



Professional advice

Buying just one hour of consultant's time

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At the outset of your venture, you as the entrepreneur and founder, have the unique opportunity to spend money that can help keep you out of trouble - trouble which is usually truly costly to fix (may be even impossible) later on. Here's a suggestion: the moment you begin, start by identifying:



- A **business attorney** who is familiar with the special issues involved in young entrepreneurial companies;
- An **intellectual property attorney** who understands logos, copyrights, trademark

registration, and, if relevant to your particular company, patents as well;

- An **accountant** who will help you find a qualified book-keeper for the day-to-day stuff and who will keep you straight on the big issues (financial statements, tax filings, local fees and permits) and can assist in financing issues; and
- A **business consultant** (sometimes known as a Venture Consultant) to help you with converting *Opportunity* into *Strategy* and then converting *Strategy* into *Operations*.

Buy one hour of time from each advisor and do the following:

- **Basic facts and information**
Take 5 minutes to describe who you are and what your new company is involved in doing. (Remember: if you spend more than 5 minutes, you will have less than 55 minutes left to hear what your professional advisor has to tell **you**. Listen. And learn.)
- **What can you do for me?**
Ask your new professional advisor to describe what he or she typically does with young companies such as yours. Remember: the second dumbest question is the one you leave unasked. The truly dumbest question is the one you ask but don't remember the answer to. It's your nickel. Have fun. Hey, you're the client here. (If your idea has flaws, here is where you find out.)
- **Who do you know?**
Ask what other companies like yours (or situations that may be similar to yours), your new professional advisor has worked on. What did he or she actually do? Can you speak with one or several of those clients? (Note: If the answer is "No," you may wish to find a professional advisor who *is* comfortable having you speak with current and former clients.)
- **What am I supposed to be doing?**
You already have lots of ideas and tasks running around in your head. Probably more than you can figure out how to get done. But what if they are not the right ones? What if you have left out something? What if you could actually

eliminate one or more of these tasks and actually be better off? What if, by changing the sequence in which you address certain issues, you would end up with an easier process? Or a more effective result? Ask your new professional advisors. They have experience that you don't yet have. And they have specific expertise that is different from yours. That's why you picked them, right? Use them.

- **How do you want to work with me?**
It is important to get solid guidance. Find out how it will be done. Even if it is only one hour per quarter. Done **regularly** (no kidding), it is invaluable.
 - **What's this going to cost?**
You've got to end up knowing this. You might as well find out now. (But note that this probably isn't the most useful *initial* question.) And the answer might surprise you. Pleasantly. It certainly won't be (should **not** be) zero. Most professionals work with entrepreneurial companies because they enjoy the process and truly believe in its importance. There are degrees of pricing and billing flexibility that usually make it entirely workable. Always pay professional advisors (A) on time (you expect their advice to be on time, right?) and (B) with real money (not stock). If things don't work out, you want to be able to make a change. A fired advisor who owns stock isn't pretty.
 - **When should we next get together**
See Question #5.
 - **Fire alarm! Fire alarm! Fire alarm! Fire alarm!**
Something totally unexpected pops up. It could be either good news or a seeming disaster. It's not yet time for the next scheduled meeting. What should you do? You might as well discuss this possibility and agree on a procedure **right now**. It costs lots less money to chat about a *possible* issue today than to fix a Big Problem tomorrow. Some issues, even ones that initially seem minor, can become life-threatening for fragile young ventures. Like yours. Don't mess around with such risks. And don't try to "tough it out." You and your new professional advisors ought to be able to agree on how surprises should be handled. Advisors hate to get an entrepreneur's phone call that begins "Maybe I should have talked to you before I did this but . . ."
- Hey, the hour's up.** Wasn't that interesting? Feel like you've now got a better handle on what to do? Was that first hour's worth of money well spent? If so, go use your experience with another entrepreneur and convince him or her to "do it right." And Best Wishes for the success of your new venture. □



Entrepreneurial success

How to succeed in business

Brian Tracy International, USA

Build your own business

The high road to becoming a self-made millionaire in America is starting and building your own business. But this is not as easy as it sounds. Most businesses started by inexperienced people fail.

Probably the primary reason why people don't start businesses is because they're afraid that they're going to lose their money and for good reason. 99 per cent of businesses started by people lacking business experience fail within the first two or three years.

Why businesses fail

And why is that? It's because they don't know how. They haven't the slightest idea how to make a business successful. They may have an idea for a product or service, but they don't know all the things that they need to know to run a successful business.

Why businesses succeed

However, surprisingly enough, 80 per cent of businesses started by experienced businesspeople succeed. Now why should this be so? The reason is because experienced businesspeople know what to do. They know how to purchase their products and their services. They know how to negotiate with their suppliers. They know how to raise money. They know how to negotiate leases. They know how to sell and to market. They know how to manage their finances. In other words, experience is the key. In order to start your own business and succeed, you have to learn how.

Competence makes the difference

Now according to Dunn and Bradstreet, 96 per cent of businesses in America that fail, fail because of what is called "managerial incompetence." Managerial incompetence means that the people running the businesses don't know what they're doing. And here are the two critical areas of managerial incompetence that cause business failure. First is sales and marketing. 48 per cent of businesses that fail in America fail

because the business cannot sell enough of its products or services. Very few businesses fail when they have high levels of sales and revenues coming in.

Control your costs

The second reason that businesses fail, 46 per cent, is because of poor cost control. They may be selling enough on the front end, but they're losing so much on the back end that they go broke anyway.

Sales and marketing, financing and cost control, both require experience. And if you're serious about becoming financially independent, you have to learn how to do both of these.

Put luck on your side

You must learn the skills you need to be successful. Business success is not a matter of luck. Business success is a matter of application. It's a matter of ability. It's a matter of experience and skill and intelligence, and wonderfully enough, you can learn what you need to know to be successful.

And you can start by learning through on-the-job training, which is called OJT. Most successful businesspeople become successful because they get all their training by working for someone else.

Action exercises

Here are two things you can do immediately to make sure that your business succeeds greatly:

- Take the time to get the knowledge and experience you need in business by working for someone else, where you can learn a lot in a short period of time. Go to work in an area in which you are interested and learn everything you possibly can.
- Read and study in business, especially entrepreneurial business, all the time. Read one or two business books per week and read every business magazine that is published on your subject. Never stop learning and growing. □

India Singapore (Asia Pacific) Technopreneurs Association

The India Singapore (Asia Pacific) Technopreneurs Association (INSTAR) is an international association that promotes cross border technopreneurship. INSTAR acts as a facilitator, assisting Indian and foreign technopreneurs cultivate and build successful cross border ventures. It also provides opportunities to network and collaborate with investors and entrepreneurs from the Asia Pacific.

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