

5 Success Factors for Entrepreneurs!
Forward and Introduction

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FORWARD (to the actual book)

Almost everyone has contemplated “owning my own business” at one point in his or her life. Most, however, realize the enormous commitment in time, finances and “sweat equity” and decide (often wisely) life is compelling enough without taking on those burdens. This book is for those of you who have decided to risk the journey. It is written to help individuals meet and conquer the challenges of being one’s own boss. Whether you are aspiring to be an entrepreneur or are already in the throes of running a business, this book is meant to explore, and provide solutions to, issues faced by all entrepreneurs.

I have traveled the entrepreneur trails as a sole proprietor, franchisor and franchisee. I have been a majority partner and a minority partner. My first taste of the entrepreneurial world came at the age of 10. I was the “owner” and operator of a Kool-Aid stand at a gas stop for truckers hauling Chevrolets from my hometown General Motors factory. Not sure where the entrepreneur gene came from, but I continued that odyssey in my pre-teen and teen summers by contracting services for babysitting, lawn work, local swimming hole attendant and scorekeeper at softball games.

*I have tried all the business structures described in Chapter 1 “Do You Know Your Entrepreneurial Personality?”. Of course, at the time I didn’t know there **was** a best personality structure for me (which, by the way, is called “The Painless Partner”). I’ve had successes and failures along the way. Although I understood many of the concepts discussed in this book, I had no inkling of the impact they could and would have on my business adventures.*

You won’t find information about finances, sales strategies or legal concerns in this book. It is not about pricing, advertising or hiring and firing (although we’ll brush up against all these issues). There are plenty of resources for you to learn the “how-to’s” about those subjects.

Rather, I want to share some insight with you about factors I believe have as much, maybe more, to do with the level of success entrepreneurs achieve than any of those scholarly business subjects. I will give you some personal anecdotes, some do’s and don’ts, tips, suggestions and tools I sincerely hope will help you achieve your dream of succeeding with a business of your own.

So, read on and “stoke the fire” already burning inside you. Keep an open mind to the ideas presented and then explore each of the Success Factors in depth. I truly believe you will uncover something (or some things) that will significantly increase your chances of entrepreneurial success.

*Thanks for reading 5 Success Factors for Entrepreneurs and, **good luck on your journey.***

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Introduction

Success is more than just numbers!

Certainly business owners or aspiring entrepreneurs must have a solid understanding of “the numbers”. They must have an intimate and working knowledge of potential sales figures, their required capital investment, what expenses they will incur and how long it may take to turn a profit. In addition to the financial numbers, they need to research and understand other “hard facts”. Those numbers and facts necessarily include market demographics such as customer size and profile, physical requirements such as office space, equipment needs, staffing and inventory. A sales strategy must be developed. Whether that includes advertising, direct mail or finding distributors or retail outlets, many hours will be spent accomplishing that task alone.

While these are essential for any business owner, there are five factors that have little to do with the numbers, but can have just as great an impact on the SUCCESS (or failure) of that business. Virtually every entrepreneur will overlook these crucial factors simply because they are intangible and often misunderstood. These factors are:

1. Know your entrepreneurial personality;
2. Fully understand the level of responsibility involved;
3. Understand and set goals;
4. Establish steadfast values inside your business;
5. Get and keep the right attitude.

I like to use analogies, metaphors and similes (fancy words for comparisons). I think they help us gain a better perspective about a particular issue. To illustrate the theme of this book, let's use a sports metaphor. The hard facts would be speed, size, experience and natural ability. This book is about the will to win, team chemistry and work ethic; In other words, the intangibles that often make the difference in winning or losing.

Success Factor #1 - Know your entrepreneurial personality

If you ask any business owner why he/she is in a particular business, you will likely get answers ranging from “oh, this is something I always wanted to do”, “I have always been interested in _____ and thought I

may as well be doing that” and even” It just sort of happened by accident”.

All of these cases have some logic behind them, even the “accident”. It was probably not an accident, but something that happened because of circumstances integral to the life of that business owner. Perhaps a business associate or family member, for health reasons, couldn’t manage the business any longer and looked for someone to take over for them. Perhaps a relative, friend or acquaintance was looking for someone to help him or her launch a business and the idea and timing “clicked” with their life.

The point is the product or type of business has some basis for existence. The owner has some aptitude or interest in the product or service. Yet, when it comes to figuring out what model that business should be run under, what framework of ownership is best, little, if any, thought is exerted.

This may come as a startling revelation, but entrepreneurs are not necessarily good at running a business. Some excel at origination, creating the idea for a business. Some are best at developing or marketing the business once the idea is laid out and, yes, some **are** actually good at running the business.

These distinctions are often acknowledged “strengths and weaknesses”, but more than that, they define the personality of the entrepreneur. They can indicate, for example, whether an individual would be better off as a sole owner, partnering with other owners or having a family business.

The bottom line is you will function better in certain structures. You must assess your strengths and weaknesses, not just as relates to aptitudes and education, but perhaps more importantly, those pertaining to attitudes and relationships. You can increase your chances of success if you will be honest and steer your entrepreneurial objectives to the right structure. Explore the entrepreneurial personality traits and your own temperament further in Chapter 1; *Do You Know Your Entrepreneurial Personality?*

Success Factor #2 - Fully understand the level of responsibility involved

Since the mid 1960’s we have become more and more a society where responsibility is not a trait we embrace and admire, but one associated with blame. Increasingly, it seems individuals are more concerned with

finding an excuse for every malady, quirk and problem in their lives than assuming responsibility and seeking resolutions.

Although responsibility doesn't seem to be a core value readily embraced these days, there is still a need to define and assign accountability for decision-making and problem solving. We also still acknowledge levels of responsibility to discern differences between job classifications or titles. Generally, the more significant the job/title, the more responsibility it entails. However, the level of responsibility of a department manager, supervisor or even a top executive pales in comparison to that of a business owner.

Now, you may say “Hey, I want to be my own boss, so sure, I know all that.” You may know it, but you also know when you are sick and when to take some medicine. That doesn't make you a doctor. Nor does “wanting to be the boss” make you a successful entrepreneur and capable of handling the pressure. If you underestimate the impact of this level of responsibility, you will greatly increase the chance of failure.

Once again, the key message I want to convey about responsibility is to *understand and accept* that it will be more than you can imagine. You must work at monitoring and controlling the related pressures and stresses. You must understand how to, not only assume responsibility, but to delegate it. The seemingly simple process of assigning and carrying out decisions can make or break your business. Read and learn much more in Chapter 2 - *Responsibility - What a Business Owner Should Expect*

Success Factor #3 - Understand and set goals

You can read a thousand different self-help books, biographies or autobiographies of successful people and business success stories and they will all have certain characteristics in common. That is, the individuals, when asked why they believe they have been successful, will often cite the same attributes.

It is likely they will talk about their perseverance, the will to keep going when others would give up. They typically have an unshakeable belief in what they are doing and almost all have *specific, measurable goals*. They may not go through a formal goal-setting process, but most can articulate clearly defined objectives. The various processes you will find about setting or defining goals, formal or informal, will include these five characteristics: goals need to be written, have specific outcomes, be realistic, have time parameters and be stated in positive terms.

Business goals need to be more than vague thoughts about making money or being your own boss. They should focus on specific business concepts – sales targets, profits or overall size, for example. One of the most important goals you should define very early in the process is how long you want to have your business.

It may seem illogical to think about getting out before you even “open the doors”, but an exit strategy is not only a normal pre-opening goal, but a pragmatic one as well. Will you sell the business; turn it over to the family members, or have other partners buy you out? The responsibility and commitment you face is difficult and consuming. Knowing you are in this venture for five years, or even generations, creates a compelling purpose and will give you a psychological boost during those inescapable trying times.

Please, please include personal goals that help you get away from the business occasionally. As an entrepreneur, your business will consume most of your waking hours (and probably quite a few of the sleeping ones). Nevertheless, you must have some diversion. It may be physical, spiritual, family or better yet, a combination of all of these. You will have a much better chance of succeeding if you set some goals in these areas.

Chapter 3 *Business Owners Goals – 5 Easy Steps* covers the goal setting process in detail and includes a form and “audit” questions. Audit questions are those things you ask yourself and others to challenge and review your goals. For example questions beginning with “Am I willing to...” force you to challenge your commitment. You may fill in that question with “...work weekends on a regular basis?” or “...put my life savings on the line?” for example. As you read, study and talk with other business owners, you will discover other phrases to help with your own personal “audit”.

One last thought on goals. I have heard many say “I don’t set goals - - I can’t stay on a specific schedule” or, “it just sets you up for disappointment if you don’t reach the goal”, or some other “reason” for skipping this important process. Two comments for those naysayers: goals are meant to guide you and create a very powerful subconscious intention and **not** an absolute success or failure mindset; and, after you read Chapter 3, it will no longer be the daunting task you may be envisioning.

Success Factor #4 - Establish steadfast values inside your business

Compromises are necessary in business negotiations. We often bend some rules to accommodate a special order or our favorite (and most

profitable) customer. It is, in fact, imperative to always be looking for better ways to improve your service or product and to more efficiently run your business. That likely will include changes or adjustments to even some fundamental business practices.

There can be, however, *no compromise* regarding the values and principles upon which you have established your business. You *have* formed values and principles for your business, haven't you? If you are saying, "well, sure, I know what message I want the business to convey", better read on and see if you really have established *firm core principles* and communicated them to everyone. If you have no clue as to what you want your business to stand for, better spend some time thinking about this aspect of your venture.

First, let's be clear on what values and principles are. Think of your personality and resulting actions like layers of an onion. The outer layer represents your behavior, the way you act, respond to events, and communicate with others. Under the behavior layer is your set of attitudes – the way you receive external factors or the "outlook" you have on life. It follows logically that your attitude pretty much dictates your behavior.

Under the attitude layer is your belief system – those things you hold to be true about the world (people, places and things). Through education, input of others (both expert and novice) or direct experience, all of us have established a set of beliefs.

At this point you can see how the layers of our "onion" interrelate. We *believe* that winning takes hard work and that people who work hard are winners. We receive people who work hard with enthusiasm (our *attitude* toward them) and we take on a competitive *behavior* in our work and even extra curricular activities.

At the very center of our metaphorical "onion" is our value system, also called our core beliefs. These life principles are formed very early and seldom change. We are instilled with certain values from those that nurture our first years, usually our parents, relatives and siblings. Those core values typically involve standards for honesty, respect for others, work ethic, economics and perhaps spiritual, religious or social beliefs.

As we grow and learn from educators, friends, books and other mediums, we form additional beliefs and modify others, but seldom change our values or core beliefs. They may evolve and develop into stronger precepts; some may diminish in intensity, but we still tend to revert to these underlying principles.

The first step in defining your business values is to examine your core beliefs. What are your values and principles, as they would apply to your business? These core principles should drive your business. Chapter 4 *Values and Principles - the Foundation of Your Business* will take you through a detailed examination of this crucial topic.

Success Factor #5 - Get and keep the right attitude

If you think you can or can't, you're right! Henry Ford is credited with that statement and many other philosophers, writers and designated "self-help gurus" have applied that thought to a multitude of life's circumstances. Earl Nightingale is considered the "father of the power of positive thinking." He wrote *The Strangest Secret* in 1957, the secret being "you become what you think about". That is, you accomplish or manifest in your life those things foremost in your thoughts.

The idea is simply a philosophical interpretation of the commonly accepted scientific notion that things we consciously think about become part of our subconscious mind. Accordingly, our actions are often a manifestation of subconscious thoughts. There are many others who took the same theme and added powerful anecdotes and their own philosophy to advance the idea that attitude makes more of a difference in our lives than aptitude. Norman Vincent Peale, Robert Shuler, Zig Zigler, Dale Carnegie and others inspired the proliferation of positive thinking into millions of lives. Brian Tracy, Wayne Dyer and Anthony Robbins continue the same themes in the 21st century.

In fact, this year (2007) a "remake", if you will, of this concept and, perhaps not coincidentally called "The Secret", has surfaced in book and DVD formats. It's also been featured on popular TV programs such as Oprah and Larry King Live. The underlying theme of this latest venture into our minds is "the power of attraction" - you will attract into your life what you focus on. Does this sound familiar? Thank you, Earl Nightingale!

Regardless of the degree to which we believe attitude affects outcome, most of us have at one time or another uttered the phrase "he/she has a bad attitude" referring to someone who is complaining or exhibiting other negative characteristics. Further, "I like his/her attitude" is a complimentary phrase attached to positive actions.

What does all this have to do with owning a business? One simple facet of attitude, positive or negative, has a huge impact on the success of many businesses. That is its contagious effect on people around us and

on our own ability to function. People who are upbeat and enthusiastic naturally attract the same zeal from those around them. Likewise, doomsayers or problem mongers will drag down others who, whether inclined to that outlook or not, are vulnerable to negative acquiescence. The effect on self can be even more pronounced.

If you want to lighten your load and brighten your way, check out Chapter 5: *“Attitudes of Successful Business Owners”*.

Summary

There you have it: Five factors which, in this author’s opinion, have a greater influence on a business owner’s success than any financing, sales plan or advertising copy. If you want more insight into these factors, ask other business owners why they are, or are not, successful. Those feeling good may attribute their success to ads, location or product superiority. But if you find out how they run their business, you will see a connection to at least three of these factors.

On the other hand, those describing how they “ran out of money”, “timing was bad” or just plain bad luck will have little, if any, link to the factors described above. No goals, difficulty in describing what they stand for, a poor outlook on life (attitude) and probably in the wrong structure for their personality.

This, of course, is just an overview and, hopefully, just the beginning of your journey into the intangibles of being your own boss. The book *“5 Success Factors for Entrepreneurs”* explores each of these topics in more detail. Please let us know if you are interested in getting a copy of the book by emailing us at info@thewritetouchinc.com or completing the form at <http://thewritetouchinc.com/feedback.asp>.