

The Entrepreneur's Emotional Toolbox



David Chislett

20yearsentence Publishing
E-publishing by 20yearsentence
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ISBN 978-90-826524-0-6



Original Cover design - Carlos Ramnath // Original & eBook design and layout - Verdraaid
20yearsentence is a niche publisher based in Amsterdam, The Netherlands

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Acknowledgements

As usual there is a bit of a list of people without whom this book would not have been possible. Firstly, my partner Iris for supporting me and talking ideas through and being a general, trustable sounding board. Secondly, Richard Hawkey for serious and invaluable input at the manuscript stage. Victoria Laws and Marc Pienaar for editorial and sub-editing input and Carlos Ramnath for the book design and layout.

Everything in this book comes from the people I have met and done business with since I first started out in 1994. It's impossible to list you all but know that, whether by example, through discussion or in reference, you have been a part of this journey and I hope you get pleasure out of this book.

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Introduction

I became an entrepreneur by accident in 1995 when I made the decision to return to Johannesburg from London. My aim was to work in the music business. From the outset, I had no idea what I was getting into.

This book is for you whether you are thinking of starting out for yourself, you already have started your own business or you are an experienced entrepreneur looking for support and ideas. It is designed so that you can dip in and out as your needs dictate, or read from cover to cover.

The opening chapters may appear to be aimed solely at new start-ups, but there is food for thought for everyone in every chapter. Sometimes even experienced entrepreneurs are making mistakes because they still believe in myths and assumptions that limit their decision making and option taking.

For a long time I felt like I was alone in this ignorance and that everyone else had a long-term plan that I lacked. I also felt like I wasn't running a real business because I didn't have staff, a several-zero turnover or a revolutionary product to sell. In short, I didn't realise that I was an entrepreneur.

Today, more and more people are being pushed towards a form of entrepreneurship as companies seek to reduce staffing costs. As companies increasingly look to outside contracts, freelancers and agencies to fulfil their labour needs, more and more people are becoming entrepreneurs: running their own accounts, doing their own sales and marketing AND doing their jobs, for not very much extra money.

But in public, when there is talk about entrepreneurship, it is all about start-ups, securing funding and making it big. It's about making real money and growing your business into something with real clout in your industry. None of this helps the growing army of everyday people who are now entrepreneurs. This money and growth-focused attitude only helps ordinary people like us lose sight of this THING that we are doing.

For some, self-employment is about necessity. For others, it is about doing what we dreamed of, what we wanted. The most important thing is to be able to continue to do it every day, to grow and improve.

Many entrepreneurs bear no resemblance to the smart, business-driven people that are typically identified as exemplifying the breed. Like Bill Gates or Steve Jobs. Like Elon Musk or Richard Branson. We are quite different.

As a result, the advice that you find is of little to no use. That's why I came up with this idea and decided to write this little book.

There was a time, not so long ago, when many more of us were entrepreneurs. Before Henry Ford invented the factory production line and before companies changed into global corporations, many more people were entrepreneurs: tailors, bakers, farmers and labourers. But what HAS changed since those pre-industrial times is that we are now further divorced from our communities, from our roots and from the knowledge sharing that such previous environments offered.

The age of the corporation has altered not only the way we do business, but the way we live. It's been a little over a century and all other ways of living, any other sense of 'normal', has been lost.

This is why this is a book about all the stuff that no one ever told you about being an entrepreneur. It acknowledges that many people end up going into business for themselves NOT out of a desire to make huge amounts of money or to change the world, but because they need to in order to fulfil their ideas and vision, or because, they were given no other choice than to do so.

It's hard to distinguish between being an entrepreneur and being a freelancer or working for yourself. Which one includes the other? Are they entirely unrelated? Is there an exclusive list?

In this book I treat them all as equal. As long as you are not drawing a salary and have to complete more tasks every day than just those defined and demanded by a specific job, then this book is for you.

In many ways, the entrepreneur is a metaphor for our society today. The entrepreneur is multitalented, has multiple skills (or will have to acquire them fast), reacts quickly to change and needs to be a consummate generalist to succeed. We are the poster children of the short attention span world we live in.

This is not a business advice book. In it you will find references to business and doing business. But this is not a potted MBA course for entrepreneurs. It's about the most important resource and tool that you intrinsically possess as entrepreneur: YOURSELF.

Therefore, being the best entrepreneur you can requires focus on the hows and whys that motivate your everyday actions. It requires that you look at yourself and be honest about what habits, assumptions and areas of your personality hinder your entrepreneurial success.

It's hard to confess to limitations, especially those that come from within. It's easier if you see these limitations in the same light as you would any business skill: a set of information that needs to be acquired, understood, digested and then put into practice.

I believe that we can build a better world while making sure that we work better. As the old saying goes, "Charity begins at home."



// Section 1
Not The Business //

Chapter 1: What It's Really Like

Ask Yourself: Do you know what you have really let yourself in for by starting your own business or going solo?

Key Attitude:

Whether you are starting out or have been self-employed for a while, try to remember that, above all, no one knows 100% what they are doing. Most people are just making it all up as they go along. Which means you are too, so it's a very good idea to keep an eye open and learn all you can as fast as you can while you travel down this road.

The Quality:

Almost more than rock n' roll, the reality of working for yourself is obscured by myths, misrepresentations, inaccuracies and downright lies. The result of this is that many people fail when they shouldn't because they just had the wrong idea about how it worked in the first place. Here are five of the most common misrepresentations.

1 // You work less

Somehow just about everyone believes that people who work for themselves are doing it because they are lazy and want to work less. The truth is you work MORE. Why? Because when you have a job, there is an accounts department: someone else handles the taxes and pays the bills. There is a marketing department; there is a logistics team. When you work for yourself, YOU are often all of these departments.

While you may well do less work on your core business (being a designer, for example) because you can offer more competitive rates and make better cash, you still have to do all this other work too. As a self-employed person, you need to accept this. You need to allocate time and resources to getting these tasks done, before it gets expensive and awkward.

2 // You make way more money

Your business might make more money per month than a salaried person might earn doing the same work. But it also has to pay for ALL your overheads. YOU pay for every phone call, the Internet connection, the stationery, the lunch, the printer paper and cartridges, the office rent, etc.. Et bloody cetera. This is why a freelancer or small companies charge what they do: they also have bills to pay. So while from the outside it may seem that an independent person is making way more money than you are through your salary, tally up the running costs and realise: a lot of the time, they're just breaking even.

As the self-employed person, you also need to learn to not just count incoming cash as profit. Take overheads and taxes into account and tell yourself that 50% of what you're making is profit. It's a more realistic way to manage your expectations and also makes sure you keep cash aside to pay for necessary things.

3 // It's easy working for yourself

You just need to read points 1 and 2 to realise that working for yourself is far from easy. Yes, you can work in your pyjamas, keep whatever hours you like and charge a lot for your time. BUT you also have to worry about keeping accounts, paying taxes, somehow finding customers AND doing your actual job. It's not easy. The first thing any aspiring entrepreneur should do, is study up on time and project management ... and budgeting too!

That people assume you have an easy ride when you work for yourself is annoying and distracting. Especially when these assumptions come from people in positions of power. But even more annoying is self-employed people who think this career path is easy. Chances are, anyone who does think this is about to get a very rude surprise.

4 // You can take time off whenever you want

No, you can't. On those quiet days when your work is done and nothing is happening, sure you can knock off early when, whereas if you were in an office, you'd have to sit there until the end of the day. And if you plan well, work hard and budget carefully, you can take your vacations when you want. All true. But you can't just take off whenever you want in the same way a CEO or manager can't just take off. You have contracts, obligations, supplier's bills... all of which require that you do what you promise in the time that you have promised it.

You might think it's cool to get up at 11am every day, but you'll soon realise that your clients' expectations are that you'll be at your desk by 9am and they'll be calling, emailing and texting you... your lack of response will not make them happy.

5 // It's not real business

Somehow, employed people have a superiority complex when it comes to how IMPORTANT their job is. Just because you run your own small business, does not mean you are morally inferior to the employed masses. Maybe your clients are small; maybe you occupy a small niche. This does not make you smaller than a suit-wearing MBA-d chief executive.

There is a bias among people that anything that they don't instantly recognise as a business is not legitimate. It seems that people forget that some of the richest humans on the planet dress up for a living and sing. There is a huge scope and range of work and industries out there. Do not be put off by 'naysayers' whose vision is more blinkered than your own. Doing something relatively unknown just means you run in different markets.

The Caveat

Don't get too pleased with yourself just yet! If you have a niche that is small or unknown, this doesn't mean that you can pay no attention to the basic rules and guidelines of business. Be wary of taking the criticism to heart in a way that encourages you to be a total maverick and just do nothing that has ever worked before. Like not paying tax, or not keeping track of your income and expenses. Take advice and experience from those that have gone before you.

Sometimes the negativity about your business from others can lead you to doing some pretty dumb things. Keep your eye on the prize of your own success and keep going. Keep focused and stay true to your vision.

Immediate First Aid

Don't trust your ideas about entrepreneurship. Go and speak to people running their own businesses today and find out what it's REALLY like starting, running and making a success of your own concern. There are some honest biographies out there as well... try reading up on how Richard Branson finally got it right.

Cultivating Entrepreneurship

The truth is, no one seems to know what makes a good entrepreneur. You will need to be resourceful, resilient and creative, and develop good products or services. Yet businesses with all of these things have still managed to fail. Be honest with yourself, do a SWOT analysis to find out where your obvious

STRENGTH

WEAKNESSES

OPPORTUNITIES

THREATS

Join an entrepreneurs networking group to exchange war stories, tips and ideas. Working for yourself can be taxing because you often work alone and for long hours. Make sure you keep your social and home life alive and kicking too. Being a rounded human being is essential.

Over the years, many of my friends have taken MBAs. Without exception, I have discovered that the small, crazy little things I learned working a small business with unknown clients held up to the big, expensive theories trotted out at business school. Why? Because they come from the same place: learning by doing business. Less is more. Massive turnover does not legitimise any one business over another.

Reflection:

Do you still feel completely prepared to start this adventure? Remember that investing in yourself with skills and training is a great idea. Do as much homework and research as you can, not just into the market, but into the process of running a business too.

Chapter 2: Is this for you?

Ask Yourself: Is this the most important thing you can be doing with your career right now?

Key Attitude:

Doubt is destabilising. For entrepreneurs, it is also a daily reality. Sure, you're going to have fears and worries that you've done something crazy. But you need to believe in yourself despite the constant queries. Mostly, these questions are part of the way we find our way in life. Don't let them derail you.

The Qualities

Do you know you can survive being self-employed?

Short answer: You don't know.

But here's the thing: you can find out. You need to have your eyes wide open and understand what you have gotten into. That's all.

If you have the luxury of being able to test an idea while still holding down a job, do it. It takes the pressure off. It means you have no financial dependency on the outcome of your research and that you can be totally honest and rigorous in your enquiries.

Seven Things to check:

1 // Your Idea

Everyone always thinks their idea is perfect and wonderful. Be sensible and do some research and find out if it will work out there in the real world. Because that's where you'll be doing business: in the real world. There's a good chance you're right and it's a great idea. But there's nothing like certainty for a real confidence boost. Do your research.

2 // Your market

Small businesses often fail because they are simply aiming at the wrong people. It's not that they don't have a market, they are just aiming their message at the wrong one. All too many start-ups think their market is the 25 - 35 so-called 'cool singletons'. Your target market could be 65 and retired. Find it out, work out where to find them and how to reach them.

3 // Your competition

No matter how unique you think your idea is, there is a good chance someone else is doing something similar. Check them out. What are they good at? What are their weaknesses? What part of the market are they not reaching? There is nothing wrong with adjusting your plans a bit to aim for a less occupied niche.

4 // Your skills set

Look at what you want to do and think about what is required to make it happen. Be honest, can you read contracts? Can you do accounts, marketing, design and sales? Depending on your business, you're going to need most, if not all of these skills. Figure out what you can do and what you cannot. Then look for people with those skills to help you get going.

5 // Your plan of action

Do you have one? Or are you expecting to turn up and things will just happen? It's all very well to have researched your idea, your competition and your market, but you've still got to DO something. No small business became successful by accident. It requires thought-out, targeted action. So get out there and DO things... even for free at first if you really have to.

6 // Your resources

Please tell me you have some. You know: cash, tools, equipment, ideas, plans.... Make sure you know what you already have and what you still need to get. Make plans for how you're going to get what you still need. Take a long hard look at what you have got... there is nothing worse than discovering you are under-resourced once you start working.

7 // Have a backup plan

'Fail to plan and plan to fail,' the old saying goes. Have a plan B so that you don't fail. Bring your A game to the table at all times, but if that doesn't work, make sure you have contingency plans, other ways of doing things, a fresh set of ideas. No one wants to have to give up and admit defeat, especially not if they have only given it one good go. Before you start, figure out how else you can tackle the project/client/ task. Then keep applying plan B though Z until you get there. Unless of course Plan A works, then, well hey, you've got Plan B for next time and a fresh set of ideas ready to go.

One last thought? Spend some real time considering the change to self-employment. Not because you shouldn't do it, but because it's worth doing well. It's a lifestyle change as well as a career change.

The Caveat

It IS true that not everyone can run their own business or work for themselves. But it is also true that it is way too easy to give up after the first set-back. Typically, new ventures take up to 18 months before they break even, up to 3 years before they turn a profit. Some statistics even claim that 75% of ALL small businesses fail within the first 2 years. Bear in mind that what you are undertaking is not a walk in the park. It requires a plan as well as hard work and a bit of luck.

Immediate First Aid

Treat the seven points listed above as a checklist and assess honestly where you are. If you can see some areas that are obviously weaker than others, as yourself if you can see yourself being able to do these things well. Is there a course you can do, or a friend you can ask for help? Remember you can always hire in outside help for the skills that you feel you cannot or do not want to acquire.

Cultivating Entrepreneurship

You need to commit to a path of on-going self-development and growth. As a small business you are often more exposed to the winds of change than big companies are, which means you need to be constantly growing and changing too. The good part of this is, if you can become really up-to-date and adaptable, this is in itself a selling point in some businesses. Remember to keep time aside to research trends and ideas, attend Meet-Ups and lectures.

There is no limit to where you can grow if you are open to it and have the attitude that how you run your business now is not set in stone forever.

Reflection:

Does being an entrepreneur fulfil a deep and specific need or am I just going with the flow?

Chapter 3: Common Pitfalls

Ask Yourself: Are you aware enough of the challenges that you face to avoid falling victim to often repeated and foreseeable errors?

Key Attitude:

You can learn from the mistakes of others. By being open and honest about where you are and what you are doing, you can avoid many mistakes that will cost you energy and pain. Just because you work for yourself doesn't mean you need to be isolated.

The Qualities

One of the biggest drawbacks of going out on your own is that you most often have no support system. Combine this with the fact that other entrepreneurs are often reluctant to share 'trade secrets' and you have an environment that is tailor-made for a series of mistakes, failures and losses. Try to find a support system that works.

Truth be told, I work for myself largely because I have a problem with authority. This tendency to not listen to others has led to some spectacular failures, loss of capital, income and reputation. But yeah, I still have a problem with authority and this attitude has led me and my businesses down roads that I would not otherwise have travelled.

1 // Starting your own business can be solitary, lonely and hard work. This doesn't mean that you have to do it totally alone. One of the golden rules of working for yourself is NOT to try and do everything on your own all the time.

Make sure you see other people, and don't stay locked in your home office all day. Make meetings outside, go for coffee, go for walks, take up a sport or a hobby that needs a group. Cutting yourself off from the real world will quickly dry up your energy, your inspiration and other people's desire to be with you.

2 // There is a well-known phenomenon in business known as 'Founder's Syndrome' or 'The Founder's Trap.' This is when someone starts a small business and it becomes a BIG business. Often these people are unable to make the psychological leap from being sole owner, controller and decision maker in a business to being part of the overall machinery. They try to hang onto their power and control everything. Essentially they, and their business, become trapped.

When you work alone, you also need to be aware of this tendency. Yes, it's cheaper to do everything yourself. Yes, you always know where everything stands when you do it all yourself. Yes, you know you can rely on yourself. BUT when it's all just you, sooner or later something is going to give and then you also only have yourself to blame.

3 // Being an entrepreneur and self-employed does not by definition mean working alone or working in isolation. You can join groups to bounce ideas, you can employ freelance resources like accountants, designers, lawyers and artists. It's still YOUR idea, YOUR business.

4 // Instead of coming from a place of lack, and focusing on what you cannot afford to do, or who you cannot trust, try thinking a few steps ahead and looking at how you will be able to handle SUCCESS. When your idea is working so well, you can't do everything yourself. Plan for that, budget for that, act like this going to happen. This works far better.

5 // What's the worst that could happen? IF things go wrong, there are people around you to support you, help you deconstruct what happened and get you back up on your feet. That's one entrepreneurial task you DON'T want to do alone. Statistically, it's also one you will have to face sooner or later anyway. So come on, learn how to play with others. It's good for you.

The Caveat:

As a self-employed person your biggest enemy is COMPLACENCY. It's a bit like working in IT: things change fast and if you don't remain flexible and alert, things will change around you and leave you behind.

Have a quick think about your business now. Do you recognise any of these characteristics?

Most of your work comes from:

One big client

A few steady retainers

An agency using you all the time

If you answer 'Yes' to any one of these statements, you're probably in the danger zone of the status quo.

No, not the 80's rock group: the steady, current and standard situation.

Why is this dangerous? Well for a number of quite tedious and predictable reasons.

1 // People get bored fast. Especially if you are a creative entrepreneur. Your temporary employers get bored, start looking for something slightly new, slightly different. They fear their audience will get bored of you too, and they want to avoid that.

2 // Trends change. True story. Maybe you've got a trademark style or way of doing things... suddenly something else is cooler. But because you were so busy doing what you do, you didn't have time to notice or adapt.

3 // There's a good chance you have become bored yourself and are on a treadmill, just churning stuff out, not being that creative or careful anymore. Maybe as a result of that, you've become boring and predictable.

Immediate First Aid

Immediately seek out communities of entrepreneurs where you can share your experience and listen to others. Join a local Meet-up or LinkedIn networking group online. Check with your municipality if there are small business networks you can get involved with. Even if you have an MBA, self-employment is different and meeting others who are immersed in the world is a practical and emotional support you are going to need.

Cultivating Yourself

1 // Invest in Yourself: keep up to date with reading on your industry. Attend events: expos, conferences, read the journals, go on courses. Do whatever it takes to keep yourself up to date and interested in what you do.

2 // Challenge yourself: take on stuff that is out of your comfort zone. Not just for clients but for yourself. See if you can adopt new styles and methods.

3 // Keep marketing all the time: you must have time scheduled into EVERY work week to market yourself and what you do. You cannot and must not rely on one channel for your work. Keep the word out there so that you can keep your clients coming.

4 // Keep your client load diverse: try not to just work with one type of client. Mix it up. It keeps it interesting for you and makes sure that what you're doing cannot become staid, predictable or boring.

With all of these things, you've got to remember: this is YOUR business. It would be a crime for you to be bored and boring doing something that you OWN! Be wary of the comfort zones in what you do and where your limits lie. Therein lies your competitors' advantage.

Reflection:

Do I believe wholeheartedly in myself and see no obstacles in front of me?

OR

Do I accept the existing challenges and remain alert to face them?

Chapter 4: Understanding Your Motivations

Ask Yourself: Is this what you really want to do? Do you know what is necessary to do in order to achieve this idea? Ask yourself why you want this and are you prepared to do what it takes to make a success of this venture?

Key Attitude:

When you are self-employed understanding your REAL motivations is way more important than when you have a job. Sometimes we think we want things when we really don't... we just want something to be better or easier instead. A focus on what you want is key to keeping a healthy and positive mental attitude in self-employment.

The Qualities

A lot of people have asked me how it is that I have done what I have done. They are always curious about how to stay motivated and focused.

In an effort to answer those questions, over time I developed these two questions:

What do you want?

How much do you want it?

Most people are quick to answer the first question with a dream, an idea or a business.

However, when we start to drill down into the second question, it becomes very clear that, while people are often aware of what is required in order to GET what they want, they are doing very little towards these goals and furthermore, do not want to do certain required things.

This is when I say, well, you clearly do not want it. Let's go back to question 1.

If you are honest with yourself, and if you cycle through a few of the things that you say you want and break down what you need to do to achieve them and how much you are doing to achieve it, you will find what you are prepared to do.

For me, what you are already doing is a very informative thing to look at in terms of discovering what people want for themselves. It is also a very powerful way to reveal to people that their expectations are nothing short of unrealistic.

To take a simple example. Someone wants to be fit.

They have an exercise schedule. They try to exercise three times a week. But they also go out drinking three times a week and get very little sleep.

They also routinely cancel exercise in favour of business or social activities.

It is easy to conclude that, while they would LIKE to be fit, they do not want it enough to place it in a higher order of priority than their social or work life. And that's fair enough. Realise that is what you are doing.

Ask yourself what you want in life. Then look at what you do every day of this life and ask yourself how many things contribute towards achieving that thing. You might be horrified. Alternatively, you may be reassured that it might just happen after all.

Once you have identified what you want, ask yourself, what do I need to do to make this happen? Then map out the skills or knowledge you need to acquire, the practice you need to put in, the people you need to meet, the money you need to raise. Put them into a logical order and work your way through them.

Don't be put off if some things seem too big to achieve. Break them down into smaller parts and go after those first.

If your map just seems way too much and you know you will never do half the things that you have listed, well, then you know you don't really want that thing. It would just be nice if you could have it.

So remember, understanding how much you want something is the key to either achieving it or not. Saying or knowing what you want tells you very little about how much chance you have of achieving it.

The Caveat

People do change. And nothing changes them like experiences, both good and bad. It is possible that your answers to the two questions will change over time. Be alert to this and do not imprison yourself in a situation just because two years ago you decided this was what you wanted. You can decide that you don't want it anymore and change. In business terms this means you can change your business plan, your goals or even your entire business model. And that's OK.

Remember to keep an eye on how much you are prepared to do to make your dreams real. A drop in commitment is the first sign that possibly you are not where you want to be.

Immediate First Aid

Try asking yourself the two questions once a month for six months. Each time you will find new subtleties that will help you fine-tune your vision and your understanding of why you are doing what you are doing.

Cultivating motivation

There are many tools to get you on the road to doing what you want to do. One of these is to create a vision for yourself. What do you want to achieve? Why?

Understanding the purpose behind your business idea is the best 'why' to stay motivated. Without purpose it is incredibly hard to stand up to the hardships and challenges that you could experience. But remember, your purpose is not making money... that's a positive outcome. Make sure you understand your real motivations for WHY you have chosen this road. It will help you get out of bed every morning if you can think, "I am helping to make the world a better place," or, "I am contributing to the advancement of technology/restaurants/health/spiritual peace/journalism."

Make sure you develop an idea of what this will look and feel like. Set a date for when you want things to start happening. Don't get crazy about it; use 3- or 5-year intervals.

Set up a schedule that breaks everything you need to do down into tasks with designated times to work on them.

Doing these things will not only move you forward; they will also test your commitment to your idea and help you work on gaps or uncertainties.

Reflection:

Are you sure that you are on the right path? Do your actions reflect this commitment and can you see progress in even the small aspects of what you want to achieve?

Chapter 5: The Pyjama Trap

Ask Yourself: Am I just being lazy, or is something else going wrong here? Do I feel emotionally connected and OK with what I am doing or is it giving me anxiety and the urge to avoid engaging? Or am I hoping someone will come and save me with a large amount of money?

Key Attitude:

Self-awareness is the most powerful tool you can bring to entrepreneurship for your own emotional and psychological wellbeing. Have the courage to be honest about how you feel and reach out for the support you need when you need it. By definition self-employment is lonely and challenging. Don't make it worse by isolating yourself.

The Qualities:

I have always enjoyed working for myself and I am sure that not much can compare to the joy and sense of achievement that comes with making your own business idea actually work. But entrepreneurship has also been the source of some of the most depressed and desperate moments in my life.

If you think about all the messaging you hear about entrepreneurship, it's all about success, happiness, self-realisation. There is very little about the practical dangers, the loneliness, the potential for depression. When you combine this with the fact that very often people starting new businesses spend a lot of time on their own and typically have money worries, then you have a recipe for depression.

I don't think there is any direct incentive to do things in this way. And yet most people do not openly talk about this aspect of entrepreneurship. It is as if it is such a holy grail that to suggest that people might fail or burn out is some kind of sacrilege.

All too often, the obvious psychological challenges of entrepreneurship are ignored and not discussed. A very specific model of what it means to be a shining, successful entrepreneur is almost enshrined in 'Western' popular business culture.

From my own experience, I know that I found it very hard to discuss my tough times with anyone. I know that many of my problems were self-induced. They also felt intensely private; almost not business problems but a personal failing. Success is easy to share, failure is not.

The net result was that I deprived myself of emotional support and possibly some sound business advice by maintaining the happy, grinning entrepreneur facade while I lay awake at night trying to figure out how to solve these problems.

In stark contrast to the reality that I experienced, it seems that the expectation that many new self-starters have is that being self-employed is about quick success and happy times.

If you are a freelance writer, designer or programmer, you probably can work in your pyjamas. The problems start almost immediately when you get up. Clients care little for how much you value your sleep or your bed, they have an annoying habit of keeping standard office hours and Tuesday to them means during working hours, not midnight. You'll also find that pyjamas just don't feel like work clothes and as a result, many people don't work in them.... they just sit and drink coffee.

The advice from many self-starters is that you should get up and get dressed every day AS IF YOU WERE

GOING TO A JOB! This helps focus your mind on what you need to do that day. And you must do this because you want to earn money this day and this week.

The caveat

Do not forget to enjoy yourself, to stop and smell the roses; just don't hang out in the rose garden all day.

Immediate First Aid

1 // Just because you work alone, don't be alone. Tell a trusted circle what you are going through and build a support network.

2 // Accept that not every entrepreneur succeeds wildly and experiences no bad times... even you. Especially you. We never hear about the famous failures, just the successes. That doesn't mean they don't happen.

3 // Find the key thing that motivates. What is the thing that gets you out of bed in the morning? Try and keep that front and centre in your mind when the going gets tough. Don't be alarmed if that changes over time. But you must have something.

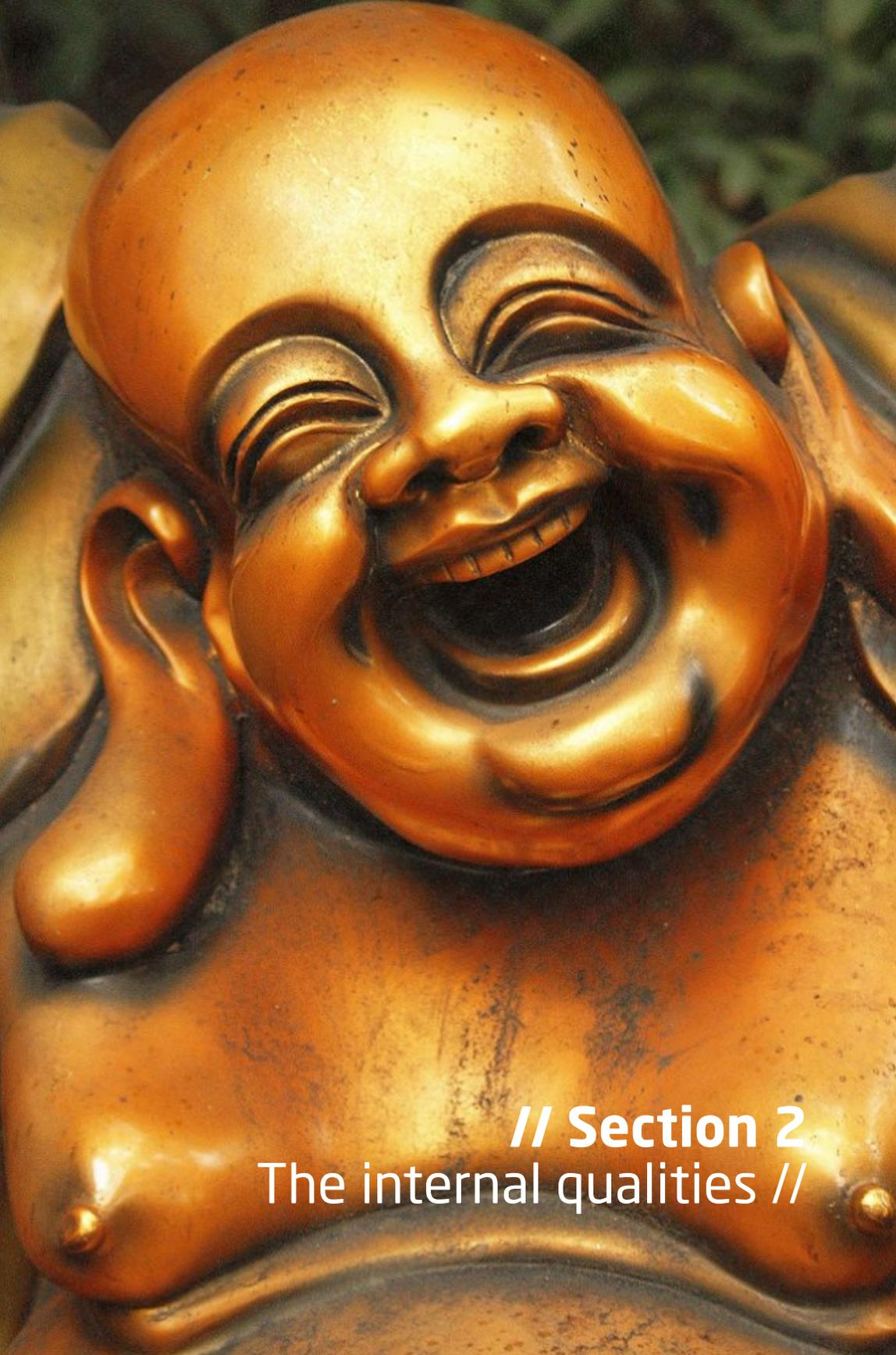
Cultivating Your Work

The easiest way to avoid the pyjama trap is to set goals and rewards for yourself. Keep reminding yourself that all of this is ultimately for YOURSELF. When you've done a good piece of work, take some time off to relax, make your favourite coffee, play a game. Then move on to the next achievement. By doing this can you steadily link doing your work well with feeling good and rewarded.

When you are self-employed, you don't want to resent getting up and going to work every day. That's what jobs and bosses are for. Now it's your show, so make sure you set it up so that you can enjoy it, but also so that it remains sustainable. This may mean compromising on how late you can sleep, but this policy will also allow you to sleep better long-term and give you a greater sense of achievement overall.

Reflection

Do I want to achieve success or security? Or do I just want to NOT have to work?



// Section 2
The internal qualities //

Section 2 Intro

The Internal Qualities

In the same way as big business refers to essential tools like communication, public speaking and interpersonal communication as 'soft' skills, no one ever talks about the internal or personal qualities one needs to be an entrepreneur.

These are not magical properties that you are born with or without, but rather behavioural sets or patterns that can be acquired through thoughtful behaviour and focused consideration. Qualities like resilience, patience and creativity can be acquired through careful cultivation.

Large companies like to try and divide us into conveniently-labelled subgroups, mainly for recruiting and organisational reasons. One of the systems that seems to have stuck in the popular imagination is that of the broad categories of Type-A, Type-B etc.

This was originally developed by two cardiologists to explore connections between heart conditions and personalities. Type-A generally refers to people who are time-urgent, controlling, perfectionist, finish people's sentences for them, talk fast, eat fast, walk fast and so on. At this abstract level of personality categorisation links between Type-A personalities and entrepreneurs have been found.

It doesn't matter whether you believe in these categorisations or not. What is important however, is to develop a level of self-awareness of your way of looking at and dealing with the world. Learn to understand when your standard responses are and are not appropriate. Whatever base level of skill or personality that you come from, you can improve your whole skill set and way of doing things. You can also acquire new ways of doing things if you work for it and want it badly enough.

In fact, the internal qualities that you bring to any work are way more important than any kind of predetermined or acquired skill set. It is these qualities that allow you to either develop new skills and acquire experience or not. It is good to remember that when people describe highly successful and happy people, they mostly describe internal qualities. They don't list a skills set.

Chapter 6: Flexibility

Ask yourself: Am I quick to say I cannot do things or that things should only be done a certain way? Have I been working in the same way for more than 5 years? Am I still as happy doing what I do as I was 5 years ago? Am I even happier?

Definition: The quality of bending easily without breaking; the ability to be easily modified; willingness to change or compromise.

Being able to outlast and survive is a key entrepreneurial quality. This doesn't mean you need to stick to your guns no matter what, ignore advice, take no note of what works and what doesn't and in general behave like the captain of the Titanic. You also have to know when to bend.

Flexibility is key.

Flexibility does not mean giving in. It means finding another road when the one you are on becomes blocked. It means trying a new partner when the one you're working with cannot deliver, varying your angle of attack when you don't win and altering your strategy when you make no headway.

Key Attitude:

Always keep in mind that it is impossible to know everything about anything, even things you are an expert on. Leave space to allow yourself to change your mind, try new approaches and learn from others.

Key Points

1 // You must know when to compromise.

Figuring out when to compromise can be hard. Especially when we're talking about your hopes and dreams and the expectations that have grown around them. Try this 3-step response to setbacks to see if you might need to learn to be more flexible:

a // Do you really know better?

b // Does it really matter?

c // Remember to check your ego.

Sometimes we react as if we have all the answers because we believe so firmly in what we're doing. It's better to listen to someone who has more knowledge or more experience. That's not losing, that's wisdom. You do not have to take everything you hear on board but it's still good to listen and be aware of other options.

Then ask yourself if your original approach was really that important? Or is it more important that the thing gets done? If you're honest enough with yourself, you'll quickly see that it's more important that the thing gets done.

The real stumbling block here is neither other people nor circumstances. It is our own ego. When things go wrong and you're feeling blocked and frustrated, check your ego. Ask yourself: am I taking offence? Is this a problem that warrants a personal, offended response? Or do I need to check my ego, figure out the best way forward and leave it be? Mostly the last one. Really, it is almost always the last one.

2 // Areas of flexibility

We don't always enjoy well-meant or good advice when we work for ourselves. It is hard to know when to apply advice and when to ignore it. But it is important to establish boundaries for yourself. Especially about what and where you should be flexible or negotiable. These 3 things provide the most trouble, generally speaking:

a // Fees

b // Costs

c // Timelines

You'll find that the primary skill that every entrepreneur must master is the dreaded 'time management'. Don't just work for free. Still, be flexible if you can see a long-term advantage to working for less. For an important, new client it could be important to invest at the start of your relationship in order to grow later. Is it possible that your costs are too high? Listen when others say they can get things for less: it probably means you can too... that'll also benefit you in the long run.

As for timelines... I hate it, but timelines drift. Don't beat yourself up over it if it happens to you. Clients are indecisive, mistakes happen and schedules crumble. You'll find it way easier to deal with if you are more flexible in your attitude towards them in the first place. It's a good idea to build a second deadline into your planning as a result: the first one you take to client, the second is your fall-back position by when you know you can still get things done.

The Caveat

There is an old saying that he who stands for nothing will fall for anything. This is extremely true when you are working for yourself and is a mantra you should remember when considering how flexible to be, or what to be flexible about. Make sure you are not betraying your own motivations, principles or ability to do your work, just because you want to appear to be more flexible.

Where not to be flexible:

a // our quality of life

b // Your rest

c // Being paid

d // Your intellectual property

Immediate First Aid

Keep a life for yourself. When you work for yourself, it's easy to convince yourself that, because you are finally doing what you love, it's OK to work 24/7. It is not. It's dumb. Everyone needs downtime. It's how our brains work. You'll get bored, and boring, fast if you don't have a life, a well that you can dip into for refreshment and inspiration. A place where you don't have to worry about deadlines, invoices and costs.

This means getting rest, not working 18-hour days and generally pretending you are indestructible. Make sure you have restful times when your mind is not on work and when your body can repair and recuperate.

Never be flexible on being paid. Find out how your clients systems work, learn them, stick to them and enforce your payment terms. If you accept that it's OK to not be paid for your work/time, you're accepting that your work is not worth it. That's a long slippery slope at the bottom of which are bankruptcy and despair.

If you're a creative entrepreneur, make sure you are protecting your intellectual property properly, wherever it is required. Intellectual property is your best long-term investment and potential pension fund: register it, get it recorded and sorted where and however you can.

The laws around intellectual property are many and varied. What applies to a music composition may not apply to a design or a piece of software. They can also vary from country to country. It is important that you make no assumptions and do your research. Rather spend a bit more money hiring an expert than find out down the road that you do not hold the rights you thought you did.

Cultivating Flexibility

The simplest rule to remember is this: Try not to get too welded into your specific vision of exactly how things are supposed to turn out. We're not psychic; often, we're not even experts. We're just the people who had the courage to get up and do something on our own. This means that we CAN be wrong and if you want to succeed, you need to accept that and be flexible when required. Keep an eye on the long-term gains that being more flexible now might give you. Sure, you may not get exactly what you wanted to now, but will being flexible possibly bring it to you in the future?

5 practical tips:

Stretch!

Read books - everything possible!

Take courses

Find friends outside of your industry

Do new things

Reflection:

Am I swaying in the breeze like a leaf or standing like a rock in the path of the tide?

Chapter 7: Patience

Ask yourself: Am I quick to anger or disappointment if things don't go 100% my way? Do I write things off on the basis of initial disappointment?

Definition: the capacity to accept or tolerate delay, problems, or suffering without becoming annoyed or anxious.

It is said that one teaches best what one needs to learn. Then perhaps it is a good thing that I write this chapter about PATIENCE.

I am not a patient man. I was not a patient child, baby, teenager or young adult. That is not to say that I can never bear to wait for anything, but rather, generally, I would have things happen sooner than later.

This in itself provokes anxiety, inaccurate expectations and sloppiness. None of which are things that, as an entrepreneur, you want in your life. Well, in any life, no matter what or who you are to.

Key Attitude:

Remember that, while you are an experienced adult, you have not seen or done everything that is out there. Stop, absorb, consider, and only then react.

Key Points

Our instant gratification culture plays a huge role in this generalised impatience. We are quick to assume that, just because we have an idea, a plan, a project, things will follow on rapidly. This mostly arises from false expectations. It is not how most things work. Overnight success stories, one-hit wonders and 'rags to riches' stories seem to crowd our horizons. We wonder why we aren't one of them. Don't we have what it takes?

The truth is that none of those overnight successes took one night... literally or metaphorically. It's a point belaboured in biographies, autobiographies and histories. However, we mostly choose to ignore it. Foolishly. Good, big things take time to grow and develop. Which is good, because we have never thought out every implication, every possible outcome. We need that time to fine-tune, adjust and adapt.

Entrepreneurship is not like entering 'Idols'... the judges vote and, hey presto... you're a winner. You have to be patient in developing your ideas, implementing a plan, finding your team, establishing your market, building your presence. Notice the active aspect of how I have expressed all this it's a constant process of doing, of becoming. Not a one-shot thing that you fire off over the horizon for a guaranteed result.

All of my previous business ventures stumbled because of my impatience. In my defence, this was aided and abetted by my complete ignorance of what I actually wanted or what was vaguely possible. But that is also half the point... if you don't know what you are doing or what you want, don't be so impatient to make it happen. What IS it that you are trying to make happen? Slow down and take the time to observe what is happening as you progress. There will be lessons. Lessons too easy to ignore if you're travelling at 300 million miles per hour.

Yes, I know this is the 21st century and that we live in a super-connected, super-fast world. That's one of the biggest reasons why it is worth it to be more patient. Things change in the blip of a screen, faster than a blink of an eye. Do you want to be one of those things? No? Then think more long-term. Differentiate yourself from everyone else by thinking about what will make sure you're still doing business in 10 years' time.... don't be impatient.

The Caveat

Make sure that what you are doing is being patient: not avoiding action. There is a fine line between patiently waiting for things to become clear and sitting on the fence. Make sure that you understand where that line lies for yourself.

Immediate First Aid

Take 10 minutes to make a list of things that make you impatient. For example: computers, ring tones, queues at the bank; whatever it is that makes you impatient. Then find a way to avoid these triggers in your most stressed periods. Give yourself a chance to start becoming more patient by only exposing yourself to your triggers when you are at your very best.

One of the most popular strategies that can be used is known as The 4 A's: Avoid, Alter, Accept or Adapt. Look at your well-known triggers and ask yourself: Can I avoid these situations or people? Can I alter the situation to resolve the trigger? Is this just the way things are and must I just accept it because no amount of fighting can change it? Can I personally adapt how I see or think about this situation in order to avoid being triggered?

Cultivating Patience

Patience can be cultivated. Isn't it amazing how you are prepared to wait for a well-prepared meal at an expensive restaurant, but not your burger at a fast-food outlet? The key is to understand our expectations.

Learn to manage your expectations by putting yourself in the position of the thing or person causing you impatience.

Manage your time schedule more efficiently so that small delays do not make you risk being late. Become conscious of noticing your surroundings at every free moment you can. When you feel the impatience coming upon you, look around and drink in the details.

5 Practical Tips:

1 // Remind yourself that there are other perspectives on every situation. Make an effort to find a different way to look at the situation that is freaking you out.

2 // Breathe. Deeply and slowly. Think only about the breathing.

3 // Put yourself in the other person's shoes. Nothing like diffusing impatience by cultivating empathy for the challenges others face.

4 // Plan better. Often things fail not because of others, but because we were in a rush and failed to plan.

5 // Allow room for changes and the unexpected, that way you are already pre-prepared for things that otherwise might knock you off your stride.

Reflection:

Do I need everything super-fast or am I caught up in a habit?

Chapter 8: Objectivity

Ask yourself: Am I constantly offended or irritated when others express their opinions about what I am doing? Do I struggle to see their point of view?

Definition: the quality of being objective, not influenced by personal feelings or opinions in considering and representing facts.

Attachment to the wrong things can be dangerous. Knowing what the wrong things are can be hard. In business, it is important to remain focused on the practicalities of how and why you do the things you do. If you cannot detach from your emotional reactions to all your ideas, you run the risk of losing focus and spraying your energies too wide.

Most often we go through life very attached to our way of doing things and our way of seeing situations. If you are never prepared to let go of this attachment, you will never grow as a business person or as a human being.

As previously mentioned, it is impossible to anticipate all the variables that come into play when you enter the business world. If you remain too attached to your own ideas and vision you run a large risk of missing golden opportunities, solving complex problems and, generally, of not making the best of your situation.

Key Attitude:

There is no such thing as a perfect first version of anything. Everything needs refining and polishing. By letting go of our emotional attachments to our original vision, it can only get better.

Key Points

There are some rules of thumb that you can apply to help you figure out MOST of the time whether you're being incredibly resilient, persistent and bravely dogged, or whether you are blindly sticking to a course of action because you are attached to the idea behind it.

Four Attachments to be Cautious Of:

1 // Being right

No one is right all the time. Just because you have been right before doesn't mean you're right this time. And besides, being wrong might teach you something, so don't be so hung up on just being right. Focus rather on trying to understand what's going on than proving your theory about what's going on.

2 // Doing things your way

We have all acquired experience from work and life and every single one of our actions is coloured by it. Be wary of letting your way of doing things blind you to instances where you need to learn from new experiences and bend a little. After all, would you rather get it done, or insist on doing it your way?

3 // To your idea

When you're launching your own business and chasing down your dreams, of course you want it to work and will move heaven and earth to achieving that absolute end. But don't be so arrogant as to just assume that ALL of your ideas are marvellous and can or must succeed. The law of averages tells us this is highly unlikely. Be ready to ask yourself the hard questions about just how good THIS idea was.

4 // Not adapting to team plans

If you're doing any or all of the above, it means you're not working with the team you have around you. Worst case scenario, it means you don't even have a team around you. Listen to your checks and balances. They are there for a reason. Don't let your ego get in the way of good business. Build a team and listen to it.

Do a lot of the things in the last few chapters sound like psychology? They should. It is. Truth is we all make mistakes because we cannot tell the difference between how we feel or see the world and what is happening. When you are running your own business, the results of making that kind of mistake are immediate and can be disastrous. It's easier to try and avoid it by being a little less emotionally blinkered and a little more open-minded.

The Caveat

This chapter in no way advocates that you become an automaton detached from the human impact and implications of your business (on yourself, your customers, your staff or the environment). As with all things, balance and moderation are required here. One of your greatest weapons and unique selling points is your passion. Just make sure you've checked everything out before you unleash yourself on your plans.

Immediate First Aid

Remind yourself that everyone is entitled to an opinion, that what you think is no more than just that: an opinion. When you were a child your parents might have told you to count to ten before reacting. Sound advice, remember to count to ten.

Cultivating objectivity

Four Practical Tips:

1 // Research

Research is underrated. Do your homework and read up on everything you can about the areas you work in, and who is in it and what they do. Know your friends and understand your enemies. We all tend to seek out information that confirms the way we already think or how we view the world. Objective research will help to avoid this confirmation bias.

2 // Honesty/check your ego

There's a time to be stubborn and there's a time to be honest. Watch out that your ego isn't stopping you from being honest because it's hard to admit to a mistake. Saying sorry is way easier when you do it earlier, and saves time, money and effort.

3 // Listen very carefully

It is amazing what people will tell you if you shut your mouth and listen to them. They will tell you why they are happy, why they are angry, what they want and how they want it. They may even tell you how to solve the problem you are facing. And if no one is talking, the situation itself also has a story to tell. Pay attention. Look up, look around, and stop navel-gazing.

4 // Critical thinking

Don't be a lazy thinker. Follow ideas to their logical conclusions instead of just stopping where you want to be or where your opinion ends. Follow them all the way so you can see the real consequences of your intended actions and ideas. You might be horrified and surprised, but you will save relationships, time and money if you do it.

Reflection

Can I look at my business from above, seeing all its aspects? Or do I only see the world through my own eyes?

Chapter 9: Resilience

Ask yourself: Am I able to absorb setbacks and find new ways of doing things? Or am I swept off course by even small criticisms and negative outcomes?

Definition: the capacity to recover quickly from difficulties; toughness OR the ability of a substance or object to spring back into shape.

So far I've mainly talked about practical things... actions, strategies and the like. But the truth is, you need to cultivate a specific state of mind and an emotional stance in order to thrive and survive in any self-employed arena.

The first essential quality to cultivate and pay attention to is resilience.

Mainly, resilience is a positive attitude that requires difficult mental work, for example, accepting that it's not always about YOU, and the importance of not taking everything personally.

Key Attitude:

Shit happens. The shit that just happened was not tailor-made just for you by god/the universe/that person. In other words, do not make a habit of over-personalising things that go wrong around you. All too often this just leads to a misplaced focus on the negative. Instead try and see things going wrong as just another setback that is to be expected, and find a way to deal with it.

Key Points

1 // Things won't always go according to plan

Even when you've thoroughly researched your plan, your suppliers, your market, your audience and your partners, things can go wrong. When they do, you need to be honest it. Face it, accept it. get clarity on what has gone wrong and why. Doing this requires a lot of personal strength, especially if you have made the mistake. You need to understand that things will go wrong. And that's OK. It's normal. You just need to be ready for this.

2 // How do you deal with this?

Denial is not an acceptable response in business. Acknowledge that things are not going according to plan. Identify the specific issue and adapt to it. Do NOT stick with your original plan. That's just egotistical: 'Ooh, things are going wrong, but my plan is so good, I am going to stick with it.' NO. Surrender. Accept the setback and carry on. Resistance is a waste of energy. Remember, your plan of HOW you want to do something is not the idea itself. You're not giving up, you're looking for a new way to succeed.

3 // Areas of resilience

You need to be emotionally resilient because a lot of self-employed people are emotionally connected to their ideas and work. It's important that you do not put your head in the sand and pretend nothing is wrong. You need to learn how to deal with things on an emotional level.

Structurally you need to be resilient too. This means you need to have things in place to help you cope when times get rough. You need proper filing, invoicing, record-keeping and timelines and deadlines that are visible and enforceable. Nothing keeps you on course like knowing what logically comes next.

Strategic resilience gives you that sense of a bigger picture when the small picture is falling apart. A good picture of the overview will help you overcome small term setbacks far more easily.

Lastly, look after yourself. Remember to eat, exercise, get enough sleep and engage in all the things that make you happy. It's hard to survive when you feel sick, are overtired or just have no pleasure in your life.

The Caveat

If you just get up time and time again after failing and do not modify your behaviour or learn from your challenges, resilience is just going to grind you into dust. It's not about just getting up, it's about getting up and working smarter, harder, better, differently.

Immediate First Aid

Picture the size of the universe that we now know to exist, with all of its suns, stars, planets, black holes and mysteries. Then ask yourself, with so much going on in the universe, what are the chances that what is happening was designed just to set me back? Remind yourself that you have plans, skills and ideas, and that setbacks can help you.

Cultivating resilience

As the cliché goes: the definition of insanity is doing the same thing over and over and expecting a different result. If you're not getting the results you want, you need to change your actions. In order to do this, you will need some emotional resilience to accept you might have been wrong. You will need intellectual resilience to figure it out, and structural resilience to weather the storm while you change course.

Don't get caught up in thinking that nothing can go wrong. Rather anticipate what could go wrong, act in ways that avoid whatever you can and then be willing and able to act in new ways if other things go wrong later. We don't live in a perfect 'join-the-dots' world. Accept that and act accordingly. You will be happier.

4 Practical Tips

- 1 // Do not mistake stubbornness for resilience. Stubbornness refuses to accept that things aren't working out.**
- 2 // The Secret is: positive thinking and not acting is never ever going to help you survive.**
- 3 // Be prepared to make new plans. Stubbornness says that you are right and everyone else is against you. Resilience admits you could have been mistaken and lets you find a new way to carry on.**
- 4 // Get out of your comfort zone and see how someone else does things - read a book, go on holiday, and so on.**

Reflection

Am I connected enough to WHY I am doing this to carry on through the tough times?

Chapter 10: Resourcefulness

Ask yourself: Am I able to see opportunities in mistakes or unexpected events? Can I mobilise what I have to effectively deal with the challenges in front of me?

Key Attitude:

I have everything I need to solve nearly every situation if I can just figure out how to deploy it all correctly. There is something to learn here and, by figuring it out, I can continue.

The Qualities

Resourcefulness is something they have been teaching Boy Scouts and MBA students since day one. It is a quality that requires a certain outlook on life that can sometimes be tough to draw on. That quality is the confidence that tells you, even when things are going wrong and times are hard, that you can come through a situation and succeed.

It's an attitude at once creative and reductionist. A resourceful person is able to look at the materials and tools they have on hand and reduce them to their component parts, catalogue their uses and applications: both existing and potential. From this reduction of resources, these people are then able to creatively assemble a new response that deals with the challenge or problem that they previously couldn't deal with.

This is a key area where creativity is a primary weapon for entrepreneurs. Like MacGyver on the '80s TV show, you will often need to be able to escape a situation with the business equivalent of a Swiss army knife, a piece of string and a fire extinguisher. You do not know which of your ideas are going to work until you try them. You will also need good reservoirs of courage to just try and be damned. Or succeed, depending on how well you can reassemble what you have.

You need to become a person with good problem solving skills. If you can develop your ability to get an overview of a situation, analyse it and break it into components, then you have a good chance of solving the problem. This requires two skills: the ability to reason solidly and logically, and the ability to see connections between seemingly unrelated pieces of information or situations.

Reasoning and logic you can learn from a book. You can also learn some great decision making tools from books. What a lot of people don't realise is that you can also learn to see the unexpected connections. Just don't limit your thinking: ask 'what if.' a bit more.

Being resourceful is sometimes no more than being the only person on the block brave enough to suggest something new, different or a little bit off the wall. As in all things, practice makes perfect. Get started and you will be surprised at the results.

The Caveat

Be wary of becoming too self-reliant when you focus on resourcefulness. No one likes working with anyone who seems to believe they do not NEED anyone else. Not only will you alienate yourself from the team that you form with your clients, but you will risk isolating yourself terribly from any other support structures.

Immediate First Aid

Understand that nothing is ever as bad as it at first seems. It is easy to panic, throw up your hands and run away. Fight that impulse as your first point of action. Ask yourself, what would Bill Gates do or what would Richard Branson do? Develop resilience and the realisation that you can actually come up with a solution; you just need time.

Cultivating resourcefulness

A great way to make better use of your existing resources is to understand them BETTER. Take stock of your own skill set: what can you do well? What can you do OK? What do you find challenging? Look around your office, what equipment do you have at your disposal? What other uses could it be put to? Think about your network, who has the skills that can add value and take pressure off what you do? In short, prepare for the day that you will need to pull the rabbit out of the hat by understanding today what you have at your disposal.

There are many tricks and techniques. Here's 5 you can try:

5 practical tips

1 // Conduct a SWOT analysis on yourself and your business: what are your: STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS?

Then start putting plans in place to counter the threats, take advantage of the opportunities, bolster your weaknesses and exploit your strengths.

2 // Build a team. You don't have to hire people to have a team. Establish a working relationship with people who complement what you do, like a lawyer, an accountant, a designer, a website developer, a delivery service, a supplier. No one likes complete strangers crying and begging for help at the last minute. Make friends now.

3 // Adjust your world view. It's such a cliché but it's true: stop thinking "can't" and start thinking "can". Train yourself.

4 // Pick a small problem and solve that, then a bigger one and so on. Build your own confidence by successfully solving existing challenges using your own resources.

5 // Don't be so scared to admit that you feel challenged, threatened, overwhelmed. If you don't admit you need help, you're not going to get any.

Reflection

How else can I use what I already have in order to achieve better results?



// Section 3
Non Business Skills //

Section 3 Intro

Non Business Skills

There are a lot of skills that go into keeping your business afloat and yourself sane that would appear to have nothing to do with the business world. The skills that we will discuss here usually don't rate a mention in the standard business books and are routinely underestimated when considering the idea of going solo.

However, just like the internal qualities discussed in the last chapter, all of them are acquirable and necessary to your life as an entrepreneur. I would go so far as to claim that, without them, you will struggle to make any real headway in the business you have chosen.

Some skills, such as creativity, many people view as qualities you are born either with or without. I contend that this is very far from the truth and that each of these 5 things is a skill. In other words: you can focus on acquiring and perfecting these skills through dedicated information acquisition, practice and application.

They say that people don't change. But mostly we recognise people through their habits. Does it not then follow that, if you acquire new habits you become a new person to all intents and purposes? This is what acquiring new skills is all about: changing through growth to become a new expression of your internal self. In this case, a self that is better able to endure and indeed thrive in the world of the entrepreneur.

Chapter 11: Uniqueness

Ask yourself: Do I stand out from the crowd with what I do/make or am I just very attached to how I talk about what I do?

Definition: Being the only one of its kind; unlike anything else.

If you look at that definition you quickly realise that a lot of the marketing babble and business bull you have heard is just that: bull.

In our modern world there is a very small chance that you have come up with a really unique idea. It is much more likely that you have come up with a new twist or spin on something old. What we must do to be seen, is work out what makes us different from each other in the marketplace, not what makes us the same. Things that are easily lumped together are forgotten together. Differentiation is the key.

Sometimes it is not the product or the business itself that needs to be unique but WHY or HOW you do it. In other words, do you have an inspiring mission that informs your business? Or do you have a specific and unique method to how you do what you do? These can be powerful differentiators. They are emotional ones too, that can cut through the clutter of the modern market.

The trick is to figure out how your offering is different and why. Once you have this, then you need to make sure that everyone knows it.

Key Attitude:

I am not a snowflake, unique in every way. But I do bring special and interesting things to the table. I can be different to my competitors by simple doing everything better or in a slightly different way.

The Qualities

There are some things that quite simply DO NOT make you different. Let's start off by eliminating those:

- Price: How much your offering costs, doesn't tell anyone anything about it. Forget that.
- Product/Service - Coke or Pepsi? Merc or BMW? They may look slightly different, but they are both still cold drinks/cars, not different products.
- Slogan, brand name, and/or packaging design - Flashy design may make you look different, but it doesn't make what you offer any different to what it was before. Don't mistake it for having a different offering
- Over-used adjectives - Claiming to be "unique," "cheap" "efficient," "reliable," "fast," "effective," mean nothing. Anyone can write that stuff.... And everyone does. A few words do not make what you do different.

If you read around the Internet, you'll find that 3 big things come up time and time again. The things to focus on that can and do make what you do different and worth drawing attention to are:

1 // Application focus: Make sure what you offer is targeted and focused on a specific application. For example, digital content generation with products like web copy, newsletter writing, app copywriting, etc.

2 // Industry focus: Target your offer at a specific vertical industry such as IT, media, healthcare, insurance etc. Start first with the industry you already work in.

3 // Methodology focus: Establish a reputation as the go-to person for certain types of work - e.g. blog writing, market research, SEO, mobile apps etc.

The Caveat

There is much you can do to make yourself stand out of the crowd, remember what Shakespeare said: "There is nothing new under the sun".

Maybe what you do is NOT unique, but how you do it is. Do not forget the details. It's not all about a grand vision.

Immediate First Aid

Make sure that you look and sound different to people in your market segment. Look at your branding, advertising, how you talk about technology etc. Draw attention to how you ARE different by looking different as well.

Have fun with all of this. It's a creative and challenging time, but worth all the effort you put in. Once you KNOW what is good and different about what you are doing, it is so much easier to tell other people.

Cultivating Uniqueness

So, now you know what's special about what you're doing, how do you let everyone else know? But more importantly, how do you tell it in a new way that is unique to you and your business?

1 // Tell your story - No one has quite the same story to tell about how they came to be the business they are. Share what made you who you are as a company or an individual.

2 // Explain your process - Do you have a unique process? What do you do that is special? These are important value-added items and if you don't have them, you need to think them up so you can add them to your customer experience.

3 // Express your values - Tell the story of your passion and motivation for doing what you do. People like to work with other people who share their outlook. As part of your story, ensure you talk about this too.

Reflection:

Is being the only one as important to WHY I am doing this or is how and why I do it more important?

Chapter 12: Reliability

Ask yourself: Am I unable to arrive on time, complete projects on time or generally keep my word when it comes to work matters?

Definition:

The ability to be relied on or depended on for accuracy, honesty, or results.

In twenty years as a freelance journalist I have lost count of how many jobs I got because another writer failed to meet the deadline.

When you are a business that stands alone there is ONE thing that you have to get right, and keep getting right. The thing that keeps word of mouth rolling positively and that helps your bottom line stay in the black:

Be Reliable

Key Attitude:

Understand the difference between what is important in terms of making a success of what you are doing, and your own personal desires/routines and motives. People like predictability when it comes to business. How can you become more predictable and reliable? One way is to be able to manage your time and responsibilities effectively. For example, to be able to use tools like The Eisenhower Matrix pictured below.

IMPORTANT BUT NOT URGENT (decide when you'll do it)	URGENT AND IMPORTANT (do it immediately)
NOT IMPORTANT, NOT URGENT (do it later)	URGENT, BUT NOT IMPORTANT (delegate to someone else)

Key Aspects:

Let's break the idea down into five areas that you need to make sure you get right.

1 // Deliver on time.

Establish the deadline, sign off on it, plan your process around it, build in wriggle room for predictable delays and then, deliver on time, if not before.

2 // Deliver to the specifications provided.

A huge part of reliability is delivering the right thing first time. Make sure you understand what you customer/client wants. Show examples, ask questions, do whatever it takes and stick with what they want, not how you see things.

3 // Don't over-promise.

Rather say you'll do a good job and do an excellent one than the other way round.

4 // Don't be over-enthusiastic.

If you're too keen chances are you'll underestimate how long or how difficult jobs will be. Overenthusiasm is almost always responsible for over-promising and missed deadlines.

5 // Manage your time.

Block your days so that all your projects get attention. Prioritise deadlines and arrange your working hours and efforts around them. Learn how long specific tasks take and schedule accordingly. Also take note of your admin and how many hours per week you need to keep up to date with it.

Reliability is so important as an entrepreneur because it is the fuel that generates your most important marketing momentum: Word Of Mouth.

When you do what you say by the time you say you will with quality, value-adds and a good attitude, people will market your business for you. Everything you do with marketing on top of that will then be blessed with goodwill, credible references and understanding.

It also fills you with a genuine pride in what you do, which makes it much easier to talk about your business: you're not making stuff up, this is how it is.

For some people, time management, estimating time and effort and so on are hard to do. The best advice is to take a course: project or time management, estimating etc. They are out there. Acknowledge it's a weak point and do something about addressing it.

Reliability is becoming a rare commodity which in turn, makes it incredibly valuable in the market place. Make sure you can deliver it.

The Caveat

Try not to mistake being reliable for being stuck in a rut, predictable and boring. Everyone and every business needs to refresh and grow. Do not use being reliable as an excuse for not being innovative or growing.

Immediate First Aid

Remind yourself of how much money your time costs and realise that the same is true of the other person who is waiting for you. Do not make the mistake of only doing the work required by client. You are running a business. This means you must assign time for administration tasks such as filing, tax returns and invoicing. Also, make sure you keep time for your sales process and marketing activities. This needs to be built into your typical working week, not a panicky afterthought that disrupts your delivery.

Cultivating Reliability

There are five areas that you need to cultivate to help yourself become more reliable. Remember at all times that reliability is not just good for your clients: it also manages your own expectations and lets you know where you stand. Some of these aspects you may need to develop from scratch. Don't be scared to attend a course or read a good book. Some others you may have already developed. Make sure you are up to date and as sharp as you can be.

1 // Time management

Manage your own time. As a business owner you have many responsibilities that all need to be juggled. The more you manage these tasks, the easier it all becomes. Be strict and enforce your own boundaries with others (and yourself).

2 // Project management

You have to understand what is entailed in each part of every project you take on: how long will each phase take, how much will it cost and who is going to do it. Then, overall, you must manage these aspects to keep them on time and within budget.

3 // Estimating

Many small businesses fail because they hopelessly underestimate how long jobs take and how much they will cost. You have to improve your ability to put a price on what you offer. This can be achieved by researching your market sector, talking to others in your sphere or joining a representative body.

4 // Scheduling

Most first-time self-employed people hate this idea. The truth is though, if you have a schedule, you have a structure and generally, things get done well inside structures. At least when you run your own business, you can build your own structure and make it work for you.

5 // Routine

The value of routine is that, once it is established, it allows you to switch into work mode faster and more efficiently. Think of Pavlov's dog... it's a bit like that. Routine can set your mind free instead of keeping it busy with plans and start times that change every day.

Reflection:

Can I deliver to expectations in the same way I expect others to deliver to me?

Chapter 13: Friendliness

Ask yourself: Do I always approach people in a pleasant and kind way? Or am I bringing the frustrations and anger from encounters with others in the past into my current interactions with people?

Definition:

The quality of being friendly; affability. The ability to be kind and pleasant.

To be fair, this is harder for some personality types than others. But you don't have to be an effervescent little ray of sunshine in order to not come across as a grumpy son of a bitch who is going to be hard to work with.

They say Nice Guys finish last, in life and especially in business. There is a world view that this is just how the world is, and you need to act accordingly. But my 20-odd years of experience show that, if you are a nice person, who is friendly, professional and who is not in it only for the money, people's attitudes towards working with you change for the better.

We all like working with people we get on with. So make that easy. The world is changing, ideas like Triple Accountability and Sustainability mean that business practices that require hard-nosed arrogance are falling out of vogue.

Besides, do you want to have to deal with the ongoing consequences of being the business person that no one likes?

Key Attitude:

Walk a mile in someone else's shoes. It is easy to feel like the world is literally against you, especially when you are self-employed. Remind yourself that this is physically and statistically untrue.

The Qualities

We live in a highly competitive environment. It has been highly mythologised and sayings like "nice guys finish last" are firmly embedded in business culture. However, when you work for yourself, you have to ask yourself: Why am I doing this? Do I want to do it if it has to be unpleasant, aggressive and confrontational every day? For most people, the answer to that is No.

Being friendly is easy. Remember to greet everyone, say please and thank you. It costs nothing to be polite. Make an effort to remember names, birthdays, things discussed during small talk about family or holidays, preferred orders, schedules and addresses. These are all small signs to people that you are paying attention and that you care.

You don't have to be Coco the Clown, smiling and joking every day, just follow the rules of politeness and remember details. Remark on a cool shirt, a new car. But be genuine.

The most powerful trait of friendliness is empathy. Pay attention to the fact that everyone can be having a bad day, including you. Don't let a less than perfect mood or a bad start to your day turn you into a grumpy person.

When you work for yourself, your network is an asset that cannot be measured. It is powerful and valuable. But if you are always grumpy and struggle to be friendly, you are going to miss out on growing that powerful asset.

Maybe shyness is your issue, not grumpiness. Well, as crazy as it sounds, you can practise being friendly. Repeat this mantra in your head: "How bad can it be? Will I die?" The answer is always no, of course you won't die. You will experience a momentary discomfort. And then you'll see the other person is as uncomfortable as you, and the moment passes.

If you struggle with new people and unfamiliar situations, I highly recommend getting some coaching or even therapy. It's a good thing to work on. Not just for your business.

The Caveat

Some people are just rude and annoying. Remember that this is about them and not you. Don't take their suspicion of your intentions to heart. By remaining true to one approach consistently, you will overcome cynicism.

Immediate First Aid

Right now: SMILE. Smiling can even be heard in your voice over the phone. It can change a lot very quickly.

Cultivating Friendliness

Top Tips To Keep You Friendly.

1 // Keep the tone of your business communications a little more formal

Wait, what? Yes. Think about it. It's so much easier to casually offend when you're using slang and speaking informally. When you use slightly more formal language, you will automatically focus on using language more accurately and politely. You can always dial it down when needed. It's very hard to go up from slang-ridden, casual prose.

2 // Use 'please' and 'thank you'

Your mamma told you to do this for a good reason. Get respect by showing respect. Respect has to be earned. Don't just assume that you will get it. By using words like 'please' and 'thank you' you are showing that you value the time and input of those you are speaking with.

3 // Smile

Wow. But yes, I have to say this one. Business can be stressful and we all are under pressure, but hell! Crack a smile, show people that you are more than just a calculating machine. Reach out a bit and make contact. Just as how we think effects our actions, how we behave impacts how we feel and think. You'll be amazed at what can happen.

4 // Pay attention to details

It is human nature to assume that someone who remembers small detail about situations, clothing, previous conversations, etc. is more interested in us and our work. Make sure you are not so distracted at all times that you do not notice the small details. It's an amazing friendliness technique and a very powerful business tool.

5 // Show up on time, deliver on time

It's just rude to always be late, both for meetings and in delivering your products or services. Do yourself a favour and find a way to stop doing it and watch the attitudes of your clients and friends change towards you.

Reflection:

It is easier to work with a friendly, pleasant person. Can I honestly say that I mostly behave like one?

Chapter 14: Creativity

Ask yourself: Am I rolling out the same solutions all the time? Or worse yet, am I rolling out someone else's solutions all the time?

Definition:

The use of imagination or original ideas to create something; inventiveness.

Creativity is inextricably tied to innovation. As an entrepreneur, your largest asset is your ability to remain memorable and desirable in the face of your competition. Creativity/innovation is the best way to do this.

This means that, as an entrepreneur, it's important to nurture, develop and grow your creativity. Never think you are a finished product. Try not to be put off by the stereotypes that go with creativity: some kind of flashiness, unreliability, weirdness etc. We're not talking about that here. We're talking about the ability to see solutions where others see problems.

Key Attitude:

Understand that we live in a rapidly changing world where just because something works well now does not mean that it will continue to do so. Creative cultivation must be a core discipline.

Key Aspects

5 Creative Areas To pay Attention To:

1 // Marketing/branding yourself

Break free of the norms of the industry and market you work in. Become recognisable. Do things differently, use different colours, speak about your work differently. Don't just follow the tried and tested rules. Everyone is just using them because they haven't figured out anything better, not because there is nothing better.

2 // The story of your business

Try and figure out what value you REALLY bring to market. Not what you do in terms of products or services, but what you give to your clients: peace of mind, satisfaction, security, etc. And tell that in a clear, easy-to-understand STORY.

3 // Products/ Services

The modern marketplace is flooded with look- and do-alike options. Make yourself different. Go for that patch of blue sky where there is no competition. This is the beauty of self-employment, you CAN think like this and do this.

4 // Systems/processes

Make your business work for YOU by being creative and developing good systems to track your finances and processes to deliver your goods or services. You don't have to follow the factory assembly line model. Do something that suits the culture and personality of your business.

5 // Succession/Future planning

It is a failure of modern business that financial imperatives have resulted in a business view that is incredibly short-term: quarterly results, annual reports, no thought for five years down the track. If you take the road less travelled and have a long-term vision about how your business will still be alive and relevant in 5 to 10 years, you have taken the first step to ensuring that it is.

The Caveat

It can be easy to get lost in a dream world of impractical ideas if you lean on your creativity too much. Remember that it needs to apply to things that you can do. Break those big dreams down into concrete steps.

Immediate First Aid

Look around you. What are you doing that is inefficient, slow or outdated? Now, how can you change that? Don't do it, just think about it.

Cultivating Creativity

Creativity as a skill is more than being able to draw, design, write music, poetry or novels. It is an attitude and approach that is essential in a business world where disruptive innovation could destroy your business model overnight.

Remain poised for change and innovation by being creative in everything that your business does. To misquote Tom Peters: "It's not the competition we KNOW about that kills us." Rather be the bolt from the blue.

Neuroscience has revealed that the "Aha!" moments we experience when we come up with solutions, creative ideas or important insights, involve very few synapses firing in the brain: just a few thousand. A normal thought process about whether or not to have coffee uses hundreds of thousands. This means you need to make sure you take time out of your day to be quiet and inward looking. Practise being in the moment and paying attention to only what is happening right at that time without worrying about what has happened or might happen.

If you're going to have insights, you may not notice them if you are too busy. It sounds counter-intuitive, but when it comes to being creative, there is such a thing as trying too hard. Take time out, go for a walk, play squash, listen to some loud music or complete some mindlessly repetitive task. These all quieten your mind down enough for you to be able to better hear those insights popping quietly deep inside your brain.

Try and schedule these quiet times for a regular slot, so you can also train yourself to slip into the quiet, inward-looking state more easily, and you will get more out of the time spent on reflection.

***I'll leave the last word to Gary Kasparov, chess grandmaster:
"One does not succeed by sticking to convention."***

Reflection:

Am I taking the time to sit quietly with my ideas and let them talk to me?

Chapter 15: The Extra Mile

Ask yourself: Am I just going through the motions and selling the same widget over and over? Could I be doing more with what I am doing?

Definition:

To make more effort than is expected of you.

At first glance this may seem to have to do with differentiation, with good time management, with many practical things. But in reality it has only little to do with these things and lots to do with WHY you are running the business you are.

When you have a core purpose behind you, it is never about meeting targets or expectations, but rather fulfilling that purpose. And for many people on the outside this is experienced as a business going the extra mile, not because competitively they feel like they have to, but because in terms of the purpose as an organisation, they feel they have to.

Key Attitude:

Keep your eyes on the prize that is represented by WHY you are doing this business. By doing this, you confound the competition by competing in areas that they have not even considered: loyalty, transparency, honesty and service.

The Qualities

We live in a world obsessed by instant gratification and short-term returns. The reality of business is that huge short-term gains come at the expense of long-term sustainability. As an entrepreneur, you want to make sure that you can stay in business long enough to be able to retire and live the good life.

This means you cannot follow all of those MBA, business school norms about minimising overheads, outsourcing costs and increasing your profit margins. These things are inevitably pretty vulnerable and have a shelf life. Instead you need to have the focus to continue to deliver into the long-term future. This means you need to deliver more than most people expect. This shift alone is enough to start that process.

Concepts such as Triple Accountability (where companies are considered accountable for financial, environmental and social successes instead of just financial), Sustainable Business, Equal Opportunity Employment and many others, are already impacting the business environment. As the global 'boom' and bust cycle becomes more and more obvious to ordinary people and the new generation of workers begins to reject principles that so many of us have unquestioningly accepted, things are going to change in business. If you play by the old rules and deliver to the old goals, you are simply going to be left behind.

In other words, you need to be looking to possible futures instead of following patterns from the past. We all need to start trying to anticipate where this is all going instead of running lemming-like for the clearly visible cliff that lies in our current path.

The Caveat

Everyone prefers to do business with people they like... everyone likes someone who goes the extra mile.

Do not mistake going the extra mile for doing unpaid work, however. The concept is about developing mutually advantageous, long-term business relationships and not giving away freebies. People want to pay for quality and in some sectors, people actually equate quality with price.

Immediate First Aid

Make sure how and what you deliver is a guarantee of repeat business. Pay attention to how you want to do business and stand your ground. Ask yourself: If I improve aspect X of my business, can this make it more sustainable in the long term? And if doing element Y or adopting method Z makes you uneasy, just don't do it.

Becoming The Extra Mile

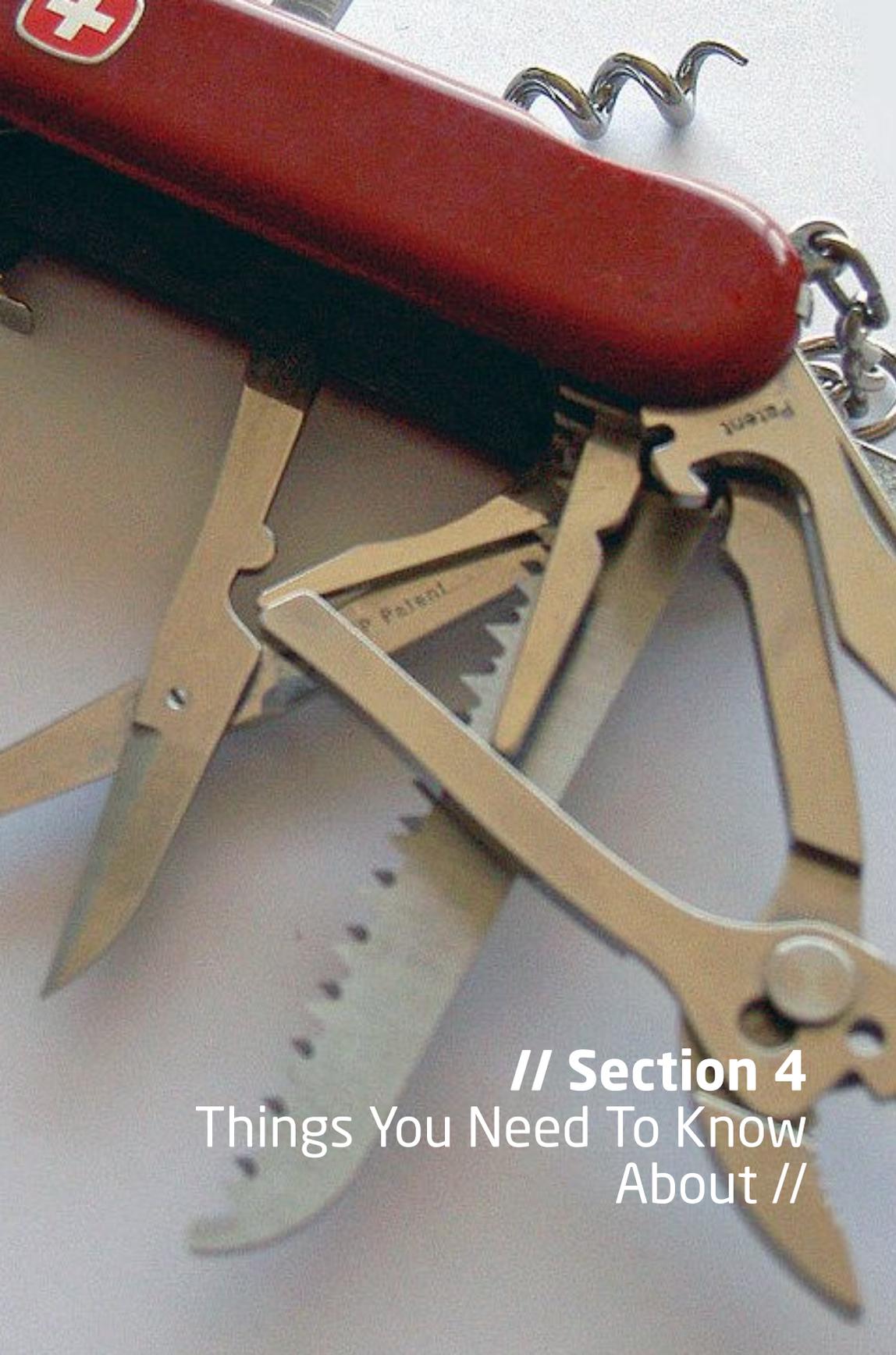
This is all about building stability and long-term sustainability. By definition, this implies there are no quick fixes. However, developing the purpose of your business and making that clear in everything you do is an excellent first step. If you are more focused on fulfilling your belief about how your product or service should look and feel, you'll be less focused on making massive short-term profits, and your market will love you for it.

Stop making decisions that will make your bank balance look great next month and think about how you want your bank balance to look in 10 years. What will your business look like? How is it possible to exist that long? You need to have your eyes on that as a goal. That way, you look after all your people better: staff, suppliers and customers are all satisfied.

It is when we take our eye off the long-term survival and growth of our businesses and start thinking purely about how much money we can make and how quickly that bad things can happen.

Reflection:

What can I do today that will add value to my clients?



// Section 4
Things You Need To Know
About //

Section 4 Intro

Things You Need To Know About

Many, many people become entrepreneurs because they are subject matter experts. They figure they can earn more in less time if they cut out the middle man and find the work themselves. Many more are given no choice and become outsourced.

In either situation the entrepreneur faces an often unexpected dilemma: How do I keep the light on in my new business? How do I find clients? How do I pay taxes?

When you work for yourself you will quickly discover that there are many aspects of staying in business that have very little to do with your core subject or specialisation. And yet, if you are unable to complete these non-core tasks, your business will fail.

In this section of the book, we examine the top 5 of these crucial, yet non-core subjects and make some suggestions as to how you can rectify the situation and at least make sure you have SOME knowledge of these areas and have a strategy for dealing with them.

Some entrepreneurs become true generalists, able to switch between their business core knowledge and the various other areas seamlessly and at will. Others struggle forever. It doesn't matter which category you fall into, these matters need to be taken care of and taken care of well. This section of the book will help you with that.

Chapter 16: Marketing

Ask yourself: Do I know where I am going to find clients, or even how to approach them? Do I have an engaging story to tell about what I do?

Definition:

The action or business of promoting and selling products or services, including market research and advertising.

Marketing is the act of getting in touch with your market and the group of people that you believe will want or need your products or services. Marketing comes in many forms and has many guises. Many of the things that you may just see as ordinary businesses activities can often be used as marketing mechanisms. And many things that you believe are marketing are no more than an expensive waste of time, effort and money. You need to learn to tell the difference.

Key Attitude:

I need to find out who is interested in and needs what I do. I also need to discover how and where to find them and how they want to be spoken to.

The Qualities

Marketing is a dirty word for many entrepreneurs. Maybe you've watched too many episodes of "Mad Men" or maybe you have just fallen victim to the hype. Marketing is not an arcane science. It is also not something that calmly takes care of itself. It requires forethought and planning.

First you need to discover more about who wants your product or service. You must remember this is not always the same as who you think wants it. You have to put your personal opinion aside or you could miss your real market.

Use these simple questions:

WHO?

WHAT?

WHERE?

HOW?

WHEN?

WHY?

Research who is spending on what your company offers. Where do they live? How old are they? What communication media can you reach them on? Why are they interested in your company? How do they want to hear from you? When did they start being interested? Will they be interested for a long time?

You will be amazed at how many small businesses don't know who their markets are or how to reach them effectively.

Once you know who they are and where and how to reach them, then you need the right materials. The list of what qualifies as marketing materials is indeed a long one. But you can consider the following as the most common and popular:

- A website
- Business cards (maybe old fashioned but still effective)
- Company profile and product or service catalogue
- Brochures

- Promotional videos
- Social media activities
- Advertising (radio, TV, print and online)

The Caveat

Marketing without substance is worth nothing. If you are just selling hot air, people will quickly realise this and move on to the next attractive campaign.

Immediate First Aid

Question your assumptions about WHO and WHERE your target market is. This is an easily and frequently made mistake. Test your assumptions by doing some research with free online surveys and talking to people who already buy your product or service. Find out who you are definitely reaching already, then figure out how to reach the rest.

Improving your marketing

Marketing is a diverse and growing sector in its own right. One of the biggest challenges for many entrepreneurs is to understand how it works. Often this is quite different from the workings of your own business, which can be frustrating and annoying. However, don't let it get to you as you have some effective options:

Education

There are many books to read and courses you can take on marketing. Maybe you need a general orientation as to what it is and what the current principles are that you can apply. Work on making sure you understand marketing terms and principles so that you can form a basic understanding of what it is and how it works.

Resources

Especially in the digital world, there are online resources you can use, like community portals, message boards, Google and social media ads, to name just a few. Do some research into what is available to you and make sure that it is something that will be used by your target market.

Outsourcing

If you can afford it, you can also just hire a marketing person to do it for you: either within your business as staff or as an external agency. I still advise that you first get up to speed with what marketing is, what the various options are and how it all works.

Word of Mouth

Never forget that every single product you sell and service you render is marketing. Good old fashioned word of mouth is a powerful form of marketing. You need to keep that in mind when you are in danger of becoming rude, impatient or angry. A group of satisfied clients recommending your work to their friends and family is always worth more than the temporary release of losing your cool. It is the cheapest and most effective form of marketing. It can also be seen as the most honest, as it is all about what you have already done and what you can do now.

Reflection:

Can I connect my business ideas to real people out in the world?

Chapter 17: Budgeting

Ask yourself: Do I know how much it costs to run this business and therefore what I need to earn? Can I keep track of my finances? How can I find an effective way to do this?

Definition:

Allow or provide a particular amount of money for a particular purpose.

Key Attitude:

Understanding what things cost ME allows me to understand what to charge YOU. I need to make sure that I run my finances in a way that means I can stay in business for longer.

The Qualities

The key to good budgeting is attention to detail. For many entrepreneurs this is not something we are naturally good at. Big ideas, long-term rewards: Yes! But exactly how do things need to work? Not so much. Luckily, to budget well, you need to be looking out for some specific factors which are listed below:

Costs

Make sure you know how much everything costs that you use each month. From your mobile phone bill, to your transport, your rent, the printer paper and all the consumables and equipment you need to run your business. Add in your insurance, your health insurance and the money you spend on coffee and tea. Get it all down in one place with the monthly amount totalled up. This is your bottom line. You have to earn more than this each month or your ship is going to sink. Do not avoid revealing that figure to yourself. I know it's scary, but the reality of not knowing what it is has far scarier implications.

Income

The flip side of this is that you also need to keep good track of your income. Make a spreadsheet in Excel or a table in Word to keep track of how much money you are charging your customers every month. Have you sent the invoice, has the bill been paid? If you get halfway through a month and you can see that the invoices out do not total the monthly costs from above, you know you need to spring into action.

Tax

Tax is a reality of life that cannot be avoided. As an entrepreneur you also need to take care of the monthly admin that goes into it. Do not rely on an outside bookkeeper or tax consultant to do it for you once a month. Find out what tax bracket your annual income puts you into, and set that percentage of your income aside each and every month. If you end up paying less tax, great! Now you have savings. Do not fall in to the trap of including the tax you add onto your fees/prices like VAT as an income. Always work out your income WITHOUT VAT and keep that money separate from your income at all times. It just makes life easier and less painful later.

These 3 steps will save you much time and trouble each year. Once the initial effort of setting up the spreadsheets and doing the estimates is over, it also makes your financial administration a lot less tricky than you probably think it is.

The Caveat

Taken to extremes, budgets can become inhuman controlling machines that can lead to sound financial, but ultimately irrational decision making. Remember the human factor.

Immediate First Aid

Find out what your monthly costs are NOW. This is the most important step. You may find out you are spending a lot more than you think. Only once you can see this in black and white can you cut down on those costs. Do it now.

Improving Budgeting:

This is one of the most practical and necessary skills for any independent worker, be they freelance, self-employed, an entrepreneur or a business owner. Luckily there are solutions to help you cope. Look out for software that helps you run your budgeting. You just add in your fixed costs, plus any additional costs on a monthly basis, and it lets you know what you need to earn.

Of course this is also something you can take a course in. There are short courses, offline and online available in most countries. Spend the time and money because it will only save you more of both in the future.

If you are in a bind, hire a financial consultant to go through everything with you and set it up. They can also show you how to maintain the system and use the documents.

Budgeting is an amazing tool for preserving your peace of mind. Many people are scared to do it and yes, it can be a shock to see how much you really spend each month. But I have found that, over time, it allows you to tackle the challenges of your business with a clear head and better motivation.

Reflection:

If I do not know how much I spend, how can I know how much I need to earn?

Chapter 18: Accounting

Ask yourself: Can I complete a tax return, maintain the paperwork necessary to keep a business afloat and have a system? More importantly, can I keep that going while I do my work?

Definition:

The act of keeping a record or statement of financial expenditure and receipts relating to a particular period or purpose.

Key Attitude:

I need to have a grip on that which keeps me being able to do what I love.

The Qualities

A lot of people have a mental block when it comes to numbers and money and dealing with these matters. If this is you, you need to overcome this block quickly. You cannot stay in business long if you do not know how much you are earning or how much you are spending. Accounting is the best and easiest way to do this.

If you do the basic minimum administration required each month, it takes no more than 2 hours. It is when you avoid it and put it off that it turns into a huge, confusing and seemingly unsurmountable task. So just accept that it has to be done, schedule those two hours and do it every month. It's much easier to break it up into small chunks.

If you are ever going to be looking for funders, applying for bank loans or any kind of credit, you need to be able to show your financial records. Therefore if you intend to be successful, you have to do put yourself in a position to achieve that goal. It is a business tool and weapon that you can use to your advantage, not a horrible thing that needs to be avoided at all costs.

The Caveat

If you become successful and you haven't kept records, your tax authority is going to make all kinds of assumptions about how and where you spent your money and it will not end well for you. Just keep the records.

Immediate First Aid

Hire someone right now to make sure that your records are up to date and that you know how much you have already earned this year. This is essential to avoid tax penalties and to allow you to plan your year and your spending.

Improving Accounting

If you have no idea of what accounting is or how it works, do some serious research online and discover the basic principles of the subject.

Once you have done this, you can then decide if you can or want to do this yourself, or if you need help.

If you want to do it yourself there are some very simple rules:

- File every single invoice you send out (digital or physical)
- Create a spreadsheet that records in one place all the invoice numbers, the amount of each invoice and if VAT was added.

- Keep the records of everything you paid for using company money. Keep receipts and invoices from your suppliers, from your networking lunch and from putting fuel in your vehicle. File it neatly and in a simple, easy-to-use way that works for you.

Once you have started keeping records, you should start capturing them into a system. There are many good and affordable software packages that allow you to capture the records of your income and your spending. These packages will then generate all the reports you will need for tax purposes.

This requires attention to detail, focus and time. Even if you decide to outsource your tax returns and the compiling of your annual books, you will still need to capture and record all your financial activity. Accept that, leave time for it. In fact, plan in 2 hours once a month to do it all.

When you have this basic system in place, you can then outsource the actual tax returns and official paperwork to a professional. You could also just hire a professional to come to your office every month for a few hours, but that's a lot of added expense.

Reflection:

Am I spending money that is not mine to spend?

Chapter 19: Planning

Ask yourself: Do I know what I want my future to look like in terms of goals I want to reach or the kind of work I want to be doing? Do I know how to achieve these?

Definition:

A basic management function involving formulation of one or more detailed plans to achieve optimum balance of needs or demands with the available resources. The planning process (1) identifies the goals or objectives to be achieved, (2) formulates strategies to achieve them, (3) arranges or creates the means required, and (4) implements, directs, and monitors all steps in their proper sequence.

Key Attitude:

By putting time into planning before things happen, I save myself time, effort and loss later.

The Qualities

There's a silly joke that exemplifies the usefulness and importance of good planning:

Q: How do you eat an elephant?

A: By cutting it into very small pieces.

Planning is the activity of putting together the logical steps that will take you to your desired conclusion. To be an effective planner you need to dedicate time in a calm frame of mind, and you have to be realistic.

Planning is also essential for avoiding predictable problems and dangers. Never forget to lift your head up from what you are doing and to take a long hard look at the road ahead. You will be able to see if you're running out of money, materials, people who can help. Don't pretend it's not happening. Face it, deal with it and move on.

Good planning is also extremely effective for dealing with potential or existing competitors. Assess your company and what you do. What can or do your competitors do that is better or more effective than you? Learn from that analysis and plan to upgrade, improve or expand what you are offering where necessary.

The running of any business is complex, even if you are a one-man show operating out of your front room. Whatever you are doing you will need to synchronise many aspects of your daily business activities like: paying suppliers, launching products, doing your marketing, finalising distribution, and doing all the necessary admin, tax and accounts, all the while hopefully making a profit you can save or plough back into the business. If you don't plan, you risk not coordinating all these activities, running into cash flow problems and ultimately, not delivering on your promises.

The Caveat

Do not plan yourself into oblivion where every second of every day is accounted for. Chances are this will drive you somewhat crazy. It also leaves no room for improvisation, innovation or genuine creativity. Seek to find a balance.

Immediate First Aid

If you don't know where you are going, how will you know when you have arrived? The first step of a good plan is to know the outcome that you want. Make sure that you figure one out for yourself. Then you can ask yourself, logically, what do I need to do now to begin to make that goal achievable?

Improving Planning

Establish a long-term view. It doesn't have to be a typical 5 year plan. But you need to draw a line in the sand, have something to aim at.

This can change through the course of a quarter, a year, 10 years. That is not what matters. What matters is having a clear direction to help you channel your effort and energy.

Here's a tip to help you think carefully about this:

Imagine you have all the skills, connections, money and energy that you would ever need: what would you choose to do or achieve if the sky was the limit?

Once you have this, ask yourself:

What are the steps that need to be taken to achieve this goal?

Which resources do I already have and which ones do I need to acquire?

Do I have all the skills I need? If not, can I acquire them or hire them in?

Do I have the finances and can I acquire them?

Each question will generate more steps or tasks. BUT once you have them, you then have a clear direction, a clear set of necessary actions and then you are underway to achieving your dreams instead of just reliving them in your sleep.

Reflection:

Do I have an actual plan or just a set of intentions?

Chapter 20: Yourself

Ask yourself: Do you know what you're like under less than ideal conditions? What you need and what you definitely need to avoid?

Definition:

Used to refer to the person being addressed as the object of a verb or preposition when they are also the subject of the clause.

“help yourselves, boys”

OR you personally (used to emphasise the person being addressed).

Key Attitude:

No man is an island, they say. No matter what your circumstances, self-knowledge is something that can only assist you to navigate the world of self-employment.

The Qualities

Does too much time-pressure make you buckle or bring out the best in you? Do money issues give you stress? Are you able to stick to plans or do you prefer to make things up as you go along?

These are some very different characteristics. All of them can be ascribed to various highly successful entrepreneurs. The point is that they describe some very different ways of dealing with work and the issues that come with it.

You need to know your triggers. Make good use of the practical ones and avoid the negative impact of the others.

The Caveat

Be wary of making excuses for why you haven't or can't do certain things. There is a big difference between understanding how you have reacted to things in the past and repeating stories about why you haven't done things.

Immediate First Aid

Stop considering how you talk about things to be the truth of who you are and how you do things. Look rather at what you have or haven't done for a more accurate reflection of what is important to you.

Knowing Yourself

There are entire philosophies and religions dedicated to the subject of knowing yourself. For the purposes of this book however, I am more interested in the obvious, day-to-day stuff. For example, if you know you are short-tempered, avoid stressful situations with clients. If you're a control freak, plan ahead. You can anticipate issues by remembering previous meetings and encounters. Seek to avoid repeats by removing the causes wherever possible.

How do you discover these things? Well, this does require some honest self-reflection. If you find that a little too hard to do, or you just have no clue where to start, try finding someone you trust and ask them to gently break the news to you: what habits and attitudes do you have that could potentially be self-limiting in business. Don't take this feedback as direct criticism, rather try and see the points as tips for being more efficient and becoming better at what you do. But do remember, if you're going to go there, you can't get angry when you hear things you perhaps don't want to!

Closing The Toolbox

The process of putting this all together took around 2 years. Of course, at least double what I had hoped. During that time, I received a lot of feedback from friends and professional connections on the book and its contents. Mostly the reaction was a positive, "Yeah, we need this kind of book. What a pity it wasn't around when I started out."

BUT

And it is a big but, this book is based primarily on my own experience and the people I know. It's a guide, not a rule book. I urge readers to use it as a place to retreat to and a thing to ponder over, not as a manual to work your way through.

Some things in here are going to rub some people up the wrong way. Some of it may just be really obvious to you. I felt that the book was something I just had to write. It is part of my journey as a self-employed creative with a very open ended brief.

I hope that you have enjoyed reading it and that you will come back to it a few more times before you are done. I would love to hear your ideas, comments and feedback as well. Please don't hesitate to get in touch through my website: www.davidchislett.com

There will still be gatherings, workshops, coaching sessions and discussions. Now that you have downloaded the book, please sign up for my newsletter so that you can be a part of the community as well.