



Author: Paul B. Brown

Want To Build A Successful Company? Give Up Control

23 Things Every Entrepreneur Must Know

A buddy of mine is a big-deal business professor at an even bigger deal university. And for reasons I still don't understand, he asked me to come in and explain to his graduate students what I have learned from spending 30 years talking to, researching and writing about entrepreneurs.

Here's what I said.

- 1. The best way to predict the future is to create it. (Alan Kay)**
- 2. The most important decision you can make is...where do you want to spend your time.** You only have so much time, energy and ability to focus. That means, as much as you would like to, you can't do everything. That's a given. So is this: The places which receive your full attention will do better than the places that won't. What follows from that is this: You need to make hard choices about what you will do – and what you won't. And it is really is the important decision you can make, because everything else you do will flow from it...including the next point.
- 3. If you want to be a successful entrepreneur, there is no such thing as work-life balance.** I am not advocating that you spend a disproportionate part of your life working on your company. (I am also not advocating against it.) I am simply reporting that is what the most successful entrepreneurs do. I have never found an exception.
- 4. The best entrepreneurs don't come up with great ideas, they solve market needs.** You and I can come up with wonderful ideas all day long but unless they satisfy a large enough need, one that can support a business, they don't do anyone any good.
- 5. The one thing all successful entrepreneurs have in common is the desire to make their idea a reality.** What entrepreneurs need most of all—above motivation, focus, hope, financing, marketing skills, a brilliant idea, etc.—is the will to bring their idea into existence. Unless you truly

want to make something happen, the odds are nothing will. Without that desire, nothing else matters...or occurs. Your life will be filled in other ways.

6. **Action trumps everything.** Stop thinking and get underway.

7. **Take small, smart steps towards your goals.** Contrary to the popular press, the most successful entrepreneurs are not swing-for-the-fences, bet-everything-on-one-roll-of-the-dice types. They are extremely conservative. They take a small step toward their goal; pause to see what they have learned from taking that small step and build that learning into the next small step. Then they pause to see what they have learned from that second small step, build that learning in and then take another small step and so forth. They don't take large risks.

8. **If you want to build a successful company give up control.** You can try to micromanage but: the business will never grow bigger than one person (you, the CEO) can handle effectively; the company won't be able to move very quickly. Since everything will have to flow through you, you will create a bottleneck; you won't get the best ideas out of your people. Once they understand the company is set up so everything revolves around you, people are not going to take the time to develop their best ideas. "Why should I," they'll ask. "He is just going to do what he wants anyway." And it's exhausting.

9. **Forget about working on your weaknesses, play to your strengths.** This is what will make you successful in the long-run.

10. **You need to be able to turn every obstacle into an asset.** Yes, every single one.

11. **All you need to know about marketing in exactly 30 words?** Marketing, when you strip everything away, is extremely simple: You figure out who you want to sell to, and then you determine what it is that will get them to buy.

12. **Here's the only market research you need:** Get your product out in the marketplace and see if it sells.

13. **If you insist on doing market research anyway,** here's the one question you need to ask. Show potential customers a prototype, or describe the service you are thinking of offering and then say: "Is this something you would buy," and if they answer yes, ask for the order then and there. If, as the cliché goes, they are willing to put their money where their mouth is, you are probably on to something. If they aren't, you still have work to do.

14. **You must figure out how you are going to collect what you are owed.** Nobody thinks about this before they get underway and suddenly they learn first hand what they phrase "cash flow crunch" means.

15. **As much as you are going to fight it** you need a (really smart) advisory board. You want a board to: give you new perspectives and ideas; to give you people to talk to and to provide honest feedback.

16. **If you want to get more done faster and better...create checklists.** Checklists are a wonderful way to make sure you don't overlook anything, and that it is true whether we are talking about the best way to treat someone in the emergency room or if you are about to make a big presentation to a client you really want to land.

17. **How to motivate yourself and stay motivated.** Starting anything new is hard and the number of obstacles you are going to encounter can easily get overwhelming. A proven idea that can keep you going is share your thoughts and concerns with your family and friends.

18. **If the dogs don't like the dog food it's bad dog food.** You don't determine what a good product is. Only your customer does. And if they don't like your product, it's a bad product. Period. In others words, the customer is always right. Darn it.

19. **If the customer doesn't like the product, there isn't much you can do about it with pricing or promotion or positioning.** Unpopular products are going to remain so. It is better to come up with a different version, than to keep trying to sell—at a discounted price—the one people don't like.

20. **If you are going to fail, and sometimes you will, fail quickly and cheaply.** Always take small steps toward your goal and pause after each one to make sure you are staying on the right track.

21. **(Really) Learn from your mistakes.** You are going to make mistakes. That's a) a given and b) okay, providing you truly understand what went wrong.

22. **Creativity and innovation must be linked to a business objective.** Creativity is wonderful. But creativity that isn't tied to making money is just a hobby. It isn't a viable business concept.

23. **Get out while you still have all your marbles.** You never want to stay too long at the fair, even if you own the fair.

Paul B. Brown is co-author of Just Start published by Harvard Business Review Press.

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