

THE SELF DEFENSE BUSINESS PLAN

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Much of the last twenty something years of my law practice has been devoted to helping people start businesses successfully. In recent years, largely due to the aid of some software I purchased, I've been able to more closely analyze some trends with these clients. This analysis, which was not really practical to pursue prior to buying the software, has allowed me to better track and predict some classic opportunities and dangers these clients face in the marketplace.

This analysis is, of course, far from foolproof, no pun intended, but I embarked on it partially because I found so many seemingly successful clients were periodically forgetting very basic matters which could totally destroy their business. I wanted to find a way I could help my clients, in a more systematic fashion, to avoid these dangers. In many of these cases, the entrepreneurs seemed to be churning away with some positive results. Typically, however, somewhere in the background was a ticking time bomb which could eventually take away everything they had worked for if it was not "defused." The problem was, they were so focused on what they thought was important, that usually being the crisis of the moment, they were unlikely to discover the less obvious problem before it exploded.

THE CRISIS OF THE MOMENT

The crisis of the moment was often a cash flow problem related to a slow paying major customer, increased prices of a supplier, the need to deal with personnel issues, new competition in the market place, etc. Certainly these are the types of problems which must have top level attention in the start-up business and are often time consuming and difficult to resolve. When your major customer suddenly, and seemingly without warning, decides to reduce or eliminate what you are selling them, you've got a problem. Nothing else will seem as important, including perhaps even your health, because this "new crisis" could cause you to be out of business tomorrow.

You've heard the expression that sometimes "its hard to see the forest for the trees." When you see lots of people over time, go into the forest and bump into

several of the same trees, you've got to wonder if there isn't a common thread to all this. If anyone could really figure out how this works, precisely, they'd be on the other side of the forest probably just laughing and enjoying the fruits of their own success. Sometimes these people decide to be guides or mentors, but normally they just laugh.

Since its often difficult to find a worthy guide or a mentor who has the time to help when you really need it, you might think about inventing a system to take the place of these options. In the next few chapters, we'll build a system which will help you get your business off on the right foot, allow you to keep your eye on the end zone as waves of daily issues hit you head on, and reach the success your vision told you would make it all worth while.

This system starts with the entrepreneurial self evaluation we went over at the beginning of this book. (LCN, May 2000, also available online at www.juristechology.com/BookEntEval.htm) If you've been honest with yourself on this, the next step is to perform the same sort of analysis on the business concept you're contemplating. I never cease to be amazed at how many clients come into my office to ask for help in setting up a new business, but they've never really analyzed their personal qualifications to set it up or run it, nor really tested the ability of the business to survive in the market place. These two shortcomings, in my opinion, are the biggest reasons for ultimate failure of these ventures.

GAINING HINDSIGHT A LITTLE EARLIER

Sure, there's always some "unforseen" problem which seems to cause the final demise of a business. In hindsight, however, could the business owner not have found a way, at some point in the life of the company, to have taken a different path and avoided this catastrophe? Almost inevitably, the answer is "yes!" Knowing this, then would it not be at least somewhat foolhardy to embark on the "journey" of starting a business without having some sort of road map? The answer is, "of course!"

The good news is, having taken the entrepreneurial self evaluation, you should at least have some idea where the starting point of your trip is. Strangely enough, not everyone accurately plots this point on their map of success. Having faith that you've learned the necessity of doing so, let's move on to the next step, plotting the destination of the trip.

This is another strange thing about some entrepreneurs. They are so full of enthusiasm, optimism and a feeling of destiny, they forget what it is they're working

for. Once again, it seems to me that if you can't figure this out at the start, with some accuracy, you're probably in for a rough trip. Consider going to the grocery without a list of what you need. How likely is it, in ten such trips, that each time you'll have a "successful" trip? Successful, in this context, means that you will get all the items you need, spend the least amount of time, effort and money, and have the most to show for it when you get home. My money is on the person with the list.

We all know that everybody in the world seems determined to get some type of discount coupon in our hands to help make shopping cheaper. If we have not had the foresight to know what we need, to look for the right coupons, and to use them, we're likely to spend more than we could have otherwise. Without a list, we might remember to get milk, bread, and other weekly needed items, but will we remember that we also needed butter? If we really needed it, back we go. With a little planning, we could have had much better odds of having one successful trip. Without it, perhaps we had to make two trips, and thus twice the effort, to reach the same goal. If we forgot to bring the coupon, we also unnecessarily spent too much money, as well as time getting to our destination.

By analogy, our trip, and thus our business, has been less successful than the one of our "competitor," who made out a list before he or she started, remembered to bring it, found coupons to go with it, and made it back home in one trip with more money left in the wallet and the same groceries in the sack. Believe it or not, relative to the magnitude of the task of starting a successful business, writing up a grocery list is no more work than what the business owner must prepare to dramatically improve the odds of having a good "trip." In the next chapter, we'll start to prepare our list for success and start finding our "coupons" to make our trip more successful.

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