
How To Grow Your Business
And Double it's Value In 2 Years
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Chapter 1

Introduction: Business Growth

Do you wish to see your business double its value in two years?

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All small business owners, I think, would say "yes" to the above question. Yet despite desiring the expansion of their business, most small businesses still struggle with their businesses for two years or more.

Why is this so?

In a study conducted by Jim Collins over a period of 5 years, he examined about 1,435 businesses[1] to determine how companies can be great businesses and how small business owners can do it. Only 14 companies achieved greatness as determined by their business growth throughout this period. So, it does seem that most companies just hobbled along, dealing with every adhoc problem that arose in the course of conducting their business, earning enough to pay for their staff, cover their expenses and never quite achieving any significant breakthroughs. Yet, when asked, small business owners did not start out this way. Often, small businesses started with a passion for something which was articulated in the setting up of the small businesses. Even when the business is passed on from previous generations, there must be the passion about the business and its potential for the younger generation to take over. Small businesses start with passion.

It is understandable that you are passionate about your business and product. And that passion has led you to be the proud owner/partner of your very own small business. Congratulations!

At the back of your mind, you must have the idea that your passion will lead to profit. Indeed, the whole point of a business is about profit, getting an income and making more money so that you are free from the mundane chores of business life to focus on relationships that matter and a quality of life that is rewarding.

However, the realities of running a business set in when you actually start up your business. You realized very soon that all your dreams about your passion depend a lot on cash flow. Before your profit comes in, you need to spend money to generate the profits. If you did not make adequate plan for this, and quite surprisingly many small businesses do not, then you hit the first obstacle and that is inadequate financial resources. If you are still in business, you are now past the obstacle. Cheers! You are now an ongoing business. Yes, you have to work very hard, but at least the business is ongoing and there is an income which may be just adequate or turning a profit. The next step up the ladder is to be able to scale your business to greater heights. If you are at this point, then this e-book is written specifically for you.

By now, you would have realized that for your business to expand, your business has to grow. You have dreams. Perhaps your dream is to achieve a turnover of $1 million. Or have a branch or several branches in every state or district, or maybe achieve 20, 50 or 100 branches. Yes, that dream, that vision somehow seems quite a distant off. For many small business owners, to achieve that dream is a quantum leap. I find this state of mind quite common really. The smoker finds it impossible to give up smoking. The obese person finds it difficult to lose the 20 to 30 kg he ought to lose. Yes, they are aware of success stories, somehow they feel that they just cannot make it. It's not them.

The same is true with business. Somehow the one with the $1 million turnover dream says "I'm not ready" and the one with the 50 branches desire says "I don't know how to get there". It's like the smoker or the obese person with a similar problem, how do I attain something which I wanted so badly. This e-book tells you how.

Of course, the different reasons why people feel that they are unable to achieve what they dream about are legion, but I do think that ultimately, those several reasons center on one or more of the following issues:

1) A lack of skills,

2) A lack of systems, and/or

3) A lack of direction

Central to the three (3) reasons stated above is an issue of the mindset (this encompasses our emotional state and belief system) that may or may not facilitate us to actually make up for that lack. The lack of skills and systems can be easily remedied once we commit the necessary resources and if we actively work to bring about the acquisition of the skills or the setting up of the necessary systems for us to move ahead. While direction has very much to do with the kind of leadership we provide.

In this e-book, you will notice that while the focus is on skills and systems, I have focused my attention on soft skills which are psychosocial in character. That's because hard skills are easy to acquire, and easily replace by robots once we automate. Similarly, physical structures to house your manufacturing and service centres are easy to erect, but the social systems that allow you to offer the best to your customers is not so easy to put in place especially when your social systems are social silos.

As for leadership, where there is no direction, every one of your people will each do his own thing. Imagine an orchestra with no leader with each musician playing the tune he likes. It will be a total chaos and a mess of noise. A leader to the orchestra brings out beautiful music, and a leader in a business brings out coherent action that is geared towards profit.

As humans, mindset does play an important part in determining whether we are able to go about making the necessary changes for business growth to take place. Like human growth from infancy to adulthood, we do not have to think about growth or growing consciously, but we just exercise our faculties and our bodies will do the needed growing.

This is similar with business growth. The whole point about business is profit, and as long as we focus our activities on making profit, business growth will take place as we pursue that need for profit. You will naturally look to employ people to help you run your business, you will naturally seek out buyers, and suppliers to facilitate the provision of your products and services and so on. And isn't that what small business is all about? Entrepreneurs pursuing their passion for the provision of specific products and services to an ever-expanding circle of consumers.

As your business grows, it would eventually reach a point where it is sustainable i.e. giving you a profit and an income after expenses are accounted for. Your business has survived, cash flow is healthy, new business is coming in. This sets the stage for the next breakthrough. Surprisingly, a lot of small businesses do not grow that much more from here. Not that the business owners/partners are without ideas. They most likely still have dreams and vision. Talking to such entrepreneurs, I am impressed by the fact that while they may have wonderful dreams to implement still, somehow somewhere, something is preventing them from moving up the growth curve.

If you are finding yourself in a similar predicament of desiring growth and/or not achieving it, then this e-book is written specifically for you in mind. For some, the challenge is to know how to start thinking strategically about their business. For others, the challenge is further down the value chain of coming up with specific plans and implementing them. Sometimes the missing link may be some skillsets that can be mastered and learned, but most of the time, the major hurdle is in the way we think about the challenges and the emotional responses we have towards those same challenges. Emotional responses such as those of fear can cripple and handicap us from moving forward.

Perhaps the best way to illustrate this is by relating the story of the 4 minute mile[2].

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For several years, in the first half of the 20^{th} century, it was assumed that it was impossible to run a mile under 4 minutes. So strong was this belief that medical doctors and physiologists weighed in on this, even suggesting that to do so, would harm the body. But this belief about the impossibility of the 4 minute mile was more psychological than physiological. On the 6^{th} of May 1954, Roger Bannister, a junior doctor and a middle-distance athlete broke the record by finishing the mile in under 4 minutes precisely at 3 min, 59.4 sec. But Bannister's record did not last longer than 46 days once the psychological barrier was breached. Other athletes were also capable of similar deeds. In fact, by the end of 1957, no less than 16 athletes had broken the sub 4 minutes mile.

In short, the inability to achieve a sub 4 minute mile was only limited by what your mind can conceive. Once this was proven possible, every long distance runner could and would do it. This was proven in other fields of endeavour as well, especially in sports and in golf, a game I enjoy playing.

In April 1997, Tiger Woods won the Masters' Tournament at Augusta, and became the youngest and a non-White professional golfer to do so[3]. Up till then golf championships was dominated by older white male professional golfers. His margin in that tournament was 12 strokes ahead of the next highest competitor, a record broken only in 2000 by Tiger Woods himself with a margin of 15 strokes. That Tiger was able to do it fires the dreams of many and open the floodgates to many who wanted to emulate him.

In May 1998, another significant golf milestone was achieved. A 20 year old South Korean lady golfer Se-Ri Pak won the McDonald's LPGA Championship and become an instant celebrity. Women's golf exploded in South Korea. After her a steady stream of lady golfers from South Korea entered the LPGA Tours, so that by 2007, there were 33 South Koreans on the LPGA tours[4,5]. Today, LPGA tours are dominated by Asian women, and all these were a recent phenomenon in the last 5 or 6 years, and by then Pak has won the LPGA tournaments 25 times.

The above described breakthroughs were made possible in my opinion by mindset change. Prior to the breakthrough, be it Bannister's 4 minute mile, or non-whites/youth in golf or Asian women in golf, there is the myth that this was not possible or at least not many were pursuing it as an ideal. Once the breakthrough was made, and the possibility was conclusively proven, the imaginations of many were fired up. I can do it as well. It is possible for me to do what someone else has done. The hard work, commitment and discipline of developing that skill began, and many began to consistently make breakthroughs after that. That is the mindset of "I can do it".

So it is with business growth. I have talked to quite a few about their business dreams, but for some they are just dreams because they believe it's difficult or they cannot make the cut. But an increasing number among the younger generation of millennia's, are confidently saying "I can do it" and they have gone ahead and done it. Success starts with the mind.

Indeed, I strongly believe that the key to business growth lies in the mind, the attitudes we have towards our business and the behaviours that are powered by our beliefs and emotions. We can have all the skills we want to acquire and build all the structures and put all the systems in place, but business growth is powered, in the final analysis, by people. It is people who use the skills and utilize the systems and structure to bring about the perceive growth and increase. Your discipline and commitment couple with those of your employees will usher in your business growth, whereas your effort to grow your business may be passively resisted or sabotaged by employees that are not disciplined or committed.

Hence, our relationships and our ability to transmit that passion and commitment is the ultimate key to growing your business. That's why for me, the most important chapter is the last chapter which is on **Mindset**. You may ask why I put the most important chapter last. In my work with business owners, I find that people love to deal with tangible problems, at least in the very beginning. I suppose this mirrors the fact that tangible challenges are out there rather than inside of me. It is more difficult to change the way we think or feel, but we can easily embrace challenges out there and find lasting solution to it. Hence I put all the tangible challenges upfront and when all is said and done, you focus on the most important issue - Yourself. It seems to work better.

So you can really start anywhere, the next chapter or the last chapter. But whatever it is, as long as you take action on what you know, you will definitely grow your business and more than double or triple it. That's my promise to you. Without action, you will be at the very same spot where you start off.

Chapter 2

Differentiate Yourself and Your Offering

You now have a small thriving business and you are getting by. With a small team of workers, you are able to sustain your business, delivering the product or service that you are passionate about. Cash flow is coming in and you are breaking even. Your employees are being paid. You are putting in a lot of work in your business because it is your passion, but more so your own passion, skills and knowledge are just what your company needs - a good pair of dedicated hands that understand the demands and requirements of your business. And because your profit margins are not all that great, adding to the headcount may be a challenge to your business. But nevertheless your business is an on-going concern and you are making a small but noticeable profit and you like to see your company grow. You are concern about how to brand your business.

What is a brand?

A brand is your promise to your customers. Your brand tells everyone why they should do business or buy from you in preference to others. A brand is more than your logo or tagline. The way you and your staff interact with customers and suppliers alike whether over the phone, in person or by written communication is a part of the brand. Now with the internet, we ought to add the website and social media as a part of that interaction that constitute your brand. Your brand is how your customers perceive you – the total customer experience that is more than the exchanging of currency for the product/service; it is how the customer was served and the emotions kindled by such service.

Thus for Starbucks, Howard Schultz aimed to create an experience that include baristas who are on a first name basis with customers and an atmosphere that entices patrons to linger for hours.[1,2] Such an experience allows Starbucks to charge a premium for its coffee.

In branding therefore, you aim to create the brand experience that you want your customers and suppliers to remember you by. You will want such brand experience to be both positive and pleasant so that they will keep coming back to you again and again. A brand does not happen. It is the outward manifestation of your personal vision and story. It has to be well thought out and strategically executed. Starbucks, for example, when faced later with competition from other brands that incorporated bits of Starbucks branding, notably MacDonalds, expanded their offering to include meals and food while keeping their core branding. Branding has to evolve with the times.[3]

Or consider Nike, when you buy a sports product from Nike, you buy more than a quality sports product, be it a pair of shoes, T-shirts or jersey. People generally are surprised or delighted by how a good brand can change their lives by just making it a little bit better, a little bit more fun or a little more performance-oriented. They associate with all the sports personalities associated with Nike in the advertisements of Nike. It's an emotional appeal.[4]

Buying a sport apparel then is more than just getting a piece of clothing to wear, it is now associated in the mind with buying something that is of good value, feels good, performs well and most of all sexy. Using the myth of the Hero, Customers of Nike create a connection with between the quality goods that Nike represents, and the values embodied by them of excellence, performance, winning and above all attractiveness. Nike the brand has psychological connections by appealing to your identification with the Hero's journey. And Nike's "Just Do it" campaign extends this to the ordinary man empowering them.[5]

It is now your journey and the story empowers you. Remember Nike was a recent entrant to the sports apparel and equipment niche.

So how do you brand yourself, your company and your products? First and foremost, get to know what you stand for. In this category you will include the details of your vision, goals and objectives, what your products are and what qualities you want associated with your products. In times past, businesses probably need not articulate this clearly and the brand grows as the company grow in size. The kind of values and thinking that goes into branding probably develop out of the founder's and/or partner's personal beliefs and outlook. It needs no articulation and as it grows, the reputation of the business grows with it.

Now with the internet and social media, this is no longer possible. The world is now a global village and a fairly large village at that. Competition is global and cutthroat. So the need to survive puts the pressure to brand your business and your products very early on so that you will have a competitive edge in the market place. Hence the need to clarify very quickly what is it that differentiates you from the masses of competition out there.

Next is to determine where you are in relation to your intended brand. For this, you need to sound out your customers. What do they think of you, and the values it embodied? For those who interacted with you and each of your every staff, what kind of impressions do they have, and what values and priorities are embedded in the way you treat each and every outsider, be it customer or supplier. Be sure of this, the way your employees treat outsiders are very much a reflection of how you treat customers and your employees as well.

The next thing is to articulate this vision not only in words and communication, but also in every action and interaction with the outside world. The first is easy and has to do with publicists who will portray the image you want to portray in all written communication especially on the internet and social media.

The behavioural part is a bit more challenging. As the business owner, more than anything else, you have to walk the talk. You have to convey to your employees your commitment to them and your leadership in branding your business by treating the customers, and everybody alike in the way you said you want the company to be. To be able to do consistently across different people and different situations, you the business owner has to believe in your own branding and to commit to bringing that branding out first to those in your business and thence to those outside the business.

So, if you are able to achieve all that is described in the preceding paragraphs, you would have branded yourself and your business powerfully. And in so doing you would have given value to your customers. Your brand and the adjectives that describe your products and services would be the Unique Selling Proposition stated not in words only but in deeds as well. Provided that the brand you chose to brand yourself with is positive and attractive, it will certainly attract the kind of customers that you seek to serve and do business with.

When that happens, your existing customers will be happy with you. They will be more than happy to do business with you and to keep on doing so, as long as they have a need and a desire for your products and services. The quality positioning of your brand and its outworking in the way you behave and treat customers will get noticed, and will attract a fresh stream of inquirers who will eagerly take the place of becoming your customers. You will no longer have to advertise for fresh customers because they will come looking for you. You can stop looking for fresh customers because you are cultivating them, thereby transforming yourself from a hunter to a farmer.

There is one reason though why you still do need to advertise. It is to provide assurance to all your customers, new, old and prospective clients that you are still committed to your brand, and you are committed to the kind of service and quality for which you are already known.

This is especially so when your products life cycle or evolution of your service packages undergoes significant changes and adaptation to changing demands and fashion in the marketplace. This way of communicating gives reason for your customers to continue giving their commitment to your brand because you are consistently maintaining the values of quality and service that you first articulated.

Harold Schultz, the founder of Starbucks, said that the Starbucks brand is built with cups of coffee, one at a time. This is certainly important. And for small businesses in particular, where relationships are still personal, and the degree of control over all departments is that much more consistent, branding should be an easier job than it would be for a larger corporation.

Certainly, as Starbucks get bigger and now extend its branches over so many countries and cultures, with its services and products becoming more varied, the central core brand is somewhat diluted. Hard-core fans of the original Starbucks can see and feel such dilution of the brand as the business grows and distinct differentiation sets in. But then this book is addressed to you, the small business owner. For some of you who do not have a distinct branding yet, such dilution is a moot point for you. This is because if you do reach this point you would be an established brand already.

A brand is an entity that engenders an emotional connection with a consumer. To create that emotional connection, you need a story articulated in different ways: the whys that lay behind the "whats" and the "hows". The story of your brand is the "myth(s)" that power(s) the values and priorities of your business. That story can be told in many forms and incarnations and stories are the vehicle for connecting with people emotionally. You yourself will have to tell the stories and myths associated with your vision, and your staff will also tell them too. Tell that story, forge the emotional connection, and your business will definitely grow in tandem.

Chapter 3

Employ the Right People

General Motors was in big trouble with an ignition switch failure affecting thousands of cars simmering for about 11 years. In 2014, after the problem was acknowledged, millions of their cars were recalled. It was responsible for up to 124 deaths. A final settlement was reported recently[1] (reported September 2015) which included a fine amounting to more than $1.2 billion according to news report.

A news commentary on CNN on the 30 July 2014[2], noted that such scandals were typical of the motor industry citing similar scandals at Ford Motors. Furthermore, the Motor industry was male dominated with recruitment based on selection of people who were similar in outlook and temperament to one another. This bred a culture that allows responsibility to be side stepped and when troubles brewed, to cover-ups and prevarication instead of confronting the problem.

In fact, during the 11 years of the crisis, there were whistle blowers and critics from within. They were systematically side-lined and forced to leave, some without jobs thereafter for many years. The fact is, companies and businesses which are homogenous in their manpower composition tend to cope badly in crisis and do badly in innovation as well. That's because their response to change would be similar and monotonous. To have a varied response, you need a culture of diversity. Draw people from different background so that the varied experiences of many can produce differing ideas and responses when it comes to innovation or when confronted with demands such as a crisis.

The point is this, when choosing people that will help you to grow your company, you do not just choose people with the requisite skills and abilities, but you choose people with the correct soft skills that will complement those of yourself, your partners and the entire leadership team. This basically means that as a leader, you have to be aware of what your strengths and weaknesses are.

Without knowing your strengths and weaknesses (and that of your partners), you are not aware of the blind spots that you have, and you are likely to make similar mistakes repeatedly. In a business setting, these mistakes will cost you money. You are also likely not to be able to come out with out-of-the-box ideas to grow your business, leaving a lot of money on the table as a result. Your ideas are so grooved to the way you think about the problem that you cannot come up with solutions other than those that you are already familiar with.

The point is there is a lot of literature supporting the view that a male dominated work place drawing manpower from similar social environment encourages a homogenous work place where people are comfortable with one another, and are less able to respond in varied ways to crises and to opportunities, very much like that of those in the motor industry.[3]

In fact, many of the ethical scandals in the last 10 to 20 years have been in companies and industries that are homogenously male dominated.[4] It is now an accepted view that inclusion of female leaders at the top of the decision making process of a company help a company to adopt more ethical decisions instead of covering up and scratching each other's back as male dominated companies are wont to do. That's largely due to the fact that men tends to have an "old boy network" mentality that does a lot for male bonding and support. Good when you are facing danger in the wild, but bad in the business world where ethical and political considerations can lead to unintended serious consequences because there are larger communities out there that need accountability to. Women tend to stick to rules much more than men do, and this characteristic of women leadership tends to more ethical decisions and outcome.

More importantly, there has now been research evidence that diversity in the workforce actually encourages innovation.

What kind of diversity should you look out for?

A Harvard Business Review article[5] described two kinds of diversity:

I. Inherent diversity
II. Acquired diversity.

Inherent diversity is the diversity due to your intrinsic characteristics such as your sex, age, ethnicity and so forth, whereas acquired diversity has to do with traits gained from experience. Acquired diversity includes working in a foreign country for example. It will make us sensitive to cultural differences, and selling to opposite sex consumers can get you gender smart. Working in a different industry will make you aware of the demands and characteristics of that industry. Further if you have 3 inherent and 3 acquired diversity traits, you have what is called a 2-dimensional diversity. Studies that seek to correlate diversity and market outcomes indicate that companies with 2-D diversity “out-innovate and out-perform others”.

Specifically, for companies that are 2D diverse, there is a 45% chance that they will have an increase in market share and a 70% chance that they will capture new markets.

Diversity and Innovation

How does diversity fuel innovation? It would appear that diversity encourages “out of the box” ideas and allow them to be heard. When differences are valued, employees with compelling ideas can come forward with ideas which will not only be heard but funds can be committed to fund the implementation of such ideas.

Without diversity in the leadership teams, it was shown that women are 20% less likely to have their ideas heard, and minorities are 24% less likely to be heard at all. Furthermore, a client from a minority group is likely to be 152% better understood when a team has someone who is from the same minority group compared to a team with no such team member.

What is important about such studies is that they demonstrate that **inherent diversity** alone is not sufficient. Leaders need **acquired diversity** so that a culture in which all employees can be made to feel free to contribute ideas can be encouraged. Research indicates that the following six behaviours will encourage innovation across the board:

- Ensuring that everyone is heard
- Making it safe to propose novel ideas
- Giving team members decision-making authority
- Sharing credit for success
- Giving actionable feedback
- Implementing feedback from the team.

Leaders who give equal airtime to diverse views and voices will unleash new value-driven insights and when employees are empowered to speak up, companies are more likely to exhibit their full innovative potential.

Given these impressive findings, how do you encourage diversity and therefore innovation in your business?

As stated earlier on, besides the requisite skills and abilities, you would want to employ people who complement your strengths and weaknesses and those of your founding partners.[6] Do not employ people similar to yourself or your partners whom you are just comfortable with. They may match your personality and social behaviours and that's about all. They are good for socialising and recreational purposes. But if you want to grow your businesses, choose people who complement rather than share your traits and your skills.

Then look at the 2D diversity described above, choose employees preferentially who have the twin traits of both inherent as well as acquired diversity. The benchmark for this is yourself and your founding partners if any. All else being equal, always choose someone who is different from you in the dimensions cited here and you cannot go wrong.

There are 2 additional building blocks you need to put in place before such an awesome team that you have assembled is capable of great results. The first of these is motivation. I assume that you and your founding partners are motivated and capable of sustaining that motivation. Otherwise, you would not be driven to start your business. To get the kind of business outcomes that you set out to achieve you need to be able to motivate your employees, and to sustain that motivation.

It is important for you, the leader to recognize that performance of the necessary tasks is not enough. You want everybody; yes everybody to embrace a culture of excellence and to do all things with full commitment, with passion and with all the enthusiasm that you can instil in your employees.[7]

Of course, in the real world, nothing is perfect, and if you can get more than half of your workforce committed and enthusiastic, I think you would have achieved a lot. To inculcate such a culture of excellence, you need a good reward system that recognizes what is important to you. If initiative is important, reward initiative, if it is innovation, teamwork or whatever you consider important, make sure you reward that. On special occasions, have special awards and prizes for whatever you want to reinforce and make a great deal about it.

Remember also that social rewards are just as powerful, if not more powerful than monetary reward. Recognition by means of special mention, award of special status, open acknowledgement of achievement serves as powerful motivators of performance. Be sure that such rewards are carefully tweaked to the temperament and social needs of individuals. Some prefer private recognition while others desire public acclaim and recognition.

When everyone is suitably motivated, you would have a great team that is capable of outstanding achievement. And consequently, that will result in increased productivity, turnover and increased sales are achieved almost by default.

Teamwork

Teamwork is now universally recognize as an essential ingredient for better performance, better output, and for better bonding and synergy between all members who are involved. Unfortunately, in any group setting where individuals are working together, there will be inevitable friction and conflicts due to differences in personality styles, habits of working and differing personal priorities. With good teamwork, these can be reduced to a minimum and perhaps up to 80% of the energy can be devoted to meaningful fulfilment of the group objectives.

In the absence of good and sensitive leadership, a lot of time will be devoted to solving interpersonal problems and resolving interpersonal conflicts. When this happened and more than half of the team's energy is devoted to that, the effectiveness of the team is compromised and the team's output will be below par. To lead teams effectively, leaders of teams need to have effective listening and communicative skills besides an appreciation of team dynamics.[8]

My observations are that most team leaders are very good at focussing on tasks skills. Rightly so, as work teams are there to fulfil certain functions and objectives. They are therefore getting the tasks that the team is supposed to do, done efficiently. Problems arise when there are resistance to his/her leadership and to the tasks at hand. Most team leaders are inept at handling such situations because of lack of process skills training.

Three (3) groups of skills are needed to make sense of the group's process when things are not functioning well, and focus on tasks are out of the window because of underlying tension, negativity and hostility. The first group of skills have to do with communication and listening. The leader must be trained to identify the broad flow of interaction in the group. Who initiates, and who rejects. Who criticise and push back initiatives and who are those who comply with initiatives, as well as those who are fence-sitters.

Besides being able to identify the flow of interaction, there is a secondary flow of posturing for the purpose of influencing and power relationships. These are easily identified by body language as well as by the form that convey the verbal content. The ability to identify and see patterns will tell you a lot about what is in fact happening in your teams.[9]

The next group of skills are coaching skills that allow the leader to reframe and to support the group, so that the negative communications of the members can be transformed into supportive feedback.[10] And lastly group process skills that can allow Leaders to take the negative forces affecting the group and transform that negative energy to make it available for constructive work so that the group can move forward.[11]

Earlier on, we discussed how to recruit and foster good employees who can be effective members of your organization. To complement effective members of your work teams, you or your various team leaders have to be effective leaders. Do not assume that you are an effective leader just because you are the leader. You are an effective leader not only because of the results and outcome but also by the impact you have on those you lead. Thus the way you are perceived by your team members is equally important and this perception is not about your popularity or likeability, but your ability to inspire and motivate those who follow you so that you make them achieve greatness by the way you are and the way you communicate with them.[12]

Fortunately, leadership skills can be imparted and taught and there are excellent leadership courses available out there. I myself teach practical leadership skills that impart on to learners effective communication skills, influencing skills, engaging followers and conflict resolution skills as well as a lot other similar skillsets require in the workplace.

Besides, leadership skills, what is require for effective team work is a collaborative atmosphere. We have noted earlier that such an atmosphere also foster innovation. When there is collaboration, group goals are paramount. Some bosses try to encourage excellence by getting their employees to compete with one another. This is a mistaken strategy. When one encourages competition, we are encouraging individual rather than group goals. One side effect of these is that much energy is spent in interpersonal rivalries and conflict. Group goals are often lost sight of or paid lip service to as a result.

However, when we encourage excellence and collaboration, we emphasize group goals and group effectiveness. That's not to say that individual efforts are not recognize, they are, especially when that contributes to group goals, group collaboration and effective group outcome and output. Admittedly such a situation is somewhat ideal. We cannot in reality do away with competition among our employees totally. Individual employees will have their own personal ambitions and their sibling rivalry issues. But if the focus is on collaboration and the reward system is tilted towards group performance and group leadership, we can minimize these significantly so that time and energy devoted to interpersonal issues and conflicts can be reduce to a minimum and encourages group effort towards common goals.

When such an environment is fostered and encouraged, all team members are thus empowered to recommend changes and to act in ways that will enhance the team's performance. In such an environment as was pointed out earlier, it is inevitable that innovation and new breakthroughs will naturally surface. And that is exactly what we want for the business to compete effectively and to have that competitive edge over other rival businesses that have no culture of innovation and teamwork. If you are able to recruit staff with the goal of enhancing innovation and effective performances then you are able to exercise good leadership skills to motivate and to draw out each employee to collaborate and empower them to take effective action, then the outcome of enhancing business growth is simply a necessary outcome. How will that not double the value of your business?

Chapter 4

Leverage on Technology

Digital imaging and digital imaging processing revolutionize the world of photography and videography and change the dynamics of photographic film making. The way that Kodak and Fuji responded to this disruptive innovation deserves our serious consideration.

It was a Kodak employee who first made the world's first digital camera in 1975. It was bulky and of low resolution. Eastman was manufacturing paper film since 1885 and made the switch to celluloid 4 years later, while in 1888, he offered his first camera to the world called Kodak. Eastman Kodak then was a company built on the innovation of its founder. However, Kodak never quite took up the innovation of its employee in 1975. And the reason is simple. To invest in the new technology means that it had to cannibalize its existing business. They balked at the idea.[1]

15 years later, when the first digital camera was available to the marketplace, it was Sony, Canon and other smaller companies that led the charge. Around 2000, film photography was on the descent and fell precipitously off the cliff, and by the end of the first decade of the new millennium, film processing kiosk that dotted the landscapes of cities gradually disappeared. Ironically, Kodak manufactured a consumer digital camera the Quicktake 100 in 1994 under the Apple brand because it was afraid of cannibalizing its core business. Failure to capitalize on digital photography and the decline of film eventually led to the bankruptcy of Kodak in 2012.

Contrast this with the way Fuji, Kodak's arch-rival confronted the digital revolution. Fuji, like Kodak made its money from film production and processing. In the 1980's, Fuji could foresee that digital photography was coming and started investing in digital technology. While Fuji did not anticipate the slide in analog film demand, it was able to capitalize on it.[2]

Thus because of its ownership of the new technology and employees who were conversant with the technology they were able to apply digital imaging innovations to other areas of application such as medical and industrial applications. Secondly, because they owned the technology, Fuji was able to transform their kiosks into other digital imaging services, and was able to maintain their kiosks even in Walmart. Currently in the US, Fuji now controls 41% of the photofinishing market there in contrast to Kodak whose share is now only 15% according to IBISWorld, a research company.[3]

Digital imaging and digital image processing are in the words of Clayton Christensen author of "The Innovator's Dilemma"[4] and "The Innovator's Solution"[5], a disruptive technology. It allows for innovation that is completely out of the box and out of range of existing products and services. It makes possible, disruptive innovation such as digital photography and videography among others.

The problem with large, established corporations like Kodak, is that while they have the means of investing in research and development, the risks of investing in such innovation is that they can be distracted from their core businesses that feed their income and to uncertain areas of development. Hence they tend to support sustaining or incremental innovation. Smaller companies are able to adapt better and reorganize faster because they do not have existing products/services that are profitable to weigh them down. Hence it is not surprising that disruptive innovation is often embraced by small start-ups and then bought over by existing large corporations that can see the potential of such innovations. This is especially true in the IT and pharmaceutical sectors.

Hence, as a small company, disruptive innovation is within your reach. You are capable of such disruptive innovation if the cores of your businesses interface with key disruptive technologies. McKinsey in a few of their in-house papers identify 12 key disruptive technologies, namely mobile Internet, automation of knowledge and work, Internet of things, cloud technology, advanced robotics, autonomous and near-autonomous vehicles, next-generation genomics, energy storage, 3D printing, advanced materials, advanced oil and gas exploration and recovery, renewable energy.[6]

Are you able to tap on these to make your own disruptive innovation?

Disruptive Innovation

Disruptive innovation is more common than you think. The Economist in a review dated 25 January 2015[7] listed the following disruptive innovation that is now a part of our daily lives: classified ads (Craigslist), long distance calls (Skype), record stores (iTunes), research libraries (Google), local stores (eBay), taxis (Uber) and newspapers (Twitter). This is only a selection, and if you think harder, there are more, and all because of the rapid pace of technological advancement in recent times. Will you be the one responsible for the next disruptive innovation?

In order to be capable of making that disruptive innovation leveraging on a disruptive technology, one need to be able to adopt a strategy that allows us to do so. Traditional business strategy enjoins you to do a SWOT analysis and to look at our existing competitors. That is not the way to disruptive innovation. To be disruptive in our innovation, you need to adopt a blue ocean strategy.

A blue ocean strategy (BOS) is as defined by its inventors, W Chan Kim and Renee Mauborgne, co-authors of Blue Ocean Strategy[8], a strategy to succeed base on not competing with existing competitors head-on (red ocean strategy or constructionist thinking) but rather by seeking uncontested market space thereby creating new markets with no competition (blue ocean strategy or reconstructionist thinking). The authors use the term red ocean to describe the known market place with all the industry in existence today, while Blue Ocean describes the unknown market place with all the industries not in existence today. It may be useful to tabulate the difference between Red Ocean and Blue Ocean Strategy:

Table: Red Ocean vs Blue Ocean Strategy.

Red Ocean Strategy	Blue Ocean Strategy
Compete in existing marketplace Beat the competition Exploit existing demand Make the value-cost trade-off Align the whole system of a firm's activities with its strategic choice of differentiation *or* low cost	Create uncontested marketplace Competition becomes irrelevant Create and capture new demand Break the value-cost trade-off Align the whole systems of a firm's activities in pursuit of differentiation and low cost

In their book and website, Kim and Mauborgne provide a framework and analytic tools which a company can utilize to come up with a BOS that will spawn a "value" innovation. Such an innovation will allow the company to move into a new and uncontested market and therefore succeed as competition is now irrelevant.

The framework that makes possible the value innovation, include six formulation principles that will drive the successful formulation of BOS and attenuate risks. A strategy canvas allows a company to consider all the factors an industry competes on and invests in against the offering level buyers receive across all factors. Further framework allows an analysis of the company's current portfolios, the 3 tiers of non-customers and other factors. The critical analysis is the 4 Actions Framework to formulate a 2 by 2 grid for consideration of the customer experience that can be manipulated to give you characteristics of the kind of product/service you can offer that brings you into a Blue Ocean market.

Cirque du Soleil is often cited in BOS literature as a prime example of this strategy. The 4 Action Framework allows us to examine the experience of circuses to customers/consumers by answering these 4 questions.

- Which of the factors that the industry takes for granted should be eliminated? For the example of Cirque du Soleil, that would include animals, star performers, and the three separate rings.

- Which factors should be reduced well below the industry's standard? Cirque du Soleil reduced much of the thrill and danger associated with conventional circuses.

- Which factors should be raised well above the industry's standard? Cirque du Soleil increased the uniqueness of the venue by developing its own tents.

- Which factors should be created that the industry has never offered? Cirque du Soleil introduced dramatic themes, artistic music and dance, and a more upscale, refined environment.

You can now see that by using a systematic framework and with the right analytical tools you can come up with a "value" innovation, similar if not in some instances identical to the disruptive innovation we just considered.

Some other businesses with BOS and value innovation cited by authorities include the following:

- **Netjets**: the value innovation being fractional jet ownership;
- **Southwest Airlines**: offering flexibility of bus travel at the speed of air travel using secondary airports;
- **Curves**: redefining market boundaries between health clubs and home exercise programs for women;
- **Home Depot**: offering the prices and range of lumberyard, while offering consumers classes to help them with DIY projects;
- **Dyson**: the value innovation being Cyclonic Vacuum Cleaners.

In my opinion, BOS is a descriptive theory that gives a framework about what entrepreneurs have been doing all along. Following their own instincts and passion, entrepreneurs in different times have come up with innovations that break existing boundaries thereby creating their own unique BOS in the process. That's what Kim and Mauborgne's study of 150 companies show.

We have always heard about young startups with fresh innovative inventions and products that established companies are willing to buy over, and while you may not believe that your product and service can ever be of that stature or capable of such innovation, that is not the point. The fact is nobody knows, not even you, unless you take the necessary action, of course.

What I am inviting you to do is to simply exploit your passion. Depending on whether your industry or niche impinges on a disruptive technology, you have all the possibilities there for you to exploit. This is particularly so if your industry faces a situation of oversupply, and decreasing demand. Even if you are a little too distant from disruptive technologies, instead of trying to face your competition headlong which may not be wise, you are invited to innovate and create your own niche and your own unique space. If you do so, you will succeed to varying degrees and you will survive. The quality of that survival will depend on how successful you are with your value innovation or even disruptive innovation.

So, follow your dreams.

Chapter 5

Co-create Customer Value

I am sure you have heard complaints from customers of especially consumer goods, who were initially charmed by sales people and their sales pitch, bought whatever that was sold to them, and soon after, found that they had problems with their products. But when they called the store from which they had bought to talk to that ever kind, ever patient and ever charming salesperson for help, that salesperson can never be contacted, and never was around when there was a call for him.

After a few calls, the customer finally realized that the salesperson was really avoiding him/her. It can be a thoroughly frustrating experience, and anyone on the receiving end is not likely to patronize that store any more as long as he/she had a choice. Did this salesperson know that his cavalier attitude is part of the influence that will drive future sales downwards?

Or is there a salesperson among your friends and relatives? If you have such a person, especially one who is so concerned about his sales target, such that every time he meets anyone including you, he is always pitching you about this or that product. After some time you will grow tired of him and his sales pitch. You would want to avoid him, all because he is more interested in his sales and his pitch rather than in you and your friendship.

The above are situations which will cause you to stop buying further. So what motivates a customer to want to keep buying from you? When you are able to give him more value than what he has paid for in cash. This is the customer's perception. And this is referred to as **customer value**, defined as "a customer perceived preference for and evaluation of those products' attributes, performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations"(Woodruff, 1997)[1].

Note before the purchase, the customer has certain wants and needs to be fulfilled by the product/service, the **desired value**. After the purchase, the belief that the customer has about the benefits the customer received from the purchase is the **perceived value**.

The customer's **perceived value** can come from innovation of the product, reduced cost, added services such as after sales service, installation and associated free gifts. In short, perceived value is more than a reduced price or more of the product/service. The customer will be a satisfied customer when the perceived value is much more than what he has to pay for. Note that while price may well be a perceived value, it need not be. You can sell a luxury item at a high price and it can still be perceived as of good value.

Similarly, a cup of Starbucks coffee is at least about 5 times that of a local coffee shop in Singapore, yet many people still flock to Starbucks because of the brand quality, the ambience, and the thought that you can stay as long as you like at Starbucks. The crowd at Starbucks is the social proof that Starbucks is indeed desirable. Certainly, many retail companies as well as business to business providers of goods/ services have innovated in this area, by providing free gifts, special offers, bundled offerings, special offerings. More importantly, some of them have trained their staff to engage with customers and pay attention to their every needs and wants.[2]

From the above, you can now see that providing customer value is also an essential part of your branding. When customers and prospective clients knows that you will service them over and beyond what they pay to you for your products and services, they begin to like you more and more and preferentially want to do more business with you, especially when such value is not offered by your competition to the same degree. And clients do sometimes pay a premium for such good service because they like it and enjoy it.[3]

Giving customer value is also another way to innovate and move away from the competition. If you constantly offer over and beyond what your competitors are offering, over time, the value which you offer may be the desired product and when you reach that point, you would have created for yourself a very niche marketplace where clients will respond to the value that your products/services are bundled with rather than to the index product/service.

You can take this concept up another notch by involving your actual customers. The product/service which you offer because of the involvement of the customer's input becomes much more personalized and much more unique to you and your brand. This will make your products more distant and distinct from your competitors, and you will have therefore created a niche for your very own special product/service. See how you have move from a red ocean (where you compete with your competitors) to a blue ocean strategy (where you have no competitor) by adopting such a process and in so doing uncovered needs that you may not be aware of. This process has been termed co-opting customer in a process of co-creation.[4]

An example of this kind of value is a construction company in Singapore which has actually adopted such a strategy. To a prospective customer, he will offer his design service free to help him (the customer) come up with a concept plan. He gave good value in his planning because his plans were always full of original and creative ideas and he specified certain quality materials in order that the demands of creativity and utility would be matched. More often than not, because his design was so extraordinarily good and practical and with specifications that actually embodied those qualities, he would be given the contract to build and to construct the design he had planned with the owner.

Because of the tremendous values he offered in his design, he often could and did charge a premium for his construction service because the buyer would know from the onset the kind of value he would be getting. And because of his free design service, he had no competitors, not even when his former staff attempt to compete with him as they would had to refer to him as the gold standard. It was impossible to beat his design which was always unique, one of a kind and individualized to each company buyer. That's why his business kept on increasing its business share.

Move away from Competing on Cost: From the above discussion, you can see that when you are able to offer good customer value in your products/services, you no longer have to compete on cost and be lumbered with a razor thin margin. If you are in an industry such as staples, where cost is one of the values, you can still compete by offering value in other ways such as increased quantity as a bonus from time to time, freshness (as in food supplies), quality (as in utilitarian goods) and durability (as in furnishings) so that you move away from a purely cost competitive proposition.

By moving away from competing on cost, the value you offer becomes the criteria for the price you are charging and that becomes the critical factor for a niche market for you. For examples, look at staples with different quality grades and prices such as the different qualities of rice in Asia and the well-designed durable quality home furnishings.

Go beyond customer service: Customer Service has been the buzzword for quite a while now. Businesses offer to satisfy customers by improving the way they are served through setting up of departments to serve customers and in its tail, comes CRM, customer relationship management, the accompanying IT software. Indeed, customers were served better, but customers were still not satisfied as sometimes when they expressed their need, it is met often with an impervious answer, "Sorry, it is not our company's policy ……." or similar. Ah! Customer service is dictated by what the company's prescription of what it should be.

In short, customer service is not about service the customer wants. It is about service the customer gets according to what the company thinks the customer needs. No surprise therefore that customer satisfaction is way far off even with the implementation of expensive CRM software.

This is the result when business owners and their employees think that customer service equals customer satisfaction.[5] While it is generally true that customer service leads to customer satisfaction, it need not be so. For if customer service is about what you can do for the customer, it is still about you and still not customer centric enough.

Engaging your Customers

To be truly customer centric and improving customer satisfaction, you need to engage with your customers. You need to ask what the expectations of customers are, what is it that they are happy with so that you can give more of, and what it is they desire that you can start to put in place. While it is true that it will entail some cost, depending on your customer metrics, it may well be in your interest to provide it no matter what is the cost. A compromise may be to provide the added service as an optional extra subjected to costs.

Ikea is a company that engages with their customer through the Home Tour and their Home Report. They visit their customers' home, have conversations with them, understand their needs, and together with their staff and customers engaged in a process of co-creating the final products sold to their customers.[6]

Ikea engages the customers without the Internet and social media. With the advent of social media, it is now imperative for companies and businesses to engage their customers beyond what Ikea has done. Many established businesses still use social media as a place purely to make announcements, give press releases and generally to provide information. Others go slightly beyond and use social media for marketing and recruiting. But social media as the name implies is for social engagement. Hence the power of social media can only be seen when you engaged customers on it.

To engage with your customers on social media, you need a dedicated representative to front your company there. Starbucks for example did exactly that, and customers know these representatives by name. When you engage customers in this manner, you are able to listen in to your customers having conversation among themselves as well as knowing their thoughts about your products, their suggestions, comments and feedback among others. Unhappiness about products, services can always be picked up and resolved, while feedback about what you provide is even more important for which to keep on tweaking improvements to what you offer.

Customers can also be engaged to help you co-create your next product. Mountain Dew has a huge following on Facebook, Twitter and YouTube. When they wanted to introduce a new flavour, they involved their fans and followers to do so, generating much interest and debate. More importantly, their marketing department now has a large amount of feedback, views etc. from opposing groups of fans. Now that's what I call giving value to customers who in turn give back to you. Engaged customers are more loyal customers. (More of this in the next chapter)

Engage your own employees: You cannot engage with your customers without engaging your employees at the same time. Your frontline employees especially interface with customers and almost all levels and grades of staff will at some time or other interface with some or all of your stakeholders. How you treat your employees will determine how they treat your customers on your behalf.[7]

What will make your employees feel valued? We have touched on this somewhat in an earlier chapter and I do not wish to go over the ground again. While pay is an important part of the equation, it is not the only factor. How you communicate with your employees betray the values and attitudes you have towards them. How you reward and give recognition to the contribution each employee make to your business is a major part of how your employees will feel valued by you and whether they will respond with loyalty and commitment to your organization.[8]

The fact is when your employees are empowered by the way you value and honour them, they will do the same to your customers and that is the lifeblood of your business. The construction company mentioned earlier on in this chapter did exactly just that. In his actions, he showed to his employees that they are valued. He showered them with social recognition and social rewards other than pay. Oh, yes, he paid them well, better than his competition. When employees got into industrial accidents, he went out of his way to attend to the needs of those who were injured and needed medical attention. Employees could see that he cared for them by his words and action.

When you are so engaged with your employees, some will take your kindness to be weakness. So this construction company owner faced the same kind of exploitative behaviour from a few employees who had tried to take advantage of his generosity. These were firmly dealt with, and if necessary, terminated from work in the organization. He thus maintained a very tight ship of highly committed employees working for him in his business.

One problem of engagement with your employees and in turn with your customers is that you truly cannot engage with everybody. All humans have each their own different aspirations, agendas and goals. Quite a few of these will be in conflict with you and your business and they are in your company for them to fulfil their purpose not yours. So, if you are able to engage up to about half or more of your staff, and up to half or more of your fans and followers actively, you would have succeeded very well. You would have given value first to your employees and together with your employees, give value to your customers. This will certainly make your business grow by leaps and bounds.

Chapter 6

Engaged Customers Buy More from You

Traditional businesses such as your high street shops spend a lot of money acquiring customers through advertisements. These customers come to the store to purchase one item and they are gone. With this model, the return on investment for what you spent is very low, since you do not make much profit from one sale. Fortunately for high street stores, much of the human traffic comes from its strategic location so that customers come in because of opportunity and convenience. But note that there is a premium for the cost of a strategic location.

Another way for high street retailers to increase their return on advertisement is to have loyalty programs. By maintaining a loyalty program incentivised by giving value to them by way of special deals, promotions and discounts, you maintain a loyal army of customers who are responsive to your marketing efforts. Your fan pages on social media and your followers on Twitter and similar platforms help you to maintain a relationship with them that will be beneficial for your business.[1] In this relationship, with your business as the seller and the customers, fans and followers of your social media platform as your buyers, there are two (2) simple metrics that you need to look at if you really wish to see your business grow in size and value.

The two (2) metrics that you need to look if you wish to do well with your buyers and customers are first the **Cost Per Acquisition** (CPA) of each buyer/customer, and the **Customer Lifetime Value** (CLV).

Cost Per Acquisition: This is the cost that you are paying for your marketing efforts in order to acquire a paying customer. It can also refer to an advertising method where the buyer pays for a completed action whether it's a lead subscription or a completed purchase. Here we use it with the first meaning which is the total sum spent on all marketing efforts including advertisements, divided by the number of buyers you succeeded in attracting. Why is this metric particularly important for businesses?

The importance of CPA lies in the fact that this figure is important for calculating the true ROI on your investment.[2] Your business exists to create revenue, and customers who made purchases are the sole source of profit. All others walk-in would-be customers who browsed whatever your offerings, leads or online clicks to your online stores do not contribute to your bottom line by their activity until they do the most important activity for any business, and that is to make a purchase whereupon they become a customer immediately.

Thus if you spend $x and you have a lot of interested people milling round your products, or clicks at your online store, but no sales, then your marketing and sales campaign is totally ineffective. Of course, in the real world, interest generated will lead to some sales no matter how little, but I think the point I am making is clear.

Do distinguish between CPA and Cost of Conversion used by marketers to refer to the marketing needed to get people interested in coming to your shop/showroom, or online, to click through your offer and enter their email into your mailing list. You are still getting a lead, not a sale, and there is still no revenue yet. So CPA is still the metric to look at.

Knowledge of your CPA will tell you how effective your marketing campaign has been, the lower the CPA, the more effective it is. Marketers make use of this fact and use the CPA to determine how effective a particular marketing/sales campaign is. To do this, you need to be able to track the source of each customer to the campaign they respond to when they got interested in your products/services. Say for instance, you spend

$50k on an ad campaign. You spend say $20k in an email campaign with a Joint venture partner, the only way to tell which campaign is more effective is to compare the CPA for each campaign provided you can track each sale to each campaign source.

With modern technology, the types of marketing/sales campaigns you can run include traditional media such as newsprint, television, classifieds and direct mail. Online campaign are just as varied and include advertising on search engines like Google, or social media such as Facebook, Twitter or LinkedIn ads, as well as banner advertising on news site, blogs, and so on. You can track your CPA on each of these platforms to determine which gives you the best ROI from the CPA of each source of leads and customers.

Another way to use the CPA is to compare the effectiveness of marketing and sales effort of different teams/locations or regions. Just comparing the total sales of different teams/division is not enough. You need to know how much each team/division spent to acquire those sales, and CPA is just the perfect metric for this.

Does CPA tell the whole story?

Not quite.

Even if your CPA is very low, and your sales margin is equally low, then what you earn from your customer is equal to or less than your CPA, your CPA becomes relatively high. Your business will eventually fail. But if you are selling big ticket items, and you can make sales of at least $1000 or more, even if your CPA is a couple of hundred dollars, it still leaves you with a net gain position. Your CPA is still relatively low. So, your CPA value is relative and really ought to be considered together with the next metric which I will introduce.

Customer Lifetime Value: Customer Lifetime Value or CLV, (some people use LTV) is an indication of how much repeat business you can expect from any customer, and therefore influences the amount of money you are willing to pay to acquire a customer (your CPA) in the first instance.[3] If you sell high ticket items therefore you can afford a higher CPA and get more prequalified and preframed leads. The problematic calculation here is the timeframe. Big ticket items have a longer timeframe. For lower price items which have a higher turnover, it may be more practical to calculate the expect repeated sales over a fixed period say 6 or 12 months, to help you determine the CLV.

The figures used to calculate CLV maybe projected or historical actual sales. Of course, the latter is probably the more accurate of the two. However, if your business is a young startup or you are having a fresh product line, you may have to project the likely purchasing behaviour of your customers. You can later on compare your projected figures with the actual figures and tweak your metrics to more accurately reflect the true CLV for you.

I am aware that a lot of entrepreneurs use the concept of breakeven point to assess the success of their startups. This is a very inaccurate metric and it could land you into trouble. If you use the breakeven concept you are comparing your total costs against your income or total sales. What if when you calculate the above two metrics and really your CPA is very close to your CLV? Then we can easily predict that it is matter of time before your business will go under if you do not address this issue.

Recently, Harvard Business Review ran an article in their "New Thinking, Research in Progress" column, Idea Watch, entitled "Make Your Best Customers Even Better"[4] essentially promoting the idea that you can make your best customers into Super Customers by getting them to buy even more from you. And why not?

If they are already your customers, they already know you, and to some extent trust you. Assuming that you are still engaged with them because they are on your mailing list, or fans on your social media platforms, there is every reason why they would buy more from you. However, you need to give them a call to action with some information and education as to why their next purchase will benefit them.

We know that by the Pareto principle, 80% of your income will come from 20% of your customers. These are your best customers. They are willing buyers and are people who get value from you in the products/services you offer and in the way you are continually engaged with them. So if you have new products or new ways to use your products or new benefits they can derived from your products or from referring new buyers, you have a win-win situation in the making. Just engage them, educate them and convert them into sales.[5]

This is the "Conversion" way of growing your business. Do not be satisfied with generating leads from your marketing and sales efforts. With your leads, get them to buy any product from you, even if it is a cheap product or service. This is called a tripwire offer. An offer so cheap that it is a no-brainer. That converts a lead into a customer. Your ability to connect with your leads and understand their needs is the key to this conversion.

This purchase from your lowest of low cost product from you established them as your customers and into your mailing list, your fan pages on social media and so on, and here is your chance to get engaged with them. Educate them on your products and services and as they get to know more about you and your products, they will definitely buy from you when you ask them to.

At the risk of repeating myself, here then is the key to more sales and business growth. Make sure that you are in touch with your customers, whether this is through a loyalty program, email list, or through your social media platform. Nowadays, the latter is most important. That's because with a loyalty program or email list, the danger is that communication may be a one-way traffic. When that happens, your sales brochures may get thrown away, and your emails may be just deleted and never open by some on your mailing list.

On social media, this is a different story, you do get true 2-way communication as you engage with them, your customers discuss among themselves, and your key staff get involved with the discussion. As noted earlier, you can even involve them in co-creating products/services. With this high level of engagement and loyalty, whenever you have a new offer or new sales initiative, you will certainly get more sales. And all these without incurring more advertising expenses. So increase your customer's conversion to sales is definitely the way to grow because you are really increasing the CLV and therefore you will stay in business longer.

On the internet now, the buzzword in online marketing is "Content is king!" Content means engagement and education with an entertainment slant the so-called edutainment content. When you educate and entertain, you get them to like you and to trust you more and more, convert more sales from them and grow your business.

Chapter 7

Lean Systems for Increased Profitability

Is your business fit for growth and double its value?

To many business owners, one way of showing an increased value of their business, especially those who are doing a public offering (IPO), is to do some creative accounting to reflect a bigger profit, and therefore a greater value. This is not a true reflection of value and the profit is overstated. True cost efficiency and therefore a true valuation of your business prepares you for business growth.[1] And honestly, one of the best time to prime your business for growth is when your business is going through a recessionary cycle.

When times are good, and profits are rolling in, the last thing on the mind of any business owner including you would be to reflect on business growth. When sales figures start to fall and profits start to contract, business owners and partners are thinking of reversing these trends. There are essentially two(2) ways of reversing the falling trends: cut costs or increased profits. Often the latter is not very obviously possible.

So, unfortunately, in a time of business contraction, many business owners and Chief Executives react by cutting costs, including trimming their manpower, slashing budgets for discretionary spending and a whole lot of other measures. While some of these measures may be justified (figuratively cutting of the fat put on in the good years), some cost-cutting may be detrimental to the health of the business. For instance, if during a business downturns, you trim your manpower and whatever physical resources you have that support your operations, when it's time for your business to turn around, you may not have the resources to support the usual profit generation you are capable of because the infrastructure and manpower support that go along with it had been axed when you were downsizing. Your downsizing is therefore overdone[2] and you actually were laying the foundation of your own business contracting.

To downsize is like trying to lose weight. If you are obese, trying to lose the excessive weight is beneficial as it can help you to function better, and be more efficient. In an expansionary phase, as money and revenue are coming in, most businesses are too busy generating revenue to be focussed on real systemic and strategic growth, hence it is during a recessionary phase that there is time to focus on trimming the fat and getting the business poised for the next growth phase. The point is, that one should not remove the muscles with the fat and remove those structures that will be needed when the business goes into expansion again.

Thus trimming your costs have strategic implications. If business owners think short term, trimming can lead to eventual attrition. If you trim to the point when you are unable to generate revenue, then more and more functions become redundant and you are forced to trim even further because of cost consideration and it becomes a vicious cycle very much like that of an anorexic teenager.

So, cutting/trimming costs should not be viewed as much as an end in itself, but as a means to achieve cost efficiency. This will lead your business to be a trim and lean machine, agile and resilient.

Cost efficiency as a strategic choice is probably very important in companies tendering for work with governmental and regulatory bodies. The multitude of rules and regulations means that you compete basically on price. When this is the case, if you are not cost efficient, you are not likely to be profitable in the long run as cost overruns will cause you to lose out on profit.

When you are cost efficient, you have the kind of lean thinking identified by Womack and Jones,[3] where you and your employees are trained to cut out wasted time and effort, and learn how to make your business processes much more efficient. When you are able to do this, you are able to provide better value to your customers at a much lesser cost. Business growth is therefore a natural result.

Besides being in a recessionary cycle, there are businesses interested in organic growth and these include those in the startup phase or else are seeking to transition from one growth phase to the next. There are according to business strategists (Churchill & Lewis[4] and Masterson[5]) four (4) phases in the growth of small businesses and they are:

1. Stage of Existence – Startups
2. Stage of Survival – Initial growth
3. Stage of Success – Rapid growth
4. Stage of Take-off – Continuous growth

When you have achieved some success and mastered the growth of your business in the early stages, you feel confident enough to want to expand and increase the size of your business. This calls for further investment so that your business can grow organically. Besides the investment of capital, what are the critical factors for the success of your business?

Besides the many so-called critical success factors cited in the literature, I am impressed by the fact that in entrepreneurs and small businesses, the limiting factors to business growth seems to me to be only two: Mindset and Systems.[6,7] So it seems to me that these are the two fundamental factors to beat for business growth to be at all successful. I will deal with mindset in a subsequent chapter, but for now I will focus on systems.

Business Systems

Using the human body as an analogy, business systems to me refer to the structure and function of a business organization. Structure refers to the physical resources of building, machines, manpower count and the organizational hierarchy. Function refers to the roles, actions and interactions in the context of structures. There are internal and external aspects. Internally, the structures include the various components (departments) of your business, including outsourced components, while externally, structures involve the various bodies that constitute your social environment – your ecosystem, and include your stakeholders, competitors and the wider social and political environment.[8]

The functional aspects of your entire ecosystem lies in the processes you have put in place, the way these various parts relate and the flow of information, goods and influence. It is not within the scope of this small discussion to consider the organization of business systems and processes because there are many aspects to it, and each of these can be the subject of intense investigation and inquiry as well as organizational intervention. They include but are not limited to financial accounting, marketing and sales, IT and web services, operational admin, and so on.

Like a human body, the structure or systems must be informed by processes, and processes must be informed by systems, such that work and information flow will follow a directional movement akin to an assembly line and streamlined for efficiency. Sometimes, in a new startup, increase in size is often dictated by circumstances rather than by planning, and therefore when there is an opportunity, the business should streamline its operations by removing inefficiencies so that processes can be optimal. The business systems to be set in place are determined very much by the vision of the business and its mission statement, the organizational values, the business goals, and the personalities of the owners and executive team.

Besides the systems of an organization, the vision, mission statement, goals and values of the organization also determine the direction of movement for the organization. Because humans have individual goals that may be vastly different, you would need firm and resolute leadership to pull the organization in the right direction, otherwise the energies of its members will be expended on conflicts with each other than in the service of the organizational goals and objectives.

We have touch on leadership earlier on as well as the communication skills required. These skills are particularly important in a systemic setting. Human behavior systems such as a family, organization or community are informed by each member's internal psychological frames of reference.[9,10]

Behavior in a system like that of an organization which is your business has all the qualities that give it a culture and ethos. This cultural milieu is formed from the internal frames of all the members expressed in conversation and conduct. Of course, as the owner (together with your partners and management team), you will have a greater influence because of your roles in the organization. Thus, your conversation and behavior will have a greater influence on the company culture and ethos than your employees. Therefore, your leadership and behavioral style (and your partners') will impact on the performance of individuals of your organization and crucially on your business results.

Leadership Styles

Leadership style can be classified on one level as either **tasks oriented** or **relationships oriented**. Tasks oriented leadership includes styles such as bureaucratic, transactional leadership and to some extent autocratic leadership. Relationships oriented leadership includes transformational leadership as well as democratic leadership. I certainly find the distinction between task orientation and relationship leadership styles helpful.

You can be transformational in your business with your employees when you are able to use all the communication skills highlighted earlier. With it, you engaged with your staff, listen to them, understand them and motivate them to carry the company's brand and increase the productivity of your business like a lean business machine. In the current climate of economic competition where globalization and technology predominates and competition is keen, transformational leadership is all the more important and necessary. With transformational leadership, you not only engage your staff, you also engage your other stakeholders including customers. Innovation, creativity, cooperation and teamwork are some of the important consequences and of course, greater value and greater business growth opportunities for your business.

It is certainly true, that for innovation and creativity to take place, you need an atmosphere of security and in terms borrowed from performance psychology, to function in the sweet spot. Transformational leadership which is consultative and collegial, inspire and motivate followers to follow the leaders' role models and are therefore inspired and motivated to work towards common goals and objectives. This is distinct from the transactional type of leadership, where there is a "give and take" relationship. Transformational leadership is based on the personality traits and ability of the leader and his ability to inspire change by his example and communication of a vision and corporate goals. Transformational leaders inspire and command trust, respect and admiration from those who follow them.

In a business, you also need tasks oriented leadership, doing the business being the pure and simple reason why the business is there for - to make profit. That's the main task with a lot of subsidiary tasks. This focus on task is useful in getting the work done and in forging ahead with the business. In a competitive environment such as in a football game or in the extreme on a battlefield, the focus on tasks helps you to overcome the competition and win. During a competition or a battle, the relationship dimension is often forgotten as the leader focus on getting things done so that the team can win, and win big time.

Leaders like Steve Jobs[11] and Larry Ellison[12] appear to go against the current trend of leaders being transformational. Their spectacular success was largely due to their intense focus on tasks. Both were passionate visionaries who exert a high degree of control and demand a high degree of compliance from their followers. They were military like in their leadership and tolerated no faults and mistakes. Their success appeared to assume a theory X of motivation among followers and appeared to work-well in a military environment, where non-compliance can lead to losses including loss of lives, and defeat. Their leadership style appeared to contradict what transformational leadership advocates claimed as to what works.

However, both Jobs and Ellison are in highly competitive niches. The degree of competition was so intense that it was only the discipline, commitment and focus of the two that made them successful in their respective niches.

In a competition and a competitive environment, you certainly need a high degree of focus with commitment and discipline if you are going to win. Any slack will be taken up by your competitors against you and you will lose. Moreover, both Jobs and Ellison were highly selective in the type of people they employ, highly motivated achievers that would respond to their kind of leadership.

So it would seem to me that the type of leadership that works depend very much on the situation you find yourself in. If you are in a competitive situation, it will certainly calls for the kind of leadership that is more military like, more in control, more autocratic. The caveat is that the leader must know and must lead the way.

In situations where you need creativity, responsibility and other people skills, perhaps a more participative leadership which is transformational is going to be more effective. In this regard, if you look at military leaders who have a focus and a passion, they also instil others with the same vision to follow them. Military leaders can show care and concern for their followers when the demands of competition are over for the moment and it is this care and concern outside of competition that inspire further loyalty.

Because some people tends to be of one orientation or else of another, it is for this reason that a business is often best served with two leaders, making a dyad with one focussed on tasks, complemented by another who is focussed on relationships.[13] Thus Steve Jobs was focussed on tasks, highly secretive, highly focussed on his creations. He is complemented by Tim Cook, who is relationships oriented and holds the organization together. And you also have those rare individual whose leadership style is flexible enough and can be either tasks or relationships oriented depending on the context.

With a strong leadership and a clear set of specific objectives and goals, you are able to gather everybody together, and meld everybody into a high performance team. For that to happen, you need to improve the processes in your organization that will best harness each and every one to the organizational objectives.

What the above means is that you really need to trim off the fat on the organization so that the organization can run the mile to obtain the prize. Thus streamlining the organizing and trimming your cost is not just for the purpose of cost-cutting but to stay cost-efficient, transforming your organization into a lean beast. Top it with the right leadership that is both focussed on the competition as well as nurturing necessary relationships, it will propel your business into rapid growth and transform your organization into a beast that will beat the competition handsomely.

Are you ready for it?

Chapter 8

Mindset for Success

Is there a mindset for business growth?

It has been widely assumed for many years that to be successful in business, you need to have a positive self-esteem. Perhaps this is because of the havoc wrecked in people's lives as a result of negative self-esteem as seen in depressed or suicidal people. Or perhaps this perception of the importance of self-esteem is reinforced by the fact that there is a measure of self-esteem invented by the psychologist Rosenberg in 1965, or the impact of humanistic psychologies.[1]

The self-esteem movement became a very influential movement in the seventies and eighties, and this spawned a whole variety of books on the subject, self-help manuals, and a wide range of courses. Low self-esteem was believed to be the root cause of a whole lot of social and psychological dysfunction and therefore there was a wide range of interventions that were meant to address all that. The state of California, for example, initiated a Task Force on Self-Esteem in 1986. However, the Task Force could only find a weak association between low self-esteem and all the social and psychological dysfunction it was supposed to give rise to.[2]

But what about business success? Does self-esteem contribute to it at all? If you have the chance to review the empirical evidence, you will find that there is not much to support the fact that self-esteem matters, if at all. Overall, the evidence is equivocal. First of all, there is the difficult of assessing it accurately, and secondly, there seems to be cultural factors at play. Women consistently rate themselves as having low self-esteem compared to men.

More importantly, East Asians, a very successful group in the US, rate themselves of lower self-esteem compared to their culturally Western counterparts. This is likely due to cultural differences in the way they view themselves and to the priority they give to their own feelings of self-worth. Indeed, a Harvard Business Review article suggested that for you to succeed, you are better off to "Forget Self-Esteem" (Halvorson).[3]

Coming from an East Asian cultural background myself, I do place little emphasis on self-esteem in my personal life and work. My view would be that probably Self-Concept is probably more important and self-concept includes self-esteem and self-image.[4] Self-concept involves different layers of schemas with which we view ourselves, while self-image is how I look at myself, rather than what my feelings are about myself, as in self-esteem. From a collectivist standpoint (as compared to a Western individualist standpoint), self-concept and self-image can be more objective and based on more robust foundations. Perhaps this is why the self-image exercises of Maxwell Maltz[5] resonated with me pretty well. In any case, all these ideas have more to do with our own mental health and wellbeing than with business success.

With entrepreneurs and business people, there is another quality that is perhaps much more important. And that is the ability to break through our limiting beliefs. So often, we come across would-be entrepreneurs with brilliant ideas but who are unable to bring it into fruition because of some belief about their abilities or the resources or the competition not allowing them. This kind of beliefs limits the possibilities that we have within ourselves and is a big reason why your own mindset sometimes can set you up to fail. But if such limiting beliefs are there to prevent you from achieving, then the opposite of such beliefs will set you on the path to achieving.

Such positive beliefs come from a mindset of self-efficacy which is the ability to say to yourself "I Can!"[6] A person with self-efficacy is able to say to himself that he is capable of achieving what he sets out to do. And that is tremendously important if you are an entrepreneur nursing a startup operation. To be sure, a positive self-efficacy is based on you having a positive self-concept for without that positive self-concept, you really cannot be self-efficacious. Self-efficacy is domain specific in that you can be self-efficacious in one group of skillsets and not in another. Prince[6] observed that self-made millionaires have this characteristic of high self-efficacy and this quality make them resilient to failures.

So, if you dream about doubling your business, one of the most potent of barriers is that of your mindset. If you are able to say to yourself, you can achieve, you certainly will. If you are not able to believe that you can achieve, you are right too. Your result is simply the outcome of what you tell your mind is possible.

Many people who had worked with Steve Jobs found that Jobs had a deep seated belief in achieving what he envisioned in his products. And many of his products and inventions were nothing short of revolutionary. Hence, he would never accept that it could not be done at all! In that sense, Jobs was a visionary, who could see into the future and gave shape to it, believing and achieving that which his mind had given birth to.[7] That is self-efficacy of the highest degree.

If self-efficacy motivates entrepreneurs to action, it must be supported by other values and behavioral traits in entrepreneurs. I have always been impressed by the fact that to learn effectively, we have to be able to learn from our own mistakes. The ability to confront our mistakes, setbacks, and failures, call them for what they are and then learn by asking where did we go wrong so that we can learn to move in the right direction seems to me to be an essential component of eventual success.

Our ability to face our mistakes and failures matters a lot. This thought was behind the advice I gave to my daughter when she was eight years old. She was then auditioning for a part in a ballet production at that time, and was not confidence that she would pull through because of the stiff competition. My advice to her then was that she should just try, and learn from the experience. Getting the part though good was not as important as the lessons she would learn from having gone through the experience regardless of the outcome. This was planting what was later known as the growth mindset[8] in her.

Growth Mindset

In the paper cited earlier by Halvorson, where she exhorted us to forget self-esteem if we want to succeed, she cited evidence from studies which indicated that more than self-esteem, self-compassion is needed for success. Self-compassion is the "willingness to look at your own mistakes and shortcomings with kindness and understanding".[3] If you are kind to yourself, you are able to let go, and internalize the lessons that you are able to learn from whatever experiences you have been through. From my therapist days, I have always observed that the inability to forgive oneself or others, lock up valuable resources of energy and emotions that go to maintain that state of anger, dissatisfaction or some sort of negative emotion. Letting it go, suddenly frees the energy and the strength that was there all along for creative and constructive work.

There is now a lot of evidence that this kind of mindset does help everyone to be successful in most of our endeavours especially in the area of business success. Carol Dweck, the Stanford University psychologist who researched on achievement and success for decades, identified the mindset associated with success as that of a "**growth mindset**".[8] In essence, the person with a growth mindset believes that their most basic abilities can be developed by dedication and hard work. Brains and talent are simply just the starting point. This view creates a love of learning and a resilience that is essential for great accomplishment.

In contrast, Carol also described a "**fixed mindset**" which causes people who have such a mindset to believe that their basic abilities such as intelligence or talents are fixed traits. As a result, they spend their time documenting their intelligence or talent instead of developing them. Fixed mindset people believed that talent alone creates success without the need for much effort. Hence when things do not turn out right, those with a "fixed mindset" look for someone to blame. To blame themselves is to acknowledge their inability or lack of talent, so "fixed mindset" people invariably blame others for their shortcomings and mistakes. Because of this attitude, "fixed mindset" people never quite learn from their mistakes, instead they carry on and make even more mistakes.

An example of a "fixed mindset" CEO cited in Carol Dweck's book is that of Lee Iacocca who did a massive turnaround of Chrysler Motors, the automobile giant. Dweck alleged that because of his fixed mindset, Iacocca spent much of his time later on to impress Wall Street than to engineer investments on design and manufacturing. He ended up blaming the Japanese for everything that was going wrong with the American Automobile Industry, prompting a New York Times rebuke: "The solution lies in making better cars in this country, not in angrier excuses about Japan".[9]

On the contrary, another CEO, Jack Welch was held by Dweck to be an example of the "growth mindset". Welch got the CEO job at General Electric on the basis of his pitch of his capacity to grow. Once in charge, Welch wasted no time to spread the word about growth, not self-importance. He himself set the example, in instituting dialogue and consultation, setting up channels for feedback. Shutting down elitism, he fired brutal bosses and reward team work rather than heroes. With a culture of learning and tweaking, he fostered growth and productivity and streamlined the organization doubling and tripling its value.[10,11]

The kind of mindset you will have is to a large extent conditioned by the kind of feedback you get as you grow. If as children, you are praised for your abilities, Carol Dweck showed that it tends to create a fixed mindset. But if you were praised for making the attempt and for learning to be better, you will learn to have a growth mindset.

The problem is a whole generation of the work force has been brought up to liberal parenting specialists' exhortations that praise is good for our children. If future leaders had been praised for their abilities as children, and thus cultivated a fixed mindset, what will that do for our companies and leadership in our work organizations? Only the experience of reality and a lot of sensitive coaching can give us back the growth mindset that may have been lost.

Willpower

There is one more characteristic which I think help us to focus on growth, and that is willpower.[12, 13] Willpower is the ability to take action and to initiate action steps. While it is true that a growth mindset with its emphasis on learning and trying will motivate us to move forward, it is the willpower we have that enable us to overcome the inertia and the perfectionism that some of us have and prevent us from taking action.

What exactly is willpower? Willpower is the ability to resist short-term temptations to meet long-term goals. It is self-control, determination, discipline and drive.[14] (American Psychological Association) Further, children tested to be high on self-control grow into adults with significantly less social and criminal problems, greater physical and mental health, and better financial security.

Willpower is always activated when you are in conflict, a less important want versus an important need for example, to smoke a cigarette or supersize your lunch versus what you know is the need for healthy behaviors. Willpower allows your better or higher objectives to win although it may be more difficult. All of us have limited willpower though, for when stretched to the limit, it is possible that we may succumb to short term desires. It behaves very much like that of muscle strength.[15] When you practises self-control and exercise it, your self-control and willpower grow stronger.

Our willpower or self-control is also limited. Thus, if you expend your self-control over something else that is less important, you would have less self-control and willpower when you have to confront the next challenge. Hence, if while driving, you engage in an argument with your spouse and thus use up your willpower in the process as you control yourself, then when you are in a near collision, and you have to confront another situation as a belligerent motorist, you are more likely to lose your cool. In such situations, we know from our experience that we will lose it because we are already set on edge by an earlier emotional episode that taxes our willpower.

The secret therefore is to retain our willpower for that which matters, such that we do not expend unnecessary energy on matters that are unimportant. In short, our lives should be mundane with non-conflicting choices normally so that the willpower is there to tackle the more provocative choices in our lives. Indeed, this is what people with self-control and self-discipline do.

There have been studies that look at business growth and willpower.[16] And indeed there are enough studies and anecdotal evidence to suggest that business success is often associated with people who are self-disciplined and self-controlled. In fact, the importance of willpower is not that it is connected to business growth and success, but in how we can manipulate and manage our willpower for ourselves.

When you look at every successful entrepreneur or champion, it is not that they do not have difficulties or face challenges, it is often in the face of tremendous hardships and difficulties enough to make most people abandon their efforts. You see these champions and successful entrepreneur forge ahead, no matter what. They stayed true to the course no matter how difficult and tough the situation may be. This is true willpower.

So, if you desire success or business growth, then you need the same degree of willpower and self-discipline to see yourself through. You have to learn how to manage your environment so that your willpower can leverage on it. More importantly, since you can train your willpower, how do you go about it so that you develop the kind of grit and staying power to actually win?

These are certainly behavioral skills that are learnable, so that you are win-able. It is no longer a matter of chance or fate because you have the talent. You can actually help yourself to win.

Lastly, I like to close with a summary of what Jim Collins has discovered in his research of 1,435 companies to determine why companies make the break from his book titled Good to Great.[17] Essentially, Collins found 11 companies that achieved breakthroughs from mediocrity to greatness and delivered a better than average 6.9 times greater than the market. Such spectacular results were achieved not by any great talented businessman or superhero, but by ordinary people who pursued what they were passionate about systematically and consistently over a period of time. Jim Collins talked about their passion, their focus (the Hedgehog effect), discipline and the cumulative efforts of persistent change actions implemented steadily over time. They included little known companies such as Kroger, the grocery chain, Walgreens, Kimberly-Clark, and a bank Wells Fargo. I thought the best summary was provided by Kimberly-Clark in the remark: “These things don’t happen overnight. They grow.”

What Collins had documented was the steady application of the “Growth Mindset” as described by Carol Dweck. You do not have to be very talented or be a superhero. You only need to be an ordinary person consumed with a passion to achieve something with your life and your business, and working it methodically with all the skills that you have, focus, concentration, discipline, and sheer willpower, qualities all of which you can manage and implement, true greatness is yours as well.

So, are you ready to double your business within 2 years? Collins’ companies achieve 6.9 times over and above the market within 5 years, so doubling it is not difficult really. The key to it is in your mind, which limits your success but which too is the reason and the motivating force why you will succeed. Passion, focus, discipline and hard work are your watch words.

Get ready to start work! Grow your business and Double and Triple its Value in 2 years.

Believe it! It can be done!

Chapter 9

Challenge: Take Action Now

At this point now, you know what you need to do to double your business. Yet, after reading this book, many readers will just go on their daily practice without making any changes in their life and business practice. It's not that they do not wish their business to grow, for if that is so, they would not have read this book.

The reason seems to be in my opinion, that while they desire change for their business, a change for the better, the ability to create change requires energy and momentum. We know that humans are pretty resistant to change, unless there is a strong desire to change and the will to implement that change is in steps and stages.

The story of Jim Collins' study should certainly inspire you to change. If what is required are passion, commitment, focus and discipline, you have already given so much of yourself to give substance to your passion by starting your business, this should inspire you to grow your business and not just double your business but to multiply it 7 times or more. (Jim Collins' average for the 14 companies that grew)

But the reasons for your business not growing are probably the same reason why the other 1,421 companies failed to grow in the 5 year duration of the study. It could be fears, procrastination, blame game or whatever, that is probably what caused them, and now you not to grow as you should.

Which is why Noble Manhattan, the largest coaching company in the world started The Alpha Group program with the express purpose of helping businesses to grow and to double their business in 2 years.

In press releases announcing the launch of The Alpha Group programs in various European countries, it was revealed that members of The Alpha Group meet monthly.[1] "At (these} monthly peer advisory board meetings, The Alpha Group members participate in workshops focusing on key elements of business development covering a wide range of topics, and learn best practice from other business leaders during intensive strategic design sessions." They also receive personalised assistance in progressing projects and overcoming challenges through 'mastermind' sessions.

"During these sessions, fellow members and business leaders combine their collective wisdom and experience to brainstorm strategies and solutions, and drive their businesses forward. Members leave these monthly meetings with clear strategies mapped out, and step-by-step implementation plans tailored to their own unique business requirements.

"It should be noted that membership of an Alpha Group is exclusive; each group is limited to just twenty members, and there is a strict 'no-competition' policy. No two members operate in the same business sector, ensuring there is no rivalry within the group. This 'broad-spectrum' approach to membership also ensures that members bring the widest possible range of knowledge, skills and experience to the table to assist each other in achieving maximum results.

"Membership gives business owners regular access to their own external 'board of advisors' dedicated to assisting them to fulfil their commercial ambitions, plus access to online resources, and a global network of contacts." Noble Manhattan's (parent company of The Alpha Group) CEO, Gerard O Donavan revealed that in practice, members of The Alpha Group achieved more than a doubling of their business, for in some cases, the business triple or quadruple their value within the time frame of 2 years.[2] Given what we know about the possibility of business growth, we are not surprised.

A lot of it has to do with the Mastermind technique used in the Advisory Board meetings of The Alpha Group. This technique grew in popularity largely because of Andrew Carnegie, the billionaire steel magnate who commission Napoleon Hill to document how he became successful. Napoleon Hill documented his research into this subject in the book: “Think and Grow Rich”[3] which I am sure you are very familiar with.

In this book, Carnegie attributed a large part of his financial success to the power of 'masterminds.'

Andrew Carnegie said:

"*Well, if you want to know how I got my money, I will refer you to these men here on my staff; they got it for me. We have here in this business a master mind. It is not my mind, and it is not the mind of any other man on my staff, but the sum total of all these minds that I have gathered around me that constitute a master mind in the steel business.*

“I have been gathering these men around me for several years and building this mind. Each man contributes an important part to the building of this mind. I do not always agree with all the men on my staff, on all matters, nor do they always agree with me. Perhaps some of us do not like each other from a personal viewpoint, but I know that I need these men and they know that they need me in the maintenance of this master mind that is necessary in carrying on this steel business.”

Hill the writer, therefore concluded that, "*No two minds ever come together without thereby creating a third, invisible intangible force, which may be likened to a third mind.*"

What happen if you have an entire Board of 6 or more of such minds? (The Alpha Group has up to a maximum total of 20) The possibilities are limitless. They will provide you a rich source of insights and observations about the challenges and bottlenecks that you face when you want to grow your business. Added to this, this mastermind group is your Advisory Board of Directors holding you accountable to the decisions and actions that you have committed yourself to, in order that you will overcome your current situation and break through to a better outcome that you have envisioned.

Here is the invitation to you. Join The Alpha Group now and make that business growth that you dream of and long for, and turn it into a reality. Make contact with me or if you are in Europe and elsewhere, visit The Alpha Group website and get in touch with the nearest Regional Director closest to your country of residence. You will be happy that you make contact if your goal is business growth.

Just remember this: The Alpha Group promises you that we will increase your business growth and double its value within 2 years.

My promise to you is this: If you commit yourself to the promise and given the passion you have shown about your business, you will more than double the value of your business once you put in the effort and do your best. The experience of most is that they triple or quadruple the value of their business. Enjoy your business.

To contact me: douglas@optimalzoneperformance.com OR douglas.kong@the-alpha-group.biz

To get in touch with the nearest Regional Director in Europe or elsewhere, go to:

www.the-alpha-group.biz/groups-2/

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