lessons have you learned which might help me?

Q10. Get some practical information e.g., what websites do they use, what magazines do they read, what networks do they belong to, what advisors do they use, which banks are entrepreneur friendly etc?

THE BUSINESS PERSON'S STORY – Interview 3

BACKGROUND

Name:

Business:

When they started:

What were they doing before they started:

The original idea:

How long did it take from idea to start-up?

Who or what was the biggest help?

What has given them the most satisfaction?

THE INTERVIEW

Q1. Tell me about your business from start-up, perhaps including the high and low points for you?

Q2. What experiences did you have which enabled you to start your business?

Q3. Why did you start your business?

Q4. What obstacles did you face and how did you overcome them?

Q5. What mistakes did you make?

Q6. Do you have a superior opportunity and how was it created?

Q7. How do you get and stay in the zone? E.g., persistent, motivated etc.

Q8. What is your recipe for success?

Q9. What key lessons have you learned which might help me?

Q10. Get some practical information e.g., what websites do they use, what magazines do they read, what networks do they belong to, what advisors do they use, which banks are entrepreneur friendly etc?

STORIES – SECTION REVIEW

Summarise the learning you got from listening to successful business people:

Q1. What common themes emerged from your interviews?

Q2. What new insights did you get about growing your business?

Q3. How has your thinking changed since you completed the interviews?

Q4. What will you now build into your business plan?

Q5. What else do you need to check out with successful business people?

Q6. When are you going to do Q5?

Now rate your understanding of what to do and what not to do in starting your business (out of 10).

4. MONEY

What:

In this section you focus on money.

Wonder where yours goes? If so, this section is for you. When you are in business knowing where it is can mean the difference between success and bankruptcy.

Money is an emotive subject so this section will put your emotions in check and your mind in charge.

There is only one question to address:

Q1. How do I spend it?

Why:

- You need to know how your money works and how it affects you and your business in order to survive and prosper.
- Most businesses fail due to the lack of cash flow more than any other reason.
- You will sleep easier in your bed if you have a good understanding and control of your money.
- Successful business people are very careful with their money, particularly in the early stages. They learn beg borrow befriend, to keep it, to negotiate, to make it go further and to ensure they have enough to stay in business.

How:

Q1. How do I spend it?

Step 1

Task:

- Track your daily expenses for two months using the pages provided. You need to include everything including papers, coffee, parking, entertainment, mortgage etc. Don't leave out one thing!
- At the end of each week summarise your costs by category; groceries, travel, mortgage etc.

Step 2

Task:

- Add up your total expenditure for two months and then calculate your expenditure for 12 months and put it in column 1 on the summary form.

“Try to include annual items like car tax and insurance, holidays, birthday presents, how much Christmas costs you, and divide them up over the 12 months”, Sheila Woodall.

- Research alternative suppliers with the aim of reducing as many of your costs as possible.

“Can you buy cheaper clothes, even used ones? Get a friend to cut/colour your hair? Share magazines instead of buying new ones, resist the temptation to upgrade your cameras/phone/computer/car. Even down grade your car to reduce costs?” Sheila Woodall.

This is a great test of your research and negotiation skills. Shop around, ask for deals, and be tough in your negotiations. In doing this you will be acting like an entrepreneur.

When your business gets going these skills will prove invaluable to you.

- Complete the 'How do I spend it' summary.

Fill in your new costs in column 2. Then do it again and try to take more costs out of your budget, fill in column 3.

This is your minimum personal survival budget for year 1.

Note: You don't necessarily have to change suppliers, 50% of the benefit in understanding this task is to get you use to researching, negotiating and doing good deals.

A benefit in undertaking this exercise is that you may well be able to fund the start of your project yourself with the money you have already saved!

WHAT DID I SPEND TODAY?

Week: 1

DATE	TRANSACTION	CATEGORY	AMOUNT		
			CASH	CREDIT	OTHER
TOTALS					

Weekly totals by category: *“create your own e.g. – clothes/beauty/gifts/gym membership/golf membership/debt repayments/Xmas club/holidays ... be honest with yourself, it’s the only way”*, Sheila Woodall.

- 1. Transport (car, fuel, fares)
- 6. Rent/Mortgage
- 2. Entertainment (pubs, cinema)
- 7. Pension, insurance, savings
- 3. Groceries
- 8. Other retail (clothing etc)
- 4. Utilities (power, heat, water)
- 9. Miscellaneous (repairs, one-offs)
- 5. Communications (telephones)

WHAT DID I SPEND TODAY?

Week: 2

DATE	TRANSACTION	CATEGORY	AMOUNT		
			CASH	CREDIT	OTHER
	TOTALS				

Weekly totals by category: *“create your own e.g. – clothes/beauty/gifts/gym membership/golf membership/debt repayments/Xmas club/holidays ... be honest with yourself, it’s the only way”*, Sheila Woodall.

1. Transport (car, fuel, fares)
2. Entertainment (pubs, cinema)
3. Groceries
4. Utilities (power, heat, water)
5. Communications (telephones)
6. Rent/Mortgage
7. Pension, insurance, savings
8. Other retail (clothing etc)
9. Miscellaneous (repairs, one- offs)

WHAT DID I SPEND TODAY?

Week: 3

DATE	TRANSACTION	CATEGORY	AMOUNT		
			CASH	CREDIT	OTHER
TOTALS					

Weekly totals by category: *“create your own e.g. – clothes/beauty/gifts/gym membership/golf membership/debt repayments/Xmas club/holidays ... be honest with yourself, it’s the only way”*, Sheila Woodall.

1. Transport (car, fuel, fares)
2. Entertainment (pubs, cinema)
3. Groceries
4. Utilities (power, heat, water)
5. Communications (telephones)
6. Rent/Mortgage
7. Pension, insurance, savings
8. Other retail (clothing etc)
9. Miscellaneous (repairs, one-offs)

WHAT DID I SPEND TODAY?

Week: 4

DATE	TRANSACTION	CATEGORY	AMOUNT		
			CASH	CREDIT	OTHER
TOTALS					

Weekly totals by category: *“create your own e.g. – clothes/beauty/gifts/gym membership/golf membership/debt repayments/Xmas club/holidays ... be honest with yourself, it’s the only way”*, Sheila Woodall.

- | | |
|-----------------------------------|---------------------------------------|
| 1. Transport (car, fuel, fares) | 6. Rent/Mortgage |
| 2. Entertainment (pubs, cinema) | 7. Pension, insurance, savings |
| 3. Groceries | 8. Other retail (clothing etc) |
| 4. Utilities (power, heat, water) | 9. Miscellaneous (repairs, one- offs) |
| 5. Communications (telephones) | |

4 Weekly Costs

TRANSACTION	CATEGORY	AMOUNT		
		CASH	CREDIT	OTHER
Week 1				
Week 2				
Week 3				
Week 4				
Total Expenditure				

HOW DO I SPEND IT? – SUMMARY

<i>COST CATEGORIES</i>	<i>Column 1 ANNUAL EXPENDITURE</i>	<i>Column 2 REDUCED COSTS</i>	<i>Column 3 SURVIVAL BUDGET</i>
1. Transport			
2. Entertainment			
3. Groceries			
4. Utilities			
5. Communications			
6. Rent/Mortgage			
7. Pension, insurance, savings			
8. Other retail			
9. Miscellaneous			

MONEY – SECTION REVIEW

- What did you learn about your money needs and management?
- Do you have sufficient funds to keep you going for at least 3 months once your business is started?
- Can you afford the expenditure to start your business and if not how will you get it?

Rate your money management out of 10

5. PURPOSEFUL PRACTICE

What:

Successful business people build valued businesses in their own unique ways, which you will not find in business books.

This section helps you to recognise and practice the key business habits, skills and processes, which create success.

Why:

- Business people do not do things by the book – you need to learn their ways of working.
- Completing this section will help you to identify whether you have the business mindset and skills and how you might develop them.
- Learning by trial and error can be much more stressful and expensive and downright scary when you don't have the business mindset and skills.

How:

Have a go at these 10 key skills for business people, some are major, others are micro but all are critical.

Practice one a fortnight and in 3 months you will be thinking and behaving like a successful entrepreneur and be in a much stronger position to create your own success.

Good luck, go for it!

5.1 BUYING, SELLING AND NEGOTIATING

All business starts with a deal, so you need to be able to sell and negotiate great deals. Here are some things to try:

- Attend a car boot sale and have a go at buying and selling. Watch and learn how the smart people do it. Be assertive, get outside your normal comfort zone and have some fun.
- Read Gavin Kennedy's book 'Everything is Negotiable' it's a great read on the basics of negotiating.
- Ask a good salesperson to coach you or join them for a day and watch how they operate.
- When you buy anything ask for a discount, practice negotiating with sales people.
- Get a part time job as a salesperson (if you have never done it), watch and learn from those who do it well.
- Be like Scrooge. Practice bartering to get things for free.

5.2 GOAL DIRECTED ENERGY

We found that focused energy had the highest correlation with business success. Distraction is a major problem for business people, so you need to install the discipline of focus in your business. Here's how business people do it:

- *Prioritise* Of all the things I should focus on today, which is the priority right now? The clues are in your long-term aims. What is the next step on my journey to success. Focus on what is important not urgent.
- *Sequence* On the selected priority what is the first step? A journey of a thousand miles starts with the first step – what is it?
- *Delete* This is the hard bit, because business people love to be doing 10 things at once. Delete everything other than your first step.

This process is a key one, so practice it daily for 20 days and it will become installed as a good business habit.

“It’s a laser beam not a shotgun”, Wayne Rowlatt.

“I used to be an avid note-taker in any of my meetings as I would gain inspiration for ‘things to do’ almost with every spoken word. I have now disciplined myself to listen, and then at the end of the meeting, write down one action point only. By doing this I can focus better on what is important and reduce the white noise that I self-generate”, Dr Simon Ward.

5.3 MENTAL REHEARSAL

Business people practice important negotiations or situations in their minds.

They play a video in their minds of themselves discussing the deal with their customer.

The very best business people are able to watch the customer’s response and they then work out their next move. They often run through various options in their mind to see which works best.

So when they actually get into the negotiation for real they can call on any of the strategies they have rehearsed. Our work suggests that most high performers, sports people, musician’s etc practice mental rehearsal as part of their preparation to create success.

Task:

Have a go at mental rehearsal before an important meeting. Make notes if it helps but work at it.

“I am constantly running through the deal in my mind trying various options. I know the customers; I can see how they react and their objections. This enables me to build counter arguments before I even get into the negotiations. It’s like a video in colour and it really works for me”, Tony Burpee.

“Sometimes rehearsing with a friend opens up different avenues and solutions, or maybe will present a facet you had not previously thought through. As a management team we will think together in this way, then go and ‘take a bath’, to think through independently before group challenging once more”, Dr Simon Ward.

“I run through negotiations in my head, I try and put all the negatives that a potential customer or supplier may throw at me – see it from their side, what do they want to achieve. I talk through the objections and when I get to the meeting I am so prepared I rarely fail to get what I want from the negotiation whilst ensuring that my supplier/customer is happy with what I offer them – a win-win result is the aim!” Kate Carter-Brown.

5.4 OPTIONS THINKING

Business people are option thinkers; they can always find ways around problems because they can always think of different ways of solving them. This is because they do not feel constrained by rules – they ignore them!

70% of people are procedural thinkers; they need guidelines or processes to enable them to function. However, if the procedure fails they get stuck most bureaucrats and corporates are procedural thinkers.

Practice your options thinking by asking “what if...?”

“What if” we:

- Did the opposite?
- Ignored it?
- Outsourced it?
- Asked ‘x’ for help with it?
- Worked 24 hours to sort it?
- Worked on something else?
- Etc etc.

You should be able to do plan A, (if that fails) do plan B (if that fails) do plan C... Eureka, that worked! *“You may find that a combination of A, B and C work eventually coming up with plan D!”* Kate Carter-Brown.

5.5 SYNTHESISE

Once business people decide where they are going (dreams, vision and goals) their antenna is activated and they start to notice things, which will help them to achieve their aims.

Goethe said, *“Once I am clear about where I am going the world conspires to help me”*.

Kate Carter-Brown’s original idea came from overhearing a complaint.

Business people notice things in newspapers, on the TV, shopping, dining out, talking to people etc.

“Once I had decided to buy a BMW I started to notice them everywhere – on the TV, driving past, in newspapers. Before I made the decision I never noticed BMW”, Simon Keats.

This is the process of synthesis at work. Business people take clues, ideas, insights or examples which they notice and then combine them to enable them to solve problems.

Business Schools teach people to analyse things, which is exactly the opposite of what successful business people do.

Business people synthesise they don’t analyse.

Task:

Get your vision or goal clear in your mind. Then spend a day looking for clues, ideas, anything that can help you achieve it. If you are hot then you will start to notice things that could help you.

Write them down as they occur.

At the end of the day try to combine the new ideas and see if this helps you move closer to your goal.

If it did, fantastic you are in the zone. Keep doing it.

If you did not notice anything your goal is not important enough to you. You need to make it bigger, brighter and exciting in your mind in order for the synthesis process to start to kick in. Do this with your goal and try again... and again...

5.6 CLOSING LOOPS

Closing loops is ensuring you complete a task and stay in control.

If someone calls you then make sure you call them back.

If you email somebody and they reply then you close the loop with a thank you. If somebody does something for you, send a thank you note personally hand written.

Tom Peters the business guru said *“if you want to build your business then send thank you notes”*. He was right. It can extend to calling people to let them know their delivery is going to be late – close the loop on the customer service system.

“Karate-kid sends out written Christmas cards to all their customers. Every time a new customer places an order a card is written – they receive over 5,000 Christmas cards in return and more importantly returning customers. People appreciate the thought and have written to say so and it keeps the Karate-kid name in their mind at peak buying times”, Kate Carter-Brown.

Closing loops might appear to be a detail but it's not, it's critical, so get into the habit of doing it.

“A good relationship means it is easier to ask for help when you might need it”, Dr Simon Ward.

Your role should be to make the last contact - you close the loop.

Task:

Practice closing loops for 20 days and it will become a good business habit.

5.7 TARGETED NETWORKING

Business people network with a purpose. They are not great joiners of clubs, committees or general networks. They recognise they have limited time and energy and try to use it judiciously.

Here's how to network effectively:

Task:

- Decide what information, help or leads you require to achieve your business goals.
- Determine who 'owns the information' you need. These are individuals or organisations that control or have direct access to the people you need to network with. These are 'signposters' e.g.; Banks have customers who require business help, so they are a potential signposter for people to do business with.
- Make contact with signposters and identify their needs and issues.
- Set out to help the signposters in order to build trust and a relationship.
- If you do your work well they will open up their network to you.

This approach requires investment in time in building a trusting relationship but it has proven to be 50 times more effective than normal one-to-one networking.

"3i, the venture capital firm has 400 clients in whom they have invested in. They need to improve their return on investment with their clients, so I set out to try to help them and they gave me an introduction to their clients. It would have taken years to contact and get in front of the 400 customers on an individual one-to-one basis". A Management Consultant.

"NIMA is a martial arts association that wanted a special belt designing for their club members – over 600 of them, and due to other work that we had completed for them that they were delighted with, they put us in touch with the members to get their names and requirements. We would never have found all these martial artists that turned into customers for both the special belt AND other goods without the relationship we have with NIMA", Kate Carter-Brown.

5.8 MANAGING STAKEHOLDERS

Stakeholders is a fancy name for those people who are significantly influenced by or can influence your business i.e., customers, suppliers, investors, partners, family etc.

A key to success is to manage your stakeholders effectively, which means doing the political as well as business work.

“You ignore your political work at your peril”, Adele McGee.

Task:

Here's how to do it.

- Identify your key stakeholders
- Determine who are either:
 - + allies, working positively with or for you.
 - adversaries, working against you.
 - = fence sitters, neutral towards you.
- Develop a plan to:
 - Get your allies to support you more i.e.; can you use them to contact the adversaries?
 - Neutralise the effect of adversaries
 - Get fence sitters off the fence and supporting you.

Here are some examples:

- Get a key customer to provide a good personal reference to new customers.
- Ask suppliers for contacts in their other customers.
- Meet with adversaries and do some straight talking (they may just not understand you or your motives).
- Talk passionately and positively about your business to fence sitters.
- Identify what is on your adversaries' agenda and help them.

- Agree ground rules with your family about not bringing problems home and attending all children's birthday parties!
- Ring your bank manager/investors regularly to keep them updated (no news is bad news to the numbers people)

5.9 UNDERSTAND THE FINANCIAL BASICS

You don't need to be an accountant to be successful in business but business people do need to understand the basics of finance, particularly basic management accounting.

Familiarise yourself with the following financial concepts and how they apply to your business:

- Gross margin
- ROCE (return on capital employed)
- Break even
- Creditor's ratios
- Debtor's ratios
- Cash flow
- Costing
- Pricing policies
- Credit terms

Task:

Attend a finance for non-accountant's programme. Your local Business Link advisor will signpost you to an appropriate programme.

Ask your accountant or a friend to explain them to you and don't be afraid to ask questions if you don't get it first time.

Read: Toolkit 33 – 'Keeping your fingers on the financial pulse of your business' in the book – Doing the Business, by David Hall, Virgin Books.

5.10 GET A PERSONAL MANTRA

Business people usually have a mantra or core belief that guides their actions. The mantra often comes from some deep held belief or value.

They use it in various ways including maintaining focus, topping up their energy, and keeping them going in tough times.

Here are some examples.

“Be professional – you only get one chance to make a first impression”, Owen Gleadall.

“Failure is not an option”, Wayne Rowlett.

“Act as if...” (you are totally confident and it’s no big deal), Simon Woodroffe.

“There is no such thing as failure, only the opportunity to do it better next time”, Kate Carter-Brown.

“I’ve earned success”, Dr Simon Haslam.

“Stick to your strengths, let others cover the rest”, David Hall.

“Just do it”, Dr Simon Ward.

Task:

- Consider your basic driving force or statement that connects with your pride and core values.
- Brainstorm some key words.
- Arrange the words into a sentence.
- Test your mantra on yourself to see if it works. You know it works when it puts a smile on your face and you get a lift of energy and determination.

PURPOSEFUL PRACTICE – SECTION REVIEW

- Have you developed any of the skills in purposeful practice?
- Do you feel more of less confident now in your ability to start your own business?
- Can you see the value of developing these key skills in order to be successful?

Rate yourself out of 10 on your skills development

6. PEOPLE

What:

Business is about people and this section starts with you. What business talents do you have and what do you need to develop?

Business people can't do it alone, so what kind of people did you need to help you to build your business?

Why:

- The strengths and weaknesses of a business person and their team are the strengths and weaknesses of the business.
- There is a direct relationship between you and your team's level of business skills and your financial success.
- Your skills are one of the things under your control, which you can actually do something about.

How:

6.1 Your skills

Task 1:

Rate yourself on the business questionnaire. Be honest, there is no point in fooling yourself.

This will really help you to recognise what you need to do to build a valued business and get on the appropriate BLSY business support programme.

**Tick either
A, B or C**

- | | | |
|-----|--|--------------------------|
| Q1. | A. I will be self-employed | <input type="checkbox"/> |
| | B. Employ 1 / 2 people | <input type="checkbox"/> |
| | C. Build a valued business | <input type="checkbox"/> |
| Q2. | A. No experience in the industry (in which you intend to start up) | <input type="checkbox"/> |
| | B. 1 – 3 years experience | <input type="checkbox"/> |
| | C. 10 years experience including networks, customers, suppliers, know-how etc. | <input type="checkbox"/> |
| Q3. | A. I was self-sufficient at school | <input type="checkbox"/> |
| | B. I enjoyed being part of teams at school | <input type="checkbox"/> |
| | C. I provided leadership to projects at school and made them happen | <input type="checkbox"/> |
| Q4. | A. I have no experience of being profit accountable for a business unit | <input type="checkbox"/> |
| | B. 1 / 2 years profitable accountable experience | <input type="checkbox"/> |
| | C. 5 years plus extensive experience of being profit accountable | <input type="checkbox"/> |
| Q5. | A. I will self fund my business | <input type="checkbox"/> |
| | B. I will need a bank loan or grant for my business | <input type="checkbox"/> |
| | C. I will require funds from investors for my business | <input type="checkbox"/> |
| Q6. | A. I enjoy working with people | <input type="checkbox"/> |
| | B. I like being in control | <input type="checkbox"/> |
| | C. I must achieve results | <input type="checkbox"/> |
| Q7. | A. I am diligent | <input type="checkbox"/> |
| | B. I am persistent | <input type="checkbox"/> |
| | C. I am obsessively committed and persistent | <input type="checkbox"/> |
| Q8. | A. I hope I am right... | <input type="checkbox"/> |
| | B. I think I am right | <input type="checkbox"/> |
| | C. I know inside I am right | <input type="checkbox"/> |
| Q9. | A. I like working on the detail | <input type="checkbox"/> |
| | B. I enjoy planning | <input type="checkbox"/> |
| | C. I see the big picture – but dislike the detail | <input type="checkbox"/> |

Q10.	A. I sometimes get disheartened	<input type="checkbox"/>
	B. I try to stay positive	<input type="checkbox"/>
	C. People say my positive mental attitude inspires them	<input type="checkbox"/>
Q11.	A. I have a idea where I am going	<input type="checkbox"/>
	B. I have some business and personal goals	<input type="checkbox"/>
	C. I have a clear picture of the future, which I find really motivating	<input type="checkbox"/>
Q12.	A. I have a business idea that I find interesting	<input type="checkbox"/>
	B. I have an idea on which I have done some preliminary market research	<input type="checkbox"/>
	C. I have used (intend to use) problem seeking – problem solving to identify a real customer problem for which I have developed (will develop) a solution	<input type="checkbox"/>
Q13.	A. I can work 9.00 am – 5.00 pm most days	<input type="checkbox"/>
	B. I am prepared to work long hours if necessary	<input type="checkbox"/>
	C. I will work as long as it takes to become successful	<input type="checkbox"/>
Q14.	A. I learn best by reading books	<input type="checkbox"/>
	B. I learn best by attending courses or from experts	<input type="checkbox"/>
	C. I learn best by stepping outside my comfort zone, taking risk and solving problems	<input type="checkbox"/>
Q15.	A. I want success	<input type="checkbox"/>
	B. I deserve success	<input type="checkbox"/>
	C. I will earn success	<input type="checkbox"/>
Q16.	A. This is my first business venture	<input type="checkbox"/>
	B. I have been involved as a team member in a smaller business	<input type="checkbox"/>
	C. I have already set up and built several businesses	<input type="checkbox"/>
Q17.	A. I want to supplement my income	<input type="checkbox"/>
	B. I want to earn a good living	<input type="checkbox"/>
	C. I want to be able to never have to worry about money again	<input type="checkbox"/>
Q18.	A. I want to be independent	<input type="checkbox"/>
	B. I enjoy working in small teams	<input type="checkbox"/>
	C. I want to provide the leadership to a fast growth business	<input type="checkbox"/>
Q19.	A. I want to be my own boss	<input type="checkbox"/>
	B. I want to provide a good product/service	<input type="checkbox"/>
	C. I want to prove to myself and others that I can build a successful business	<input type="checkbox"/>
Q20.	A. I want to have freedom and fun	<input type="checkbox"/>
	B. I want to work with like-minded people	<input type="checkbox"/>
	C. I am obsessively driven to succeed	<input type="checkbox"/>

Scoring system:

If you scored mainly **A's** you may prefer to work in a self employed capacity.

If you scored mainly **B's** then you may want to employ one/two people to work with you in your business.

If you scored mainly **C's** then your goal is to build a valued business. You are a classic entrepreneur.

You can also ask a friend, family member or business associate who knows you well to rate you on the 15 questions to compare with your own perceptions.

However, if you have aspirations to become a high growth business the activities in this Toolkit have been designed to help you develop the mindset and skills of high growth business people.

Task 2:

Finding mentors and support

Successful business people find a small group 1 – 3 really trusted confidantes and mentors who they turn to for help, advice, coaching and inspiration. They can be friends, ex-colleagues or contacts.

Find yourself (if you don't have them) 1 – 2 people who you trust and value who are willing to act as a coach/mentor to you.

Share your thoughts, concerns, hopes and fears with them and use them as a sounding board for important decisions.

“You are expected to motivate others but who is your sounding board? Get a confessor who you trust and that is objective. I use a non-executive chairman, but it could be a valued acquaintance, preferably someone from outside the business or your chosen sector”,
Tim Carrington.

Business leadership

Really successful business leaders put their people forward encouraging them to learn and grow. They set high performance standards for people e.g., “what do we need to do to become the best at ...?”

They also act with humility themselves giving the team credit for the results. They work hard at treating their team with dignity and respect and insist everybody does the same.

Task 3:

Read one of the best books written on business leadership: 'Good to Great' by Jim Collins, Random House.

6.2 YOUR PEOPLE

You may be starting your business with a team of people or may need to recruit people as you go. One thing is for certain - you can't do it alone.

So here are some key points to consider.

Team based business businesses require four core skill sets:

1. **Driver** The leader, the energy source, the person who provides leadership, has the big picture and drives the business forward.
2. **Doer** This is often the production, technical or operations person. This person oversees the operations and makes sure customers get products/services on time.
3. **Seller** The sales and marketing person who builds relationships with customers and wins orders. They develop the business generating system.
4. **Controller** The administrator or accountant who keeps score and the business under financial control.

It is rare to get all these talents in one person which is why team based businesses can be very successful if set up properly.

Some guidelines for finding and managing the right people (as always from successful business people):

- You will need people with different skills than you, but it is critical they share your vision and values.

- You can use all the selection tools you like but at the end of the day the key questions are:
 1. Can this person really do a great job?
 2. Do I want to work with them long-term?
- Achievement not affiliation or power drives business people, so make sure you recruit achievers and not control freaks or people who want to be liked.
- Get a shared strategy with your team. Mission: what business are we in? Vision: where are we going? And Values: how we do things here?
- Get a legal agreement upfront about who does what and who gets what if it's successful or goes pear shaped.
- Be brutally honest with each other from day one – 'cut the crap' as Julian Richer said.
- If you are brave enough, align individual rewards to the achievement of the team objectives. This makes them collaborate to achieve success rather than compete.
- Stick to your role and allow other people to do their jobs. *"Trust is very important, a great team is better than a team of greats, although a great team of greats is difficult to beat"*, Dr Simon Ward.
- Never ever give away any equity unless you really have no choice, then get something for it i.e., sell shares in your business or let people earn them by performance.

Task:

- Consider your vision.
- In the light of that, review your strengths and weaknesses. Be honest with yourself or get a mentor to help you to look in the mirror honestly.
- Decide your role in your business.
- Decide what support you need to achieve your vision.
- Spend time finding the right people; do not compromise on quality.

Golden rule: Get the right people on the bus; get the troublemakers off very quickly!

PEOPLE – SECTION REVIEW

- Do you have what it takes to start your business?
- Can you find and manage people to help you?

Rate your people skills out of 10

7. DECISION TIME

Summarise your ratings here:

	Rating
1. Getting into the Zone	
2. Creating Superior Opportunities	
3. Stories	
4. Money	
5. Purposeful Practice	
6. People	

- Any score 8 and over is a strength.
- 6 – 8 requires some work.
- Less than 6 may be a weakness.

Only you can now decide what to do. If you have high scores then this suggests you should consider going to the next stage – developing a business plan.

You will know yourself whether you are confident, inspired and up for it. You have a choice to make:

- A. Stay in employment
- B. Start your business

If you decide on A then the skills you have developed should help you to add value to your employers business and make them rich... (only kidding).

If you decide B then all the hard work you have put in so far should now start to pay off.

Are you prepared to do more work on your average low scores before you make a decision?

The choice is now yours.

Good luck!

8. NEXT STEPS

Congratulations on completing the Toolkit. Whether you have decided to start your own business or that it is not right for you the For Entrepreneurs Only.... team would like to hear from you. We will be able to help and advise you on your next steps.

If you have decided to start your own business we can provide you with an experienced mentor to help you prepare a business plan.

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