

THE REPORT

by Bradbury Corporation LLP

The Ten Tactics of Tycoons

Change yourself, change your business

Owning your own business is a personal development program! It wasn't something you thought you were getting into but, now that you're doing business, you may have discovered that you're doing a personal growth course, whether you like it or not ... whether you realise it or not!

Whatever skeletons we have in our mental and psychological closet, they're bound to come out under the stresses (and successes) of owning our own businesses. Yes, we know - we've owned four ourselves. We've had businesses in publishing, accounting, business coaching and, now, the Personal Development Academy website.

So this report is from those who know! We've been there and have the T-shirts (and the scars) to prove it!

Our experience in business coaching - and other research - shows that if businesses are not successful, that's usually the reflection of their owners. No, you didn't want to hear that, did you? Sorry, but whatever business success or failure you've attracted to you is not all the fault of the economy or the business. Some of it - most of it - is down to you.

It's down to you

Ooh, you didn't want to hear that either, did you? Actually, this news should be totally liberating for, if it's your fault, you can do something about it:

- you can't fix the economy,
- you can't change the tax rate,
- you can't change the interest rates,
- you can't eliminate your competitors,
- you can't change your competitors
- ... but you can change yourself and your business.

Are you a follower or a leader?

Most people aim for nothing and hit it with amazing accuracy! And, as a business owner in these changing times, it's often difficult to know what to aim for - they keep changing the rules!

The crazy thing is that though we're supposed to be very afraid because of this credit crunch, there are more opportunities than ever before. During times of depressions, more millionaires are made than at any other times. Successful business people rub their hands with glee when the economy turns down, while other people are looking the wrong way - out there, where they perceive the problems to be - and opportunities go begging ... for want of straight thinking and sharp focus in the right direction.

You are bigger than the Credit crunch

From 1965 to 1985 in USA - despite inflation, oil shocks, recessions and major job losses in certain industries and government - there was a huge growth in jobs. These jobs - 40 million of them - were not created by large corporations or government, but by small and medium-sized businesses. Most people thought the growth was from "high tech" industries but only 5 (of the 40) came from there.

According to Peter Drucker, the key "technology" driving jobs growth was **entrepreneurial management**. The force of the entrepreneur, he suggests, is always greater than the state of the economy ... you are bigger than the Credit Crunch!

Your business is about who you are ...

In *The E-Myth Revisited*, Michael Gerber says that going into a business is as much about who you are and who you want to be as a person as it is about the business itself. If you are disorganised or greedy, he says, or if your information about what's happening in your business is not good, the business will become a reflection of these things. **If your business is to thrive, it will engage you in a process of constant personal development.** For it to change, you have to change too.

Gerber says that if you start a business with full knowledge of what doing so means to you and why you are doing it, it can be a wonderful experience. Go in blindly and it can be - as so many people discover - a nightmare.

You have a choice ...

The choice is whether you want to keep doing the same thing and expecting a different result - the definition of insanity - or whether you want to do things differently. The sane ones among us know that to get a different result, they need to do something differently ... and, to do something differently, they need to start thinking differently.

So, what are the 10 tactics of tycoons ... of successful tycoons ..

1.
They do
what drives
them

You cannot have a successful business doing what you hate doing - it just won't happen. Many people (mainly those who do not have their own business) think that persistence is the main characteristic of successful business people. It looks like it on the outside - despite all their ups and downs, their successes and failures, these persistent people just keep on going.

In the USA, the average millionaire has been bankrupt 2½ times! Yes, most of them have been bankrupt and they've got up again and got up better the next time. This looks like persistence but it doesn't start there.

You see ...

- You cannot be persistent about something you hate.
- You cannot be persistent about something you don't really care for.
- You cannot even be persistent about something you're indifferent about.

To display persistence, you have to, first, be passionate about something. Otherwise, you'll just give up and try something else.

There's a school of thought that some people are lazy - they just don't want to work and they keep backing out of things they start. Sorry, but they're not lazy - they have just never found what they're passionate about. If they did, their "laziness" would disappear.

Have you ever heard of Howard Shultz? No? Well, have you ever heard of *Starbucks*, the chain of coffee shops. Howard started them ... sort-of.

You see, Howard had worked his way up the corporate ladder to a salary, in 1970, of \$75,000 a year with a car, expense account and managing 20 reps. He reveled in the Manhattan lifestyle but, though he was successful, he was not happy - "I sensed that something was missing. I wanted to be in charge of my own destiny." Then, as part of his job, he happened to visit Jerry Baldwin and Gordon Bowker, two cultured men who catered to a small niche market of coffee drinkers - they ran a small chain of ground coffee retailers. Walking into *Starbucks* meant taking yourself out of the mundane world and into the aroma of its dark roasted coffee, combined with its wood furnishings, evoked exotic distant places.

Howard was moved by the ambience, heritage and ethos of the company. Soon after, he left his well-paid position and convinced the founders to take him on as their Marketing Director. After a sales trip to Milan, his idea to open *Starbucks* cafés was dismissed

2.
They know
the true
meaning of
'No'

as the whim of an overexcited Marketing Director.

Torn between his love for Starbucks and his grand café vision, he knew he had to start his own company. He left and spent the next year giving presentations to investors - out of 242 he approached, 217 turned him down. Eventually he rounded up enough money to open *Il Giornale* café chain. Then, in 1987, he heard that the founders of *Starbucks* wanted to sell. It had been hard raising the \$1.25 million for *Il Giornale*. How about \$4 million for *Starbucks*? On a promise to investors of opening over 100 stores in USA within 5 years (an outlandish projection at the time) he got the money. *Il Giornale* and *Starbucks* became one. In the first three years the company lost money but Howard stuck with it. In ten years *Starbucks* became a company with over 1,300 stores and 25,000 employees.

Howard found his passion by a lovely coincidence. Have you found yours - if not, there are ways to find it and we can help, if you like.

This looks like persistence but it's not.

What the wise tycoons realise is that when they ask for something or take action to get something, the first thing that happens is that the blocks to that come up.

So, if you're wanting to make a lot of money, your internal blocks about making a lot money will arise. You may not be consciously be aware of these negative feelings and prejudices about money or people with money, but they'll come up anyway.

- Some people hate the wealthy,
- Some people think money is the root of evil,
- Some people fear success as there's no longer an excuse for having pity parties and for having people feel sorry for them,
- Some people fear success as they'll stand out from the crowd.

There's lots of reasons to enjoy lack of money and you may not know yours till you start making it.

If you're looking for freedom, your blocks about having freedom will arise. If you're looking for peace and harmony, the blocks to both will arise before you get your peace and harmony.

So, most people think that when they start a business, a relationship or any other project and things 'go wrong', it means that it's a sign that they're doing the wrong thing ... or that they're doing the right thing the wrong way.

The wise amongst us know that's it's just how the system works and so they'll work out what their

3.
Discovering
your
customers'
needs

blocks are, deal with them and keep going. It's a bit like Thomas Edison, who tried 1,000 light bulbs that didn't work. Most people thought he should stop as the idea was a failure. However, he proved to be a very successful tycoon, continued trying other light bulb designs and became a millionaire and will forever be famous for being the inventor of the light bulb and for many other achievements.

Do you know what happens just before a breakthrough? Absolutely nothing. It's just another ordinary day and you're doing your very ordinary stuff ... and then your breakthrough happens.

The failed tycoon stands waiting for the sign of a breakthrough to be written in the sky. That never happens and they give up, just before their breakthrough.

The successful tycoon knows the rules of life and works with them effectively. This person gets out his own pen and does the writing in the sky themselves. They know that 'NO', a perceived setback, is not a sign from God to stop and do something else - it is a sign that they're on track for, if they weren't, the block wouldn't have come up.

Charles Revson, founder of Revlon, said, "We don't sell lipstick. We sell hope."

You might think you're selling a product or service. And what you think you're selling may be just what your customer thinks you're selling!

However, people never just buy physical things, no matter how analytical they may be. Harley Davidson motorbikes are probably the hardest motorbikes to ride - enthusiasts for other motorbikes say that every time you come to a corner on a Harley, you have to stop, get off and push it round - cornering is so bad on them! However, they've never stopped selling. Why? Because of the emotional value of them, whatever that is! No lesson on motorcycle dynamics is ever going to shake a Harley Davidson customer off.

What are insurance adverts selling? Fear ... the fear that if you don't insure, all sorts of terrible things will happen.

What do mens' deodorant adverts sell? Sex. If you spray yourself in this stuff, all these pretty girls will flock around you.

What do beer adverts sell? Some sell friendship - if you drink this vile stuff, you'll be a popular guy. Some sell sex - if you guzzle this, you'll get the man of your dreams. And some sell status, believe it or not! If you spend £2.00 on a drink you'll be

accepted by the rich and powerful.

So, look deep and hard at your product or service and decide what emotion you're actually selling.

Not lawnmowers but neighbourhood acceptance and/or convenience.

Not pies but convenience and nostalgia - memories of Mum's home cooking.

Not computers but status and an excuse to avoid people.

If you can't see what emotion your customers are buying from you, ask them - they'll feel honoured to be helping someone else out. And that's also meeting another deep need of theirs - the emotional need to feel useful and helpful.

So, stop pretending that you're selling "stuff" and get real about the emotion you're selling. Only then will your sales really take off.

4.

**They know
that what
gets
measured
gets done**

In Harvill Hendrix's *Imago* relationship workshops, a distinction is made between maximisers and minimisers.

The minimisers are the people who believe that if they sit back and let things happen, they will. They don't usually have diaries or planning schedules and are impulsive and spontaneous - annoyingly so to maximisers. For any new project, like a job interview or corporate presentation, they'll prefer to do the minimum research possible and "wing it" - fly by the seat of their pants.

Their nemesis, the maximisers, are the ones with diaries, specific plans and they do all the research before embarking on anything. Usually the perfectionists, they'll never be quite happy with any preparation they've done, going over the scheme time and again.

For a relationship workshop, it's usually the maximisers who "drag" the unwilling minimisers along. The maximisers want to fix the relationship and the minimisers think that it will come right of its own accord. The minimisers are not lazy (though maximisers may think so!) but they are full of ideas and inspiration. Both maximisers and minimisers are necessary in relationships and in business - each has their part to play - one inspiring and encouraging and the other checking and getting details right.

If you're a minimiser, you need a maximiser as a business partner (or trusted employee) or else nothing gets measured, nothing gets checked and things suddenly creep up unexpectedly, like bank overdrafts, deadlines and tax audits. The maximiser

knows when they're due and will have all contingencies in place for them.

What you don't measure, what you won't measure, will gain a life of its own and will quickly get out of control. What you do measure will be under your control, which is why *Weight Watchers* participants measure their weight every day. Scary though it is to measure that which we're afraid of - our weight, overdraft, gross margin, administration costs or whatever - they will never, ever, ever, ever become less scary unless you embrace them, measure them and become a maximiser and calculate the way to correcting them. The minimiser, the ideas person, may have started the business, but it's the maximiser who will have it continue.

If you're a minimiser, recognise that fact and engage a maximiser - an employee or a coach/mentor, to help keep you and your business on track.

5.
They don't
try to do it all

Too many business owners mistakenly think that "everyone is a client." This may be true but this mindset leads to superficial, waffly and expensive marketing. Many, if not most, business owners are afraid of losing out on sales if they define their customers too closely. There are plenty of customers out there - do them a favour and give them your best!

Spreading your risk, as some see it, means that your energy is diluted and what you give the many is inferior to what you can give the few.

Choose excellent service over mediocre and those customers will stay for life - it is 7 times cheaper to sell to an existing customer than to try to sell to a new one, so create customers who will stay with you through booms, credit crunches and everything else.

It is much more powerful to focus on a specific niche market. That way, you can develop a targeted message that will really get your audience's attention - and get them to spread the word about you. Also, you can set yourself apart from other businesses who are "all things to all people." By choosing a specific niche you can reach top decision makers and create a quality business that's recession-proof.

6.
Trying to do
it all

The reason you started your business was so that you could spend hours each week doing paper-work. That's your biggest joy, isn't it? No? Of course not! Paper-work was the last thing you hoped to do, probably, and yet, like most other business people, you

continue to do it, even though it's not your greatest strength.

We'll tell you a secret, as long as you don't tell anyone else ... OK?

There are people who love doing paper-work and who are very good at it! There, you didn't know that did you? If you had, you'd have got them to help out, wouldn't you?

It may not be paper-work that you hate doing and/or aren't very good at - it might be making sales calls, collecting debts, organising your day or anything else - but you insist on doing them and hating doing them. Why? Well, if you're like most other business people, your reasons could be one of the following:

- Think you can't afford to employ people do it,
- Need to know what's going on in everything in your business,
- You can impress people with all the work you do,
- You can impress people with the many skills you have,
- You love playing martyr, telling people just how busy you are,
- It's just what you've always done or what your father did ...
- It's what all your mates or others in your industry do.

Whatever reason you come up with, you need to know this:

If you're doing everything, your business can only grow to the size that you are ... and you're only one person and so your business will only ever be a one-person business, which is fine if you're happy with that. There are some disadvantages to this that you need to bear in mind, however:

- If your business is dependent on you always being there, you have made a rod for your back - you'll get no rest,
- You, therefore, miss out on the rest of your life - family, travel, hobbies, fun, rest, entertainment ... the list is long!
- You also miss out on opportunities to mix with other business people and to get inspiration and ideas from them,
- You're probably unlikely to ever sell the business as it's you - when you go, it's value goes,
- If you're the last word on everything, the most productive and innovative staff won't want to stay around for long - staff turnover increases and you're constantly left with lesser staff.

There is, of course, another way and that means

restructuring your business in a way that you're the boss and it still runs without you. That way, your business can grow, you have time for thinking about the future and growing your business and it becomes a more saleable business should you decide to sell it or to borrow more money.

Creating a business structure that gives you space to work on the business - not in it, as Michael Gerber says - need not be difficult. But, if you're constantly in the business, working, working, working, it can be difficult to get a bigger picture and to see how it can be done. We have done this for many business people so give us a call and we'll give you some ideas and we'll also help you do it, if need be ... Email us at info@bbcorp.info

7.
They clean
their drawers

If your desk isn't tidy, it's a fair bet that your life will be untidy ... and your business will be untidy ... and your goals will be untidy. If your thinking - where it all starts - is murky, untidy and confused, the rest of your life will probably reflect that.

So, set to and have a tidy up.

1. Start with your email "in box" - how many emails that you've dealt with are still there or in your "trash file". Get rid of them.
2. Get rid of the old files in your computer that you will never need again - old word documents, spreadsheets etc.
3. Now clear your work-space. Have a celebratory spring-clean of all the paper in your office, shop or workshop that you will never need again - take the load off the building and furniture!
4. See how much stuff you can get into recycling bins - paper, plastic, glass - and out of your premises.
5. Now, of course, you'll have a sweep up, a vacuum and a good polish and clean of where you work.
6. Next, after the physical rubbish is gone, start clearing up your schedule. How many appointments have you made that aren't totally necessary? Cancel them, citing your growing business as the reason.
7. Look at all the jobs you do that you don't have to. What can you delegate? What can you just not do? The more time you give yourself, the more time you can give your business and your life and both will grow and improve.
8. Ask your staff what rubbish they can remove, in terms of physical rubbish and task rubbish.

9. Then, when you have physical space and time to think, consider what products and services you make no money from. Remember that only 20% of your products or services give you 80% of your profit - start getting rid of the worst of the 80%. Likewise, 20% of your customers will give you 80% of your profit and custom. Start weeding out the worst of the remaining 80% of customers and focus on those who are the best - give them the best service you can and watch them grow your business like never before!

Start getting lean and mean and you'll be amazed at how your business takes off, now that it's lighter.

8.
They only
spend
money and
time on
what's vital

If you spend too much money on things that are unrelated to getting more customers and meeting their needs, you're wasting it. Larry Ellison of *Oracle* used to say, "If you aren't making it or selling it, what are you doing here?" Prune your business expenses to focus on those activities that add direct value to the customer. For instance, we worked with a shuttle-service business where one of the owners spent a lot of time looking for new buses and vans, even when he didn't need any. The cost of these trips and the accommodation were not related to getting more customers but to his love of "doing a deal". It would have been much smarter to have spent his leisure time doing private deals and, when at work running the essentials of the business.

Look at the ways in which you're frittering away business time and money on unnecessary or personal things.

9.
Setting a
clear
direction

You don't set a clear direction that every employee understands and embraces. Many business owners keep their strategy and goals in their head, without communicating clearly to employees. It is much more powerful to have a dialogue with employees about where you want to take the company, what it can do best, how it can make more money, and resources required to get it there.

Relying on yourself to keep a clear direction is fraught with problems as it's so easy to become embroiled in the day-to-day details, that the big picture is forgotten. That is why so many owners and directors employ either:

- A. Good managers to remind them of the vision, or
- B. Business coaches who hold their goals and dreams for them, when they become too busy to remember them.

None of us achieves anything alone and the wisest amongst us recognise that we have particular skills and things that we're brilliant at ... and then employ or engage others who do the other things with excellence. That way we get to do what we enjoy while others get to do what they enjoy ... and, if we're all doing what we enjoy, your business cannot help but flourish.

10.
They look
past
themselves
to the
business

If your attitude is wrong, your business will be wrong.

One of the biggest reasons businesses don't last beyond the life of the original owner is because the owner cared more about ego, status and in maintaining control than on having a successful business.

Strong business leaders surrender control to top talent, and place greater emphasis on bottom-line results than on their status or ego. They realise that they don't know everything and that others can make a bigger contribution to aspects of their business than they can. They also realise the huge value on cooperation, whether that is sharing resources with other businesses, sharing ideas with staff and other business people or in building on the work of others, rather than reinventing the wheel again.

Let's be honest, we'd all love to be famous and to be known for doing something amazing. So, don't let that desire get in the way of you becoming famous. As you know, no monument has ever been erected to a committee and so, if it's a great business, you (the owner) will get your share of the acclaim anyway, no matter how many others you invite in to help. Get as much help as possible, see the business as you'd like to see it in ten, twenty, fifty or a hundred years from now and you'll be able to relax into allowing others to help you along the way.

If you have any questions about this report, please email us at info@bbcorp.info - we'd love to help you.

Yours sincerely



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