

The EX Factor

Are you a dreamer, or a doer? Dreamers have plenty of ideas – but because they lack expertise at execution, none of their ideas become realities. Fortunately, anyone can learn to execute and get things done, according to entrepreneurial wunderkind Kim Perell. Her easy-to-follow, often inspirational autobiography plus start-up manual teaches the fine art of commercial – and, more specifically, entrepreneurial – execution. Her guidance will be a boon to active and hopeful entrepreneurs seeking to learn how to overcome obstacles and setbacks, and make their dreams come true.

Take-Aways

- Good ideas become valuable when you execute them – when you transform them into commercial reality.
- A vision, no matter how brilliant, won't find a market if it lacks practical utility and commercial value.
- Nine out of 10 business strategies die due to inferior execution.
- Just get going; there's no "wrong way to start."
- The five "traits of execution" are "vision, passion, action, resilience," and the ability to create and nurture relationships.
- Vision is an entrepreneur's North Star, the focus of his or her execution.
- Passion fuels entrepreneurs' actions and keeps them moving ahead.
- Action makes execution possible.
- Resilience keeps entrepreneurs on track despite challenges, struggles and setbacks.
- Relationships with people who support you are essential for the execution of your entrepreneurial dreams.

Summary

Entrepreneurial Traits and Aspirations

Do you think big? Do you work hard? Do you always persevere, no matter what obstacles may block your path? These are crucial entrepreneurial traits. Do you value independence? Do you want to take charge of your own destiny? Do you want to be the boss of your own life? These are crucial entrepreneurial aspirations. But unless you can execute – that is, turn your big dreams into real products that earn real profits – you will never be a successful entrepreneur. The ability to execute separates aspiring entrepreneurs from those who get to live their dreams.

The Importance of Execution

Entrepreneurs know that almost nothing goes as they hope it might. The entrepreneurial odyssey is filled with difficulties, unplanned obstacles and unexpected pitfalls. Your potential straight line to success can develop crazy curves and could run right into a ditch. Execution is plain hard work, but you can teach yourself to be good at it.

“People who share their failures, successes and experiences with you are the ones who can help steer your vision to more success.”

Harvard Business School professor Robert Kaplan and prominent business theorist David Norton explain that execution is vital to commercial success, no matter what the details of your business. They note that nine out of 10 business strategies fail because of poor execution. Six out of 10 of the employees polled in a survey reported in the *Harvard Business Review* say their companies cannot successfully transform strategy into action.

“It’s hard to beat a person who never gives up, and has the grit and determination to be bigger than the challenges ahead.”

Many executives turn out to be unable to execute, even though execution is a vital business skill. Your first task as an entrepreneur – and as an individual who wants to succeed – is to minimize and hopefully eliminate the bad habits that interfere with or prevent you from attaining your business goals. To achieve superior execution, you often must operate outside your personal comfort zone. Successful entrepreneurs develop the five traits of execution – the set of characteristics that constitutes the “execution factor” – and turn them into dependable habits. The five execution traits are:

1. “Vision – Your North Star”

People without vision don’t know what goals to set for themselves, what direction to follow or what actions to take to attain their objectives. In contrast, people with vision know their destination before they begin their journey. Their vision is their compass, their North Star – the

fixed guiding point they follow every step of the way. They know exactly what they want to achieve. They recognize the potential of their exciting ideas; they can see, touch and feel their concepts as if they were holding them in their hands. This sense that an idea is tangible enables others to connect with it immediately. Entrepreneurs must establish such connections – with investors, with customers and with employees – to move forward.

“Taking the first step is often the hardest part in an entrepreneur’s journey.”

Your vision should represent the ultimate accomplishment of your life or, at the very least, one of them. Your vision should define your day-to-day life. Shape your vision to be congruent with your personality and your personal strengths and assets. And, if you’re an entrepreneur, never forget that your vision must be commercially relevant. There’s no market for a vision, no matter how brilliant, that lacks practical utility and commercial value.

“You don’t know what will happen until you start, and action-oriented people know there is no wrong way to start.”

Ground your vision in practical reality. Bounce your idea off people you trust who know what it takes to succeed. Objective analysis is invaluable to entrepreneurs. Cultivate an acute “commercial sense.” Entrepreneurs who lack a heightened sensitivity to profit-making possibilities remain largely unfulfilled.

“Too many of us spend too much time worrying about the possible failure or rejection and the obstacles that could get in our way.”

What is your special vision? What do you want to “build, create, accomplish or make happen”? Whatever your vision may be, remember that it’s a precious gift. Never lose it. Write your vision on paper right away. List your “checkpoints or goals,” even if you are not completely clear at this stage about what you want to do.

“If you don’t know where you’re going, how do you expect to get there? Movement in many directions is not progress. It’s chaos.”

What you put on paper today may not seem exactly like the right idea, so bear in mind that this is only the earliest stage of your entrepreneurial quest. The less complicated your vision is at this juncture, the better. After you write your vision, prioritize the steps you need to take to bring it to life.

2. “Passion”

The English word “passion” derives from *pati*, a Latin root that means “suffering.” At the most basic level, passion spurs a pain that sufferers must somehow solve or suppress. In this sense, passion doesn’t concern only what entrepreneurs deeply love – it concerns the pain they are willing to endure to satisfy their drive. Such ordeals can have unintended costs. For example,

if you're not careful, the suffering you bear on behalf of your passion can result in inflexibility, or even situational blindness to potential "course corrections" you may need to make in order to succeed.

"By...being very clear about what you want, taking the necessary steps to execute it...you are setting yourself up for a life of greater success and fulfillment."

Passion helps you summon the strength to make the tough decisions that come with an entrepreneurial journey. Those hard choices enable you to move past the obstacles that inevitably will arise as you pursue your vision. Think of passion as the fuel you need to power your vision and to make your entrepreneurial dreams come true. However, passion doesn't eliminate the stress of entrepreneurial pursuits, though it can make stress more bearable. Even with passion's fuel, being an entrepreneur isn't easy. Many entrepreneurs become solo operators. Are you capable of facing continual obstacles alone?

"Acting on a vision doesn't mean all or nothing. It's truly about trial and error and course corrections, learning what you don't know so you can act with more and more certainty."

If "you are your own employee," you must take proper care of yourself. One way is to nurture your passion as the high-power octane mix that keeps you barreling ahead. Passionate people celebrate wins, big or small. Consider professional athletes who publicly revel on the field so their fans can celebrate with them. These celebrations recharge their passions. Think of these celebrations as "productive passion." Without that energy boost, you can run out of steam quickly. Rejoice in all of your wins.

"Even if your vision is small, think big! (Just be careful that it's based somewhere in reality, not in wishful thinking.)"

Passion helps entrepreneurs maintain their "emotional connection" to their vision. Passion provides meaning that sustains entrepreneurs during tough challenges. Entrepreneurs with passion "lead with their hearts." Their passion translates into infectious energy that inspires their supporters.

3. "Action"

Action is the central hub around which the other execution factor traits revolve. Without action, you cannot achieve execution. Action starts with the crucial first step in getting your dreams off the page and out into the world. That first step always is the most frightening, but it is crucial, and so are your next steps.

"Your vision will determine not only what you do in your life, but also what you do with your life. You cannot allow your life to pass by default."

Entrepreneurs like to “lead...with action,” but “strategy and planning” are essential devices in your entrepreneurial toolbox. Better than most people, entrepreneurs understand that all analyses represent, at best, educated guesses. No one knows for sure what will occur until the action starts. That’s why you should just begin; there’s no “wrong way to start.” However, carefully plan your step-by-step actions so you don’t get “stuck in a hamster wheel” of futile activity and just spin.

“If you keep doing what is comfortable and easiest, you’ll get stuck.”

On a fundamental level, inertia is a commonplace state. When it comes to taking action to implement your entrepreneurial plan, it’s always natural to “wait, delay and avoid.” Don’t fall into the inertia trap. Don’t let your doubts, worries and fears overwhelm you. Take that first, frightening step. Move boldly ahead so you make progress. As you progress, make sure your action steps align with your entrepreneurial vision. You can’t achieve your vision if you let circumstances, setbacks or frustrations move you away from your central entrepreneurial goal. Use these techniques to take the actions you need:

1. **“Follow the 40-70 rule”** – Gather 40% to 70% of the data you need to move ahead. Don’t worry about having 100% of available data; by the time you could gather all that information, the parade will have passed you by. When he was a general, former secretary of state Colin Powell devised and functioned under the 40-70 rule.
2. **“Consider the worst-case scenario”** – Plan for the worst thing that might happen. Visualize every detail of that awful event. If you can deal with that, you can deal with whatever comes.
3. **“Find out what is missing”** – It’s difficult to tell what crucial aspect of your progress you may have omitted. Search for any gaps in your plans and strategies. Those missing elements will hurt you in the end. Nail them down.
4. **“Assess the risk of inaction”** – Not moving ahead may do more damage to your vision than moving ahead, even if your path is uncertain.
5. **“Avoid the ‘when...then’ trap”** – Entrepreneurs can’t win if they play it safe and wait for the perfect set of circumstances before they act. One example of the “when...then” trap is: “When I have enough money, then I can start my own business.”
6. **“Identify the best thing that could happen”** – It’s easy to imagine the worst that can happen. But focusing on negative possibilities can paralyze you. Instead, think about all the great things that can happen. This proactive thinking will motivate you to take positive action and to move forcefully toward your dream.

4. “Resilience”

Unless they live charmed lives, entrepreneurs regularly get knocked off their feet in their quest to create something new and profitable. They must be sufficiently resilient to get up after being knocked down, again and again. Successful entrepreneurs are tough-minded and refuse to let minor – or even major – setbacks keep them down for good.

“Execution separates the dreamers from the doers: It is the ability to do and get results.”

Resilient entrepreneurs seek new paths if their current one becomes blocked. They take control of their lives. This requires maximum flexibility and adaptability. Entrepreneurs are zig-zag experts. If they must zig, they zig; if they must zag, they zag. Entrepreneurs do whatever they must to move ahead continually, no matter the obstacles. They develop “growth mind-sets” and “growth heart-sets.” They seldom embrace a negative perspective. They see even the worst setbacks not only as negative experiences, but also as valuable learning and growth opportunities. Few events in life inspire people more than overcoming reversals, staying on track and continuing their forward progress as resilient entrepreneurs learn to do every day.

“Apple is not selling iPhones. McDonald’s is not selling hamburgers. Google is not selling searches...They are selling you visions of a better, more connected and more convenient life to make you want something and act.”

No matter how tough-minded and positive they are, entrepreneurs must be realists. They must understand that “course correcting to oblivion” makes no sense. Sometimes, despite the brightest dreams, moving ahead is not always practical. When this happens, failure becomes a positive learning experience. What did you do wrong that you won’t do again? What did you do right that got you this far?

Negative situations are opportunities to “fail forward.” You may not achieve your current entrepreneurial dream today, but that doesn’t mean you won’t achieve a different entrepreneurial dream tomorrow, or even achieve the same dream in the future under different circumstances. Your vision may not radically change – it may become more refined, focused and viable.

5. “Relationships”

Successful execution and your personal happiness depend on quality relationships. People are hardwired to collaborate and form connections. This is basic human nature. Thinking that you can go it alone can keep you from achieving your vision. Entrepreneurs need strong relationships oriented toward “areas of reciprocity and mutual success.”

Relationships don’t develop automatically. You must invest time and effort in connecting to other people. Reach out to colleagues regularly to build connections. This requires being proactive and fearless. As an exercise in relationship building, try to connect with a new person each day for a week. As you do, seek to build relationships with people “who have succeeded where you have failed.” You can learn a great deal from them. Relationships enable entrepreneurs to benefit from multiple perspectives.

Entrepreneurs must always be sensitive regarding the nature of the viewpoints they solicit. Seek supportive people. Quality relationships aren’t an indulgence; they are indispensable to entrepreneurial success.

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