

"...not only an original gem, but a rare and, I would say, "must read" for every fledgling entrepreneur plus those who are further into their business career yet not privy to the wisdom of experience every one of these pages exude ..."

Paul Gorman - Gorman Consulting



BUSINESS SURVIVAL & PROSPERITY GUARANTEED

*How to avoid the deadly traps and pitfalls
which destroy the hopes of 96%
of budding entrepreneurs*

PAUL HURST

"Wow what a gem of a book! I have nicknamed it... The Rocket Science Translator!"
Hollie Wilson - Blue Parrot Ltd

This book can be your guide if you are just starting out on the adventure of a new business, have got a little lost on the way with an existing venture or are seeking how to tap into the significantly greater opportunities every enterprise has lying waiting but untapped at its feet.

It's a practical, easy to read manual that gives you advice on getting into the right frame of mind to begin with, to defining the goal you want to achieve and to achieving it with tangible results in the bank.

It also advises on all the 'behind the scenes' activity, as well as helping you to discover who your customers are, and how best to market to them.

WHAT YOU WILL LEARN

- ◆ How, when and where to start.
- ◆ Finding your perfect lifestyle.
- ◆ How to ensure your success (or failure) from day one.
- ◆ The 'boring' stuff that most new entrepreneurs avoid - to their cost.
- ◆ Where to get help.
- ◆ How to avoid disasters - and discover the path to success.
- ◆ What really is the truth about 'luck'.
- ◆ Lifting your advertising from mundane to mind-blowing.
- ◆ How you can make more money by giving things away!
- ◆ How to really screw up your new business.

There is even a section on 'how not to' run a business plus plenty more hands on 'do-able' tips that will make a success of any enterprise, as long as the reader does one simple thing: applies what they read!

ABOUT THE AUTHOR



Paul Hurst owns and runs three limited companies, as well as a 'sole trader' business.

Two of the companies cover his work as a musician and performer since the late 70's, and as a band leader since the early 80's.

The third company provides book keeping, accountancy, training and consultancy services to a wide range of small companies, drawing on his experience in banking, County Court, retail, management accounting, advertising, building, civil engineering, importing and now psychology (courtesy of the Open University).

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Business Survival & Prosperity Guaranteed

*How to avoid the deadly traps and pitfalls
which destroy the hopes of 96%
of budding entrepreneurs*

Paul Hurst

Business Survival & Prosperity – Guaranteed.

A practical, easy to read, step-by step guide for anyone hoping to start their own business. Many hands-on, 'do-able' tips and examples are given - drawn from real life experience in a wide range of companies. Readers will make a success of any enterprise, as long as they do one simple thing: apply what they read!

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Here is What Other Business Owners Say About Business Survival & Prosperity Guaranteed...

“Wow what a gem of a book! I have nicknamed it... *The Rocket Science translator!*

If you have a business idea but you are left mortified by thought of all the paperwork, legislation, staff, costs, marketing, technology, terminology, time management, money, communication, organisational skills and so on and just don't know where to start or what to do first, then I urge you to read this book.

If you already have a business I still urge you to read this book, trust me you will learn so much! Business Survival & Prosperity Guaranteed now lives on my desk as a reference guide.

This book takes you through each element of running a business step by step, breaking it down into manageable chunks and sprinkling it with common sense. It gives you encouragement, confirmation and a very calming friendly influence comes through Paul style of writing and smiles too!

It's the essence of making living easier and building sturdy foundations, after that who knows where your business may lead other than up.

Learn how to improve the way you already go about daily tasks in your business and general organisation of everyday life, mindset giving you the boost and excitement reminding you why you do what you do and reap the rewards and freedom of being self employed.

I have known Paul for 6 years, he runs 4 successful companies from his methodical way of looking at things and pure passion for what he does. I would hire him as my mentor! Don't miss this opportunity to follow the same methods and absorb this goldmine of information.

- Hollie Wilson, Blue Parrot Publishing Ltd

“Not only an original gem, but a rare and, I would say, “must read” for every fledgling entrepreneur plus those who are further into their business career yet not privy to the wisdom of experience every one of these pages exude ...This is a book I wish I'd had, along with the wisdom to read and absorb, when I started out on the entrepreneurial journey nearly three decades ago.

You see, the thing about entrepreneurialism is this: it takes both stubbornness and adventurism - a spark within that refuses to settle for a traditional career path, a buccaneer streak that gains its thrill and satisfaction from pushing the boundaries, doing the opposite of what one is told is "the way", inventing things and activities no one has yet seen as possible, or obvious!

The problem is, a buccaneer can also lack the maturity needed for a successful business career. I was that in the early years. What I would surely have benefited by was a good "talking to" by Paul Hurst. This book manages both to intrigue and inspire the buccaneer, but with a good dose of mature and experienced wisdom that can't help but put money in your bank faster, whilst building a solid, exciting and likely-to-last business of real worth."

Paul Gorman, Author of 'The Game of Business And How To Play It', and 'How To Out-Sell, Out-Market, Out-Promote, Out-Advertise Everyone Else You Compete Against...Before They Even Know What Hit Them'

"Paul shows you how without doubt you can succeed, not to get rich quick without effort, but to make the most of your skills, talents, experience and personal qualities, and how to create the opportunities to make both your business and your life flourish and prosper.

He addresses all aspects of setting up and running your own business, those you might be worrying about already and most importantly, those you aren't worrying about yet because you haven't thought of them. He writes sincerely, eloquently and with conviction, passion and enthusiasm, his style light, amusing and engaging. The serious stuff is peppered with tales that not only illustrate the point very clearly, but also raise a smile and in some cases, a belly laugh. Not bad for a book about business!"

Barbara Kelly, musician & writer

"Started reading yesterday and was still reading an hour later (in spite of the fact that it is not a subject that I am particularly interested in and also in spite of the fact that I have a bit of trouble with reading straight off the monitor screen!(*)) Need I say more?"

Catharina Brackley

Dedication

Penny, the missus, obviously!

*For providing catering and hostel
facilities to itinerant musicians as
well as acting as receptionist,
'deliveries' clerk, proof reader and
occasional chauffeuse.*

*For also suffering with quiet
resignation while the house has been
turned at various times into offices,
warehouse, workshop,
rehearsal space and
recording studios.*

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Foreword

Paul Hurst's book is not only an original gem, but a rare and, I would say, "must read" for every fledgling entrepreneur plus those who are further into their business career yet not privy to the wisdom of experience every one of these pages exude.

This is not just "another" book claiming to make you a millionaire in a year, nor another individual claiming to be a marketing "guru". It is a hard line, brutally honest, "down and dirty" instruction on what it really takes to start and succeed with a business of your own, generously shared by an individual who's been there, failed a few times (because he did not yet know what he'd one day reveal in this book), then built not one but four successful companies.

What Paul is not is someone who'll show you how to build a multimillion pound organisation. What he is is a 29-year experienced, logical-thinking entrepreneur (so logical it sometimes makes him unpopular) who shares with you -- in fascinating yet vital segments -- the key differences between a mind set and activities that lead to certain business collapse, and those that evolve as a worthy, strong, and stable success.

This book is about starting and building a "nice little business". As Paul describes it, the experience and wisdom in these pages led him to pursue his true passion, become one hundred percent debt free, live in a location and house he adores, drive a car he always yearned to own, and live a life not beholden to anyone, creatively fulfilling, and free to enjoy to the utmost.

This is a book I wish I'd had, along with the wisdom to read and absorb, when I started out on the entrepreneurial journey nearly three decades ago. You see, the thing about entrepreneurialism is this: it takes both stubbornness and adventurism - a spark within that refuses to settle for a traditional career

path, a buccaneer streak that gains its thrill and satisfaction from pushing the boundaries, doing the opposite of what one is told is “the way”, inventing things and activities no one has yet seen as possible, or obvious!

The problem is, a buccaneer can also lack the maturity needed for a successful business career. I was that in the early years. What I would surely have benefited by was a good “talking to” by Paul Hurst. This book manages both to intrigue and inspire the buccaneer, but with a good dose of mature and experienced wisdom that can’t help but put money in your bank faster, whilst building a solid, exciting and likely-to-last business of real worth.

Do yourself and your enterprise the favour of reading this book thoroughly, then acting on its every page of advice and method. Also, visit Paul’s valuable web site (see address in these pages) for more advice, wisdom and inherent wit.

Paul Hurst plays an important, new role in the success of the small - and fledgling - enterprise. Many, many who would have stumbled and failed without this 5-star advice will now not. Thank you, Paul, for your originality, sincere and dedicated work.

Paul F. Gorman

Author of How To Out-Sell, Out-Market, Out-Promote, Out-Advertise Everyone Else You Compete Against... Before They Even Know What Hit Them.

Introduction

This book has been something like two decades in the planning. I've wanted to write it for years, but felt poorly qualified. How could I write a book about business, without having a Bentley or two in the drive, and an obscenely bulging bank account?

Then the truth dawned — I never set out to become super-rich, just to enjoy a comfortable standard of living along the way whilst doing something that I enjoyed. All my aims have been achieved — no mortgage, loans or debts, enough savings and cash reserves to cope with pretty much any likely eventuality, my ideal cars and enough free spare time to have fun whilst doing work that is a real hoot.

In fact, it isn't meant to be possible to make much of a profit — certainly not a 'living' from one of my companies "*How do you make a million pounds from folk music? Start with two million...*"

Let me say from the outset, this is not a guide on how to make millions by working only a couple of hours a day. It is simply the distilled thoughts of someone who has already set up five companies of his own, and who has worked for many others, including a couple of multi-millionaires and a billionaire in the capacity of a book keeper / administrator.

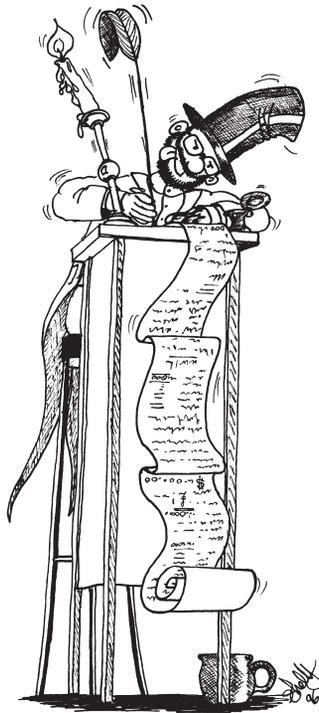
Even better for you, my first company was an absolute disaster, with just about everything being done wrong. Sit back in a comfy chair, with your beverage of choice and enjoy hearing about all the grizzly details of cock-ups and mistakes I've seen others make, or made myself.

As a book keeper, I've had to go through the death throes of several companies, and it is not a pleasant experience. My goal is to help you survive in the most difficult of times — the first few years — and start right from the very beginning with the strongest possible foundations for your future wealth and happiness.

This book does tend to leap about a bit, simply because it includes tips and examples drawn from my different experiences over the decades. Don't be surprised if it jumps from one to another, ranging from my time as an Open University psychology undergraduate to my work as a bank clerk, jeweller / shop keeper, civil servant & County Court officer, musician (perhaps the only muso ever booked to play on, in and under the English Channel!), band leader, agent, actor, magician, self employed book keeper (huge range of clients from very poor to stinking rich), accounts & admin, wallah in adver-

tising, civil engineering, public utility & building companies, salesman and one time getaway driver for my mate Pete 'Four Bogs' Bromwich. But that's another story, as indeed is the way he earned the nickname...

All my copyright. Please don't nick anything without asking. Always think before taking action, and ask for competent professional advice where relevant. Don't come running to me if you miss anything out and it all goes horribly wrong. Never play cards with someone called 'Doc', or who has a city (especially North American) as a first name, i.e. 'Denver' Smith.



"A portrait of the author as a young book keeper — making the mistake of working in a business, not on one!"

How to Use This Book

You are about to enter a world of freedom with no financial worries, no boss peering over your shoulder to watch your every move and most definitely no job that is making you miserable (or even unwell). Instead, let me welcome you the opportunity for non-stop achievements and a life style that you have only dreamt about so far.

Looking back, it is hard to remember many happy memories of my time when working for others. I remember my unhappiness as a bank clerk, the feeling of being exploited as a shop worker, the despair as a civil servant and the misery of working in cold, damp environments with a bully for a boss in civil engineering. I can also remember the continuing struggle to make ends meet on a fixed salary when my income was determined by others, with little opportunity to boost it by much — if at all.

I settled for two out of three. So long as I had a happy home life, and enjoyed my hobby, then I'd settle for being unhappy during the day — all part of the balance of life. Mustn't grumble. This willingness to put up with things was completely in error, as I have since found out.

An old saying advises that you should buy the best bed, and the best boots you can because if you are not in one, you are in the other. My version is updated but similar — you should have the house you want, a car you enjoy driving and the best, most enjoyable job you can. There is absolutely no reason why you should not enjoy every aspect of your life as much as you want to, including work. And that probably means that you need to be your own boss.

According to Business Link, *while 15% think of self employment as an option because they're not happy with their current employment, 37% admit that the main reason for taking the leap would be to earn more money. The research also shows that 40% want to start a venture in order to gain more freedom, and 25% want to turn a current hobby into a real, paying business.*

Yes, you can make a lot more money by being your own boss. Yes, the freedom is fantastic, and the experience will probably help you grow as a person. It was the chance of more freedom that really appealed to me.

Have you ever dreamed what it would be like to run your own business? Would you like to have financial security, flexible working times and a job that you enjoy waking up to each and every morning?

Perhaps you are put off by the high failure rate of start ups —

maybe you, or someone you know, has already tried and failed. Or it may be a current lack of funds that is currently holding you back.

Now the good news. This book has been written with two basic assumptions in mind;

1. You are starting absolutely from scratch.
2. You do not want to risk ending up in a worse position than when you start.

Ok, so it will mean putting in some effort, and learning a few new skills along the way, but I'm sure you understand that any promise of riches without effort is an empty one.

For some, running their own business will never be an option. Sorry, but I won't lie to you.

However, if you've ever sold something through a local ad or on eBay, had a part-time job gardening, delivering newspapers, cleaning — anything — then you can probably make a go of it. You don't have to aim for a commercial empire to rival a TV dragon, just find a better way to make a living than you have now. And you'll probably surprise yourself just how well you can do with little more than well-directed enthusiasm, some planning and simple common sense.

Although it is not possible for me to know any details about you, I can guess that you are reading this because there is something you want to change or improve in your life — and that you are wondering if starting your own business will help you achieve this. Perhaps you've already started, and are hoping to pick up a few pointers.

I certainly don't know what experience you have, or anything about your current financial position, and it doesn't really matter. To make sure that no one is excluded, I've started right from the beginning and assumed that you know nothing about running a business. Even if you have already made progress along the path, I would strongly suggest you take the time to recap on your journey so far.

This book is laid out to provide a series of simple stages — stepping stones — to take you from the 'A' of being a business novice, to the 'Z' of the seasoned, successful and financially secure veteran.

A Department of Trade and Industry study revealed that in 2005, 13.1 per cent of the English population (aged 16 to 64) were self-employed, or business owners, and that a further 11.6 per cent were thinking about taking this path. Sadly, however, in the same year the

failure rate was up by 11 per cent to 18,122. In fact, historically, between 75 and 80 per cent of all start ups fail to survive in their first three years of operation.

Serious problems obviously exist along the way ready to trip up and snare the unwary or ill-prepared. By taking a step-by-step approach you'll keep massaging the odds in your favour, until it becomes almost impossible to fail.

There is a lot to cover, but just remember how to eat an elephant: one bite at a time! Think of it as a game of 'Snakes and Ladders' but where you move carefully, square by square. This enables you to jump past the snakes and seize the opportunity to leap up all of the ladders. Try and rush ahead, and it becomes a game of chance once more.

I'm not claiming to be a high-powered guru, just a businessman who has had success with four different companies of his own, and who has helped others along the way. I'm still learning, and will always continue to do so — we are all students, and all teachers.

Finally, please know that every effort has been made not to miss out a single part of the business success plan and method, but if there is anything you are unsure about, you are always welcome to send me, personally, an email via my website (details at the end of the book). You will also discover a treasure trove of helpful resources information and facts there. Please feel free to use it as your daily business partner.

Chapter 1

Getting The Negatives Out of The Way!

Let's start by getting rid of some of the concerns that may be stopping you from starting. I meet many people who have the skills or knowledge needed to set up on their own, but are put off by reasons that seem to be more imagined than actual. Yes, the whole process can seem daunting at the very beginning, and yes, it does take effort to make it through to the end of the journey, but the end results are well worth while. The journey itself can be pretty fun too.

When you get it right, a business is just an extension of your own personality and lifestyle. I have great fun working as a musician, so two of my companies are set up to allow me to do just this — performing for both barn dances and ceilidhs, as well as for medieval banquets.

Over the years I've fine-tuned them both to give me the maximum returns for the minimum of effort, and to deliver pretty much what I want. It has also been possible to make changes as my needs and requirements have altered.

Get it wrong however, and you can find that you'll just build a prison for yourself. Later, we'll look at how to avoid the traps that can lock you into the worst of both worlds.

These ten questions deal with some of the more common reasons why not to start, "*I can't do that because...*"

Who Can Start Their Own Business?

Just about anyone. It is not reserved for the wealthy and/or wise. Don't just think of fleets of trucks lined up outside a massive warehouse; consider as well any individual selling the odd item on eBay.

No two businesses are exactly the same — they come in all shapes and sizes, and offer differing packages of benefits and rewards to their owners.

The mother of one young lady I knew worked from home as a sculptor, selling cold cast resin busts. I called one evening to find the kitchen table covered in little models of Elvis; he had just popped his clogs so she was gearing up ready for the anticipated sales. An accountant I know eventually found his niche selling railway memorabilia. He had had this passion for years, as I knew to my cost having listened glassy-eyed to his collection of recordings “*here’s another track of the same train, this time leaving the station!*”

Whatever it is you want now — more money, a nicer home, to be able to send your children to private school, more frequent and exotic holidays, greater security, to spend your day doing something that gives you great enjoyment — like me, and many others before, you can actively take control and actual ownership of your circumstances and start to live a life you have only dreamt about before. Running a business can, and will change your life *when you get it right*.

A business is simply a way for you exchange time and effort for money; it does not even have to be huge, or even full time. As a musician it is possible for me to just potter along taking most of the week off and living on the income from weekend gigs — the time ‘dividend’ can be enjoyed, used to develop other commercial ideas or even invested in further education.

Modern opportunities

The internet allows the housebound and travellers equally to carry on business from anywhere they like. Although I am writing this from a home office, it could equally be from a hotel room, airport or taking a break from a day job. Not only that, but it is now possible to reach a niche market spread thinly throughout the world, and to sell directly and instantly to them through online banking and electronic downloads.

Spreading the risk

Modular economics or portfolio working — different descriptions for the same idea, where individuals can start up by developing their abilities in different areas, one at a time rather than wholesaling all their working hours at a discount rate to a single buyer. A series of specialist niche skills are developed which together fill up the same time as a normal job, but all at premium rates — and without putting

GETTING THE NEGATIVES OUT OF THE WAY!

all the employment eggs in one basket. Income from one business will provide financial cover during the early stages of setting up another. It is hard to go bust from early mistakes if you don't need to make a profit from Day One.

Get ready for the journey of a lifetime! Page by page you'll see in reality how you can minimise the risks, take away the uncertainty and build your ideal business that provides all you want now, and which need never stop growing as you upgrade your dreams.

Won't I Have to Take on Premises?

There is almost certainly no need for you to rush out at the very beginning and sign up to a long term lease. In the early days you will have research to carry out, new skills to learn and some serious but fun budgeting and financial planning to do.

My first business started in one lever-arch file. Everything I needed — contracts, contact details, accounts information and receipts went in there, separated by dividers. These days, of course, it would also include a business plan (as you will discover during this book!). It has, now grown, step by step, over the years and now takes a room and a half in the house plus a large part of an outbuilding.

There will be some trades and businesses that should be conducted from specialist premises. If you need a workshop, garage, kitchen or secure area then working from home may not be an option as your company grows, but you may be able to find an alternative to the full-on rental option. Is there a local company that has a bit of spare space? Say for example that you want to start a motor repair service specializing in a particular make or model of car. Is there a local garage that has spare capacity? You won't be in direct competition with them, and may even be able to pay your rent with your time. If they need extra help, and you are short on work as you build your own customer base, then you and your new landlord could both gain.

Overheads

These often kill off new businesses. If at all possible, aim to start working from home as you test the market and build up a client base. Indeed, for some of us, continuing to work at home can often be the best solution. That ten second commute in the morning is pretty nifty. The nearest I get to 'leaves on the line' is an elderly cat flaked out on the landing, and the overheads are a pittance. Just remember to tell

your insurance company though.

Even if you do want to eventually have your own premises, the hassle of losing the use of a room and/or garage for a while in the early days is surely preferable to finding out that you have just signed up to somewhere that is too big (or, just as bad, too small).

Entrepreneurs tend to be full of boundless optimism, and can sometimes have an exaggerated belief as to the size of an opportunity, or how quickly it can be exploited (I'll admit here to being guilty as charged). We tend to over-estimate the potential demand for our product. It may be sad to lose some sales through lack of capacity, but it would be far worse to go under by wasting limited resources right at the start.

Always Remember: In business, the idea is to look for ways to make money, not spend it.

When Should I Start?

The answer to this question is both 'now' and 'not yet.' Whatever you do, please don't rush out and sack your boss in a fit of enthusiasm. The planning for starting up new business opportunities takes time and research, but there are some things that you can and should start doing at once.

Mindset and focus

Start learning at once to be a professional customer. I love to review every retail experience and have even been a paid mystery shopper on occasions — complete with a camera hidden in my tie. At one Skoda distributors, all the sales staff completely ignored me so I had great fun filming the receptionist filing her nails, the salesman playing cards on his computer and the bit of cardboard under the car with an oil leak.

Try it out yourself — monitor your emotions during every purchase and look for the Wow and Wind-Up things that impress or annoy you. Then ask yourself how you could incorporate as many of the former as possible, whilst avoiding the latter. I'm sure you can think of many examples from your own experience.

Skills

Work out any new skills you'll need — how are your computer,

GETTING THE NEGATIVES OUT OF THE WAY!

word processing and spreadsheet skills? Your local council may be able to help with courses. Check with local papers and colleges.

Equipment

Do the research to find out what is available, and what would be best for you. Start looking for user reviews, as well as bargains for buying the equipment you'll need. Become an expert on all the alternatives available, and find out if there will be a delay before any specialist equipment can be delivered. How often on "*Grand Designs*" are building projects held up by late delivery of specialist items — usually the windows?

Research

Also, start building up a library of books — there are many available free for download on my website. I've given details at the end of this book, together with five authors well worth reading. I've also picked up some excellent ones for pennies just by browsing through charity shops, and online dealers.

Research your chosen industry or profession. Many fresh entrepreneurs want to move into catering and hospitality but have no previous experience. If you want to run a pub or restaurant, why not start temping in as many as possible? You'll be paid to learn the ropes, pick up a lot of good ideas along the way (ask other staff about the fiddles, so you know what to look out for later on.), and can even make quite sure that this will be the right choice for you. Remember, you should be running towards a goal, not away from your current circumstances ("*well, anything's got to be better than this.*"). A friend is a publican and believe me, if you've never run a pub yourself but have only thought about it, be prepared for a lot of hard work, hassles and long hours.

Looking forward

A job that you may hate at the moment will become easier to bear so long as you know that there is light at the end of the tunnel, and that you are working regularly and systematically towards a clear goal.

Don't worry, I'll provide you with the mental tools shortly to flood you with a torrent of potential ideas for possible opportunities!

Don't You Need to be Lucky? I Always Have Bad Luck!

To quote others,

"I am a great believer in luck. The harder I work, the more I have of it."

Thomas Jefferson

"Go and wake up your luck" Old Persian saying

"I believe in hard work and luck, and that the first often leads to the second."

J K Rowling

One Sunday lunchtime at the local pub, a friend accused me of being lucky. The night before we had been, as usual, out playing at a gig — having a great night out and earning a good chunk of money as well (and the food and drinks are usually free).

He thought it unfair that I could enjoy myself at the same time as earning almost as much in one night as he did in a week, in a job he hated. *"OK then, I'll teach you to play — in six months you could be out in a band as well."* He declined *"Oh no, that's too long, I can't wait for six months."*

I made a note in my diary, and asked him again six months later what he had done the night before — *"Nothing."* *"OK then, six months from now....."* He never took up the offer; six months after six months went by; I remained lucky, he stayed unlucky.

Rather than luck, I believe in chance, and that if we put in the effort beforehand it is possible to seize opportunities when they happen. *"Luck is when preparation meets opportunity."*

A belief in luck, that things will somehow magically sort themselves out all on their own, should not be used as an excuse for not taking action.

Create your own 'luck'

"The ladder of success is best climbed by stepping on the rungs of opportunity."

Ayn Rand

GETTING THE NEGATIVES OUT OF THE WAY!

Professor Richard Wiseman, of the University of Hertfordshire in the UK carried out a series of experiments on those who felt they were lucky, and those unlucky. They were asked to read a newspaper, which had a half page message in type more than 2" high saying "Tell the experimenter you have seen this and win £250." The tendency was for the lucky people to spot it, and the unlucky ones to miss it.

He concluded about lucky people that:

They are skilled at creating and noticing chance opportunities, making lucky decisions by listening to their intuition, create self-fulfilling prophesies via positive expectations, and adopt a resilient attitude that transforms bad luck into good.

Much more importantly, he asked a group of volunteers to spend a month carrying out exercises designed to help them think like a lucky person — helping them to spot chance opportunities, listen to their intuition, expect to be lucky, and be more resilient to bad luck. One month later, 80% reported being happier, more satisfied with their lives and luckier.

Professor Wiseman's four top tips are;

Tip number one — listen to your gut instincts — they are normally right.

Tip number two — be open to new experiences and breaking your normal routine.

Tip number three — Spend a few moments each day remembering things that went well.

Tip number four — visualise yourself being lucky before an important meeting or telephone call. Luck is very often a self-fulfilling prophecy.

So, no excuses! Find ways of making small changes to your life so that you naturally become luckier; learn to think of yourself as lucky.

Further reading

If you find this interesting, and want to know more about how we influence, and can be manipulated to influence our own lives, look at Jane Elliott's 'Blue Eye / Brown Eye' experiment, and read about 'Cognitive Dissonance.'

A final thought on luck and superstition: we have evolved to be pattern seeking animals, searching for patterns, and then looking for evidence afterwards (it's called the 'Conformation Bias'). Experiments with both pigeons and people reveal that if random actions coincide with a result we want, we chalk that up as a hit and repeat the action later, in the vain hope that it again brings success. As scientists say, *"correlation does not prove causation."*

Rabbit foot charms (hardly lucky for the rabbit) and lucky pants are no substitute for preparation, confidence and intelligently directed activity.

*"Hokey religions and ancient weapons are no substitute
for a good blaster at your side."*

Han Solo

What About The Money? I'm Broke!

I'm already working on the assumption that you may not have a handy pot or pool of money available — that your new business will have to start on a shoestring, and begin funding its own growth as soon as possible. Actually, there is no better way in which to start than by making quite sure every single pound work efficiently for you. Later on, we'll look at some nifty ways of doing this, as well as highlighting the common mistakes you must avoid at all costs.

If your personal finances are not yet in order, then it would be foolish to embark on a business venture at this time. Fortunately, the reverse is also true — learn how to budget your own income and expenditure, understand the mechanics of loans, interest rates, 'balloon' payments and so, and you can then just scale up the sums for company accounts.

Whatever your current position, I'd strongly suggest that you check out the excellent web site www.moneysavingexpert.com. It's a treasure trove number of ideas on saving money.

"Charity begins at home"

And so does business. What better way to learn and practise skills than by getting your own financial affairs in first-class order? Start with a simple monthly list of income and expenditure and balance these. Until you know exactly where you are starting from, it will be impossible to move forwards. Be honest, and aim to create an accurate

GETTING THE NEGATIVES OUT OF THE WAY!

picture — good or bad.

Now you know exactly where you stand and are back in control, it is possible to move on. There are four things you can do to improve your current position:

Earn more
Spend less
Convert assets to cash
Borrow more

Earn more

No job at present?

I know from experience that it is easier to get a job if you have one already. It is also a lot easier to stay in the right frame of mind. Start getting up later, and falling victim to the lures of day time TV and it will become harder to return to the daily grind. It is often better to take anything available, just to keep active.

My friend 'Pike' would take temp jobs as a van driver between serious jobs; I would also temp, but as a general clerk. We each knew that our skills were being seriously underused, but at least it kept us active with some money coming in. It also acted as an incentive to hurry up and get something better. One job I had was so boring (folding dividend tax certificates and putting them in envelopes) that I had to break the day into 45 minute slots, each with a small reward (a biscuit, or cup of coffee) waiting at the end. But another placement (with the South East Electricity Board) led to me being discovered by the financial big-wig. He arranged for me to be transferred to run a section reporting directly by him. Soon after, I was offered a permanent position.

There is a very powerful sales technique based on reciprocity that we'll cover later — I've used this in the past to get a job, and have had it used on me as an employer. Simply put, we are hardwired as social animals to return favours. I can give you the experimental details if you want, but trust me — it works.

When one employer went down the tubes, I knew who had bought all the plant and equipment. Turning up on their doorstep, I offered to work free of charge to help them set up the new company. They accepted, and it was not long at all before they could pay me. Although it wasn't my ideal job, it did tide me over pretty well until something better came up. I strongly suggest you do the same — take

anything you can get for now, learn as much as you can from the experience and keep looking to ratchet up to better jobs, step-by-step.

Already in a job?

For those already with employment there are six options to investigate.

1. Increase your wages

Take on overtime, look at different shift patterns that may pay more. Can you work abroad for a spell as an ex-pat?

2. Take an extra, part-time job

Especially something you can learn from — aim to temp over a wide range of jobs to pick up skills, jargon and insider knowledge.

3. Ask your boss

It may seem silly, but are you in a job where you can ask your employer or line manager how you can earn more? Maybe they have a problem that you can solve — your specialist working knowledge may help them save money. One of the first changes made when the Triumph Meridien factory became a co-operative was to stop transporting delicate cast crankcases in an un-padded wheelbarrow over a bumpy concrete floor! The staff knew about the problem, but no-one had bothered to do anything about it before. An opportunity to easily cure a problem had been missed. Ask for a percentage commission on any new income / savings you can make for them.

4. Do you have any other skills?

Can you teach, coach, tutor, make, or repair? Do remember to declare any income. It may be tempting to 'trouser' a bit of extra untaxed income right now, but it wouldn't be good to start a new job with a bad previous record! And what better way to gradually learn about keeping records, coping with legislation and other essential business skills? Learn a new part-time skill now, even if it will take time — anything from massage to plumbing, book keeping to brick-laying, and you'll always have a handy Plan B in case of problems in the future. There are thousands of potential opportunities just waiting for you.

GETTING THE NEGATIVES OUT OF THE WAY!

5. Do you have any other knowledge?

Buy and sell online, through magazines and classified ads, boot fairs, conventions and meetings. Is there anything you've always been interested in?

6. Become an agent, earn commissions

I happily pay finders fees for leads that convert to bookings — look around for any business that you can help in this way.

Look at Tupperware parties and similar home based part time opportunities where training is given. Again, this is an opportunity to not only earn extra money, but also improve your skills in sales, customer services, advertising and so on.

Spend less

Work out the real essentials that have to be paid for — things you really can't do without — in contrast with luxury items which although nice to have, cannot be considered strictly necessary at the moment. Yes, there will be time for these later on, and that time is when they can be bought out of spare money, once everything else has been paid for. If you smoke or drink, giving up the fags 'n booze will probably give you an immediate saving, to say nothing of the benefits to your health.

Yes, it means dropping out of the keeping up with the Jones race and admitting that money is tight, but to be honest it can be a real relief to get out of the arms race of constantly buying newer and better 'things' to try and establish a social position based on the possession of acquisitions. The correct answer to 'mine's bigger than yours' should be a relaxed and honest 'so it is, congratulations — I hope you enjoy it.'

Sometimes it is necessary to undergo the short-term pain to achieve long-term results. Following a fall, I'm currently undergoing physiotherapy on a thumb — the bone has healed, but the ligament is really stiff. The instructions were to "*push down on the joint until it hurts...a bit more...a bit more...is that painful? Good — now push down **harder**....*" OK, so it may hurt a bit over the next few weeks, but until I go through the process, my hand won't work properly. And the longer I leave it, the harder and more painful the process will be.

Learn to haggle

I've only once ever been thrown out of anywhere for offering a lower price, and it was done very politely (firmly, but politely); the savings over the years have been huge. My training came at an early age, when my father promised to buy me a moped. We tracked down an ancient Puch MS 50 and went off to inspect it. After running his experienced horse trader eyes over it, Dad valued it at £15 rather than the asking price of £25. He gave me the £15 and drove off. I had the simple choice of either haggling the price down or walking home. Faced with a spotty youth cluttering up his drive and refusing to go away, the seller gave in and I proudly wobbled my way back home. One caveat however, it is usually best not to haggle too much when negotiating for services. Ok, so we all know that a second hand car dealer will not give you his best price without a bit of verbal fencing - it's all part of the game - but the last thing you want to do is use your haggling skills to beat down someone who will be working for you. Once they realise that the job is not really worth doing, they'll either just not turn up, or else be pretty lukewarm in their work. And you'll end up losing out in the long term.

Gambling

Keep well away from the lottery, cards and all other forms of gambling —

"Hope might be a virtue, but it is rarely a strategy."

Richard Parson

Gambling is like so many things in life. Take the easiest path without making preparations, or fail to invest in the necessary work and research and you will probably fail. You have to make the effort to learn the rules and systems, learn how to follow the flow and order of cards — the form of horses. By becoming an expert you create the chance to possibly achieve a satisfactory outcome. Just throw cash at something, whatever it is, and you will rarely hit on a winner.

This is particularly true with the lottery, which is really a straight trade off between hard cash and buying the opportunity to dream. The odds are truly appalling — 1 in 13,983,816 (so about one in fourteen million) as at June 2006. Even if you do win, there are plenty of examples of lives ruined by massive windfalls of un-earned money.

An alternative

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If you feel that you simply must have something to give you the hope of an instant solution each month, then you can always consider premium bonds. Although the top prize is only (only!) a million pounds this is surely quite enough to change any life for the better, yet hopefully not enough to really screw it up too badly.

The chances of winning are cumulative as well — keep adding the money that you save on the lottery, and as your savings grow so do your chances of a win. Your stake has a fresh chance each and every month until you are ready to sell your bonds. The odds of winning any of the prizes are still very poor — ‘Martin’s Money’ has a few things to say about them.

It’s not about winning (although you can still have the dreams about winning a million pounds) — it’s about building up a fund, with the stake money staying in your pocket rather than going down the drain. I’d suggest you switch from the lottery to premium bonds not as a long term strategy, but as a way of shifting your gambling to a format that lets you at least start saving ready to actively change your future the guaranteed way, through passion intelligently directed into effort rather than wishful thinking.

Convert assets into cash

Go through every cupboard and wardrobe — any shed or garage you have. Is there anything that you now neither want nor need? Develop your advertising and copyrighting skills by selling them on. I made over four thousand pounds through ‘fleaBay’ by selling on instruments collected over the years, but which were no longer needed — others were then able to enjoy playing them. Our insurance premium dropped as well.

Downsize — if you do have to have something, can you get away with a cheaper / smaller model? Perhaps you could run a bike, micro car or scooter for the daily commute, and just hire a car when needed for long journeys and holidays?

Rent out a spare room, holiday cottage, or professional equipment.

Think ‘off the wall’ — can your house be let out as a film or TV location? If you stay with family for a break, can it be let out to others for a holiday? At the very least, look at options for house swaps to cut down on holiday costs.

Again, this does not have to be long term, just another way to help you raise some extra cash at this time.

Borrow more

Don't let any fancy sounding names tempt you. It is all debt, whatever they call it. Not only are you paying out dead money in interest, but committing yourself to the obligation of earning enough in the future to meet all the repayments.

In general, borrow only the minimum sum you can get away with and only when you have to for capital expenditure — things like your house, essential transport, or anything in your business that will earn you a profit. Avoid debt for lifestyle choices — clothes, holidays, holiday homes, non-essential consumer goods and so on. Often the pleasures of ownership, the feel-good emotion of purchasing something fades well before the final payment is made.

Why buy everything brand new? Always check out the second hand options as well — especially if you can buy them outright with existing funds rather than borrowing the money. As a jeweller, it was amusing when customers insisted on buying a brand new diamond solitaire ring, rather than choosing a second hand (pre-owned if you think it sounds better) one. As the stone itself is probably something like three billion years old, another decade or so is really neither here nor there!

Our grandparents had this sorted out very well — if you can't afford it, don't buy it.

Car finance

Ever more inventive systems are found to sell us products that we can't afford. Have you seen those car ads with some state of the art monster with ridiculously low repayments? Just check out the small print — you'll find that the balance of the sum due will just sit there, tucked away but racking up interest, until the end of the finance period when it will then become due, a 'balloon' payment.

Just think about how it works; you chop in your current car as the deposit, and then enjoy your new pride and joy for three years. Great, wonderful, but then what? You've got quite used to having a flash, new car, and like the image, but what about that lump sum now due? If you are lucky, you can cover it by returning the car *"Oh dear....problems....condition and damage....no-one wants the old model....excess mileage."* But then what about the deposit for a new one? Last time you used your old car. Now you'll either have to go down market, or take on more finance.

In both business and private life, a balloon payment agreement is

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usually a sign that you are buying a better/bigger/newer car than you really should be.

Credit cards

The idea of credit cards in itself is pretty nifty — not only can you split the cost over a couple of months, it provides protection against the selling company going bust or faulty goods, as well as a quick source of ready funds to take advantage of an opportunity.

Just use them as a short term resource only — to be paid off as soon as possible, within a few months at most. If you want to extend the debt longer than that (and assuming you have not got an interest free deal on a transfer), then check out the interest rate on a standard loan.

It's getting harder to find really juicy deals, but once again, you can get up to date advice from www.moneysavingexpert.com.

Store cards

Don't. Just don't. If you don't believe me on this just look at the A.P.R. rates they charge. If you never look at A.P.R. rates, and don't know what they are, then give all your cards to a responsible adult to lock up out of harm's way while you find out about them.

Consolidation loans; getting out of debt

There are some quite good systems advising you how to get out of debt in quite a short time, so I won't go into too much detail here. In general, they seem to recommend against taking out another loan to clear off all the others.

Instead, start by using as many of the methods here to save/earn a bit extra each month. Use this to clear off your debts, one at a time and starting with the one with the worst A.P.R. interest rate. Once that has been cleared, add the repayment you are now no longer making to your extra money and tackle the next one, and then so on and so on, until they are all cleared.

Then you can start saving and investing all that extra money to create your own reserves to buy outright and in full what you need, when you need it. Without the old repayments, you can now build up a reserve buffer. Larger bills, like household and car insurance can now be paid in full in one go when they come up — saving more interest. Without the need to buy anything or indeed everything on credit, there is much more freedom to haggle cash deals for furniture and

household appliances. You can also seize the opportunity to snatch any bargains that come up.

Financial Problems

It may be traditional for us Brits to maintain a stiff upper lip at all times and it could well have been a handy survival trait when faced by hordes of uppity foreigners, dastardly minions of the tyrant Bonaparte, or other opponents in the days of the Empire. But letting your money worries go unresolved will almost certainly end up making your life a living hell.

Small problems will grow with time. If you are travelling the wrong way at present, then simply charging blindly on will just give you a longer distance to return when (if) you do eventually turn around. If you need help or advice, ask for it — try the Citizen's Advice Bureau for starters, and your Bank or Building Society may offer a service.

Are there any serious and immediate problems? Take control of the situation as soon as possible — talk to people you owe money to if behind with any payments, and come up with a serious and 'doable' plan to get back on track. Most creditors are used to having to chase for payments, with little or no contact with their customers. Talk to them in advance if things start to look shaky, and enclose a payment on account when making an offer of payment, just to establish your commitment to action rather than empty promises. Do stick faithfully to any agreed deal and if the worst should happen, do talk to them if it is ever necessary to delay, reduce or skip an instalment.

Aim to become a saver as soon as possible

Life will almost certainly improve if you have the security of a nest egg behind you. Your whole attitude to life will change for the better once you become a saver, rather than just a borrower — aim to grow a war chest ready to kick start your new business. I tend to squirrel away reserve funds not only privately, but also for all of my companies. Not only do I now sleep a lot better at night knowing that there are hedges against any nasty surprises, but the spare cash lets me take advantage of any opportunities that come up to grab a real bargain.

Lack of money at the moment will slow you down a bit at the start, but it does not have to stop you starting — and pretty soon your business could be paying its own way.

But What if Things go Wrong?

Life is a series of risks and gambles. Every trip you make, each time you take part in sport and even when you go to bed, there is an element of risk.

Don't become a hostage to your fears. Before the Second World War a resident of the USA could see that problems were looming, so moved to what he thought would be the safest location — somewhere well out of the way. His choice of Guadalcanal was perhaps not the wisest or most fortuitous.

I had a bit of a dilemma in the past. Although it was possible to bring in enough work for me as a performer, I could only be in one place at a time, so my income was therefore limited. Problem was, although I had confidence in my own group, how could I rely on others — especially (and I don't mean to be rude here, just truthful) a bunch of 'folkies!'

A friend was thinking about starting her own gardening business at the time, but she was being deterred by the thought 'what if it goes wrong?'

The solution in the end for us both was a bit of a change in attitude.

This is life! Things will and do go wrong, and sometimes there will be nothing we can do about it. Accidents happen, roads get blocked, people get sick, the government pass badly thought out legislation.

It is possible however for us to make every effort to ensure that things will go to plan, and to solve the obvious problems as quickly as we can, on the spot if possible. If you think ahead, it will help your self confidence as well (punters can smell fear!).

I Don't Have Enough Time

One of the many benefits in creating your own tailor-made business is being able to tweak to some extent the money / time balance and achieve a better balance. Granted, you'll need to invest the hours, days and weeks at the start, so later on we'll look at a few ways to make the most of your time.

Working mainly from home, I'm rarely awake to hear our neighbour drive off to the station at 7.00am, — I just get up when I wake up (we ditched the alarm clock some time ago). And I've usually long finished by the time he returns late at night. It's not that I don't work as hard, just that my hours can be spent far more efficiently, with little

waste. How much of your current day is actually spent constructively?

With your own company, there is no need to waste time anymore — focus only on the essentials, and make sure every minute is spent productively. Yes, you'll probably have to invest extra time to begin with, but soon you could be shaping your days to work for less time, not more.

And what's the alternative? The extra hours you spend now will pay dividends in the future. Do nothing, and what exactly is going to change for the better in your life?

Can it be Done? I've Been Told it is Pretty Impossible.

By all means listen to those who have actual, practical and relevant experience, but please don't base any aspect of your life simply on second, or even third hand wisdom.

For years I believed the pub experts when they said that Morgan cars were pretty much un-driveable on modern roads — impossibly heavy steering, non-existent brakes and lethal handling. It was the simple action of taking a test drive that disproved all of the above — the steering, with no power assistance is lighter than my other car which does have it, and the brakes are so effective that I have to watch out for cars behind that don't expect an antique to 'anchor up' so rapidly!

As young folkies, we went to The Sidmouth Festival over a number of years. It was a known fact on the folk scene that it was impossible to find B&B accommodation for this week (the population doubled then). We were though mad to even try. After a quick Yoda impression ("*always with you it can't be done*") I'd grab the telephone and call everyone on the tourist office list. They were all fully booked, but I would ask if they knew of somewhere that was available. And every year we ended up with a place to stay — whether cancellation, new business or someone who just wasn't on the official list. This same method now helps me to find available musicians when needing to fill gaps in line-ups, even when told that "*no-one will be free now.*"

Even those in your own trade, profession or industry may just be working from an accepted viewpoint, rather than actual fact. Far from going bankrupt by the end of the year as was widely predicted, when I started offering a full money-back guarantee my turnover increased by over 27%.

Begin with the assumption that it probably can be done — you just

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have to find a way. I'm not suggesting you adopt the kind of full-on gung ho blind optimism as preached by some business gurus who leap about the stage with large headset microphones — try and wrestle a hungry bear with nothing but a positive mental attitude and the result will be neither pretty nor satisfactory (for you). Just adopt a calm determination to succeed.

Yes, it really can be done, just so long as you follow a few simple guidelines. Start small, test and experiment until you find a winning formula and then just build up at a natural level. Just don't give up at the first hurdle; keep looking for potential solutions and stay within an affordable budget.

Had I set out to rapidly start up the business without the knowledge and skills learnt later, there would have been a danger of being swamped with all the different tasks to be done. It was a painless build up, without the need to earn a full income from day one. Is there a way you can start to earn from your current skills? I used to check out local auctions and buy old concertinas when they came up — not exactly a common auction lot, but that meant that the dealers were unlikely to be interested, or able to match my specialised knowledge, and I made some pretty good profits along the way.

I did increase the odds in my favour though. I rather not go into the methods involved in print, but if we ever meet up do ask me about all the little tricks and scams that go on at auctions — with both sides being involved in shady activities.

But What Can I do?

A few words of caution

There are many tempting adverts promising instant riches for little or no work — here are a few quick thoughts on such offers, apart from the obvious one about a free lunch. As a rule of thumb, look at the contact address — if it is something like '97 Slaughterhouse Terrace,' then you should perhaps exercise even more caution as to the claims of wealth in abundance.

Also, the more glossy pictures promising a lifestyle of fabulous riches with flash cars, tropical beaches and Dallas style houses, the more careful you should be to see exactly what the product is, and if there is a solid money-back guarantee (without any weasel words). Finally, if they are making so much money themselves, why do they need or want to sell the deal to others?

A whole industry out there specialises in business opportunities ('Bizz Opps'), I've certainly sent more than a few pounds in their direction over the years — shelves in my office groan with an abundance of tapes, CDs, books, DVDs and manuals. Some are excellent — offering training in particular skills, or the chance to draw on the accumulated experience of an expert with a clear path for you to follow.

The problem is that most of us have a strong pressure to move *away* from a current position, but lack a clear target for us to move *towards*. These products do offer you a clear target, but again I'd urge caution before you part with any readies unless this is something you can see yourself doing, and you know you'll follow up the purchase with action.

Some 'opportunities' are more about dreams and hopes being built up first, and then the handily packaged solution is offered (for a price!) for the perfect business. Whilst these may have worked for the person who set them up in the first place, it is debatable how others will fare — especially if other eager purchasers are piling into the field at the same time.

Having looked at a 'find a plot of land, get planning permission and sell it on for profit' scheme, I approached a friend to ask if he had considered selling his back garden. He told me bitterly that he and his neighbours had already been plagued by hordes of cold callers knocking on doors to ask that very same question. This was enough to put me off; I had not started off with enough drive to see me through the sticky patches, and I'm lousy at cold calling. I wasn't even that good at a tentative warm call!

Be quite sure you understand what special skills the original person has that you will need as well. I could write and offer a guide on running medieval banquets and make it all sound very profitable and great fun (it is), but unless you learn how to play six different instruments (ranging from English medieval bagpipes to fanfare trumpet), memorise quite a few songs and plays and develop a magic routine — plus find several like-minded friends — it probably won't really work for you. And it certainly won't if you come into the business just looking to make a quick buck, rather than because this is something you really *want* to do.

At a three day event in London, where lots of different business ideas were being touted, I went along to hear the guest speakers, (and to study the fellow attendees, as an Open University 'psychology' undergraduate). A retired couple were chatting behind me, during a

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presentation for what appeared to be a pretty 'flaky' but very slickly packaged business scheme. Following the usual sale pitch of wealth beyond their wildest dreams he was all for buying in and she was advising caution — *"But this time it'll be different."* *"That's what you said last time,"* and so on. Sadly, I fear she was right, and more of their precious savings were squandered on something that would never work for them.

"I just can't think of anything!"

Well, I can sympathise on this one. We were sitting outside a pub at a Chippenham Festival, enjoying a quiet pint between events. Most of the others in the group had excellent, well paid and specialised careers, and as we talked about work I realised just how unhappy I was working in a dead-end Civil Service job.

Problem was, although my friends had the qualifications and experience, I had no degree and (I thought) no special skills or knowledge — apart from being able to organise and lead musicians. Gradually however the realization dawned that this was in itself a potential marketable skill. Soon I was looking for suitable clients for our band, and the paid hobby grew itself over the years into two specialist entertainment companies.

So where can you get ideas for new businesses? Fear not, I've included a few ideas later on...

How do I Start?

Start with a hobby, as I did. When the realisation came that running bands could grow to a different level until it took over from the day job, I already had a lot of the pieces in place. If only I'd had the skills and knowledge then that I have now, it would have been a much quicker process, but at least it gave me the chance to learn everything, stage by stage.

However you intend earning an income, there will be some way you can start gradually. Offer to give free lectures on your specialist subject, or free shows for charities if you are a performer. Buy and sell online, through the classifieds, at boot fairs or larger events.

I don't mean this in a patronising or disrespectful way, but just as children develop social skills and kittens practice hunting through play, do the same. Start small and without a serious commitment in

premises, stock or advertising. Learn about your potential customers, the market and any rivals. Experiment with advertising, admin, distribution, legislation, postage, storage or whatever; let nothing come as a surprise when you are ready to change up a gear or two.

At the very worst, you may discover that you hate being your own boss before making any major commitment, and will be able to return to a life of PAYE employment without that nagging dream of ‘what if...’ It is the things that we don’t do in life that we regret the most. This way, there will be one less regret.

Having spent a couple of nights on a yacht as part of a gig near Rotterdam, my thoughts of ‘wouldn’t it be nice to own a boat’ were well and truly sunk; the rosy memories of Arthur Ransom’s stories washed overboard and scuppered. It was cold and damp, with a strong smell of diesel and very basic amenities. The trip was still fun, but I no longer harboured rosy-tinted wistful thoughts about having a ‘hole in the water into which you pour money’ as I have since heard boat ownership described.

And now it’s time to begin...!

Chapter 2

Take Responsibility Then Control

It's not my fault!

The musician Dec Cluskey, offers a series of rules on how to make it in the music business, including

"Never blame anyone but yourself"

Perhaps it should be your golden rule number one. Responsibility implies that you have the power and the obligation to do something.

An example —

"I got drunk, drove my car home in the snow and ended up in a ditch before getting nicked — it's so unfair!"

Yes, well, not a hard one to work out whose fault that was. Try on this one for size —

"The car broke down, it's not my fault."

Who chose the car? Some are far more reliable than others (just look at the user surveys, such as J D Powers). Was it maintained properly? Was there a backup plan — do you have breakdown cover? Did you really have to buy a ten year-old Range Rover?

In spite of what we are led to believe now, parts of our lives still work on cause and effect.

When I was a kid we seemed to have far more freedom to do things — but get it wrong and there were consequences from parents, teachers and even gravity, all of which we accepted as part of the normal scheme of life. Nowadays, as adults, it seems that whenever something goes wrong we are encouraged to play the blame game — it starts with the idea that nothing can be our fault, so look for someone else to blame. If there is no obvious villain, then we create one.

“It’s not my fault, it’s THEM” or, “It’s the system”

The Stella Awards

The Americans now have the ‘Stella Awards’, named after Stella Liebeck who in 1992 was awarded \$2.9 million dollars in damages by a New Mexico jury after spilling a cup of McDonald’s coffee into her own lap whilst driving, burning herself. If you would like to see other examples have a look at the www.stellaawards.com All pretty depressing really.

Yes, there will be times when others are to blame for creating a situation, but we all have control over our response. There is no obligation to play the role of passive victim.

I recently rang some friends to warn them about a musician who had become totally unreliable. They had already stopped using him after he had arrived very late at a London gig, but our conversation brought home our different attitudes — *“We had trouble getting paid all the money because he was so late.”*

My view would be that, as the organiser, it would have been my responsibility if the performer I chose was late (or drunk, or rude — well, you get the picture) I offer a full, 100% no quibble guarantee, and this really helps clarify the mind! There is nothing like knowing that a cock-up will result in non-payment to make one double-check everything, and to choose employees / sub contractors very carefully.

Divine fate — or not?

If it is your view that ‘some things are meant to be,’ or ‘who are we to know? — it’s beyond our comprehension,’ then please try to suspend this at least during your business dealings. If you do believe in a God, or Gods, please assume that you have been given free will for a reason — and are expected to use the facility wisely. After all, surely ‘the Lord helps those who help themselves.’

The Victorians had a handy little tale about how life was like a tapestry — it was not up to us to question the order of things because we could see only the knots and threads on the back; the picture could only be clearly see from ‘the other side.’ Call me a cynic (many do), but I believe the sole object of this parable was social control — ‘listen to your betters and do as you are told.’ Always ask the question ‘why?’, and be prepared to make up your own mind based on actual evidence.

We are largely all able and capable of taking control of our own lives. Each time we take more responsibility we increase our options,

TAKE RESPONSIBILITY THEN CONTROL

achieve more ownership of ourselves and enable more shaping of our work and personal destinies. Apparently small choices in life now can have a huge effect at some point later on — and in business that later on could well be tomorrow, the next day or the next week.

Tip

Play the ‘negative blame game’: when anything goes wrong, look to find out how you were responsible. Try reversing the normal position. From now on, whenever anything goes tits-up, assume that it was your fault, that you were responsible and then look for ways that you could have done things differently.

The bottom line is that every successful self made person takes virtually 100% control of every action, every challenge even every so-called impossibility. Take that attitude, and I’ll never worry about you succeeding, or you achieving a comfortable or even wealthy lifestyle for you and your family.

Chapter 3

Chart a Clear And Measurable Path

“A man who chases two rabbits catches neither”
Chinese proverb

All successful people are people of purpose. They hold fast to an idea, a project, a plan, and will not let it go; they cherish it, brood upon it, tend and develop it; and when assailed by difficulties, they refuse to be beguiled into surrender; indeed, the intensity of the purpose increases with the growing magnitude of the obstacles encountered.

James Allen

Find Your Goal

Modern life moves at a frightening pace. There are a bewildering number of choices to make every day and we are subjected to a constant bombardment of information. It is all too easy to become distracted and lose sight of what is important. Very clever and well trained professionals are paid extremely fat salaries to find ways of directing our attention down the path others want. ‘Everyone else has one of those, so we must have one as well.’

There are just so many pressures to fulfil seemingly pre-assigned roles in life.

A good father is expected to do (or buy) **this**; the rising young business person **MUST** drive one of **these**; no one has one of **those** anymore...

STOP!

This is all about you, and what you want; not others.

Take a few steps back, clear every second hand pre-conception

from your mind, and then commit the ultimate sacrilege you can make as a consumer.

Stop believing all the ads, the hype, the expectations and the social pressures.

There is a jaw-droppingly sad BBC 1993 documentary, part of the “*From A to B*” series called “*Over the moon with the Cavalier*,” which is an almost anthropological study of sales reps in their native habitat — in cars and on the motorways. It soon becomes crystal clear just how much the status of having that all-important ‘i’ badge on the back of their cars affected their lives in those days (for non ‘petrol heads,’ the badge merely showed that their cars had fuel injection, hardly a big deal now). Please, please, don’t get hung up with absolutely trivial status symbols.

Start from scratch

Start with a clean sheet, and work out what it is that YOU want — you may already have done this to help find your perfect business, but it won’t hurt to carry out the exercise again. In fact, like continually refreshing a web page, it’s important that you continually refresh your awareness of what you want, and how you want to do things. That constant reviewing makes the virtually perfect business.

Build up a clear mental picture of the lifestyle you want to enjoy, create a clear picture that you can relate to and take ownership of.

It is easy to respond to negative things in life — deciding to leave a lousy job, or seeking to move abroad ‘because it’s got to be better than this,’ but these are responses **away** from a problem, to get you clear, from the source of discomfort. A clear target will pull you constantly in the right direction — **towards** your ideal goals.

By the way, revenge is very powerful but a bad focus. I’m not saying that it isn’t satisfying, but never set your goals based on revenge. I don’t say this from any religious or ethical viewpoint, just that it is a flawed target, based on a negative and not a positive. Just remember that living well is the best revenge. Same with envy — who cares what others have? It’s unlikely that they share exactly the same goals and aims — concentrate on what **you** want.

You are building up a picture that is so strong and so powerful that it is louder and brighter than all the other siren voices trying to lure you down different paths, away from your dream. It is a focal point to remind you of what is really important.

Set up a folder, book or computer file to save and store details of

CHART A CLEAR AND MEASURABLE PATH

what it is that would really make you feel happy and fulfilled. Add in pictures of your family, a dream house or car, holidays, whatever — create the most vivid and personal three dimensional picture of the lifestyle you are working towards.

Don't just say 'I want a million quid' — a pile of money is nothing but printed paper whilst it is not being used. Think of what you would buy with the money; where you would go on holiday, where would you like to live.

It may well not even be about money at all — perhaps you have always wanted to take a year off to travel the world, to find a way to retire early or else discover a way to give back through voluntary work.

It is YOUR Dream, No-One Else's

Does this work? Well, it did for me. The things that I really wanted in life have happened, and pretty much as they were imagined. The house is large enough to be comfortable but not so big as to be either a millstone requiring constant maintenance or a drain on our resources, and there is no mortgage.

I have exactly the cars I want, neither of which costs a fortune to either run or insure. I may be tempted again at some time in the future, but know that if I really want something, it will be possible to invest the time and effort to make it happen.

For me, it was all about living in a beautiful part of the country with minimal liabilities whilst making a comfortable living from different part time jobs, all of which are great fun. If my dreams had been bigger, so would all the toys and trappings have ended up being.

*The contented man can be happy with what appears to be useless.
He can find worthwhile occupation in forests and mountains.
He stays in a small cottage and associates with the simple.
He would not exchange his work clothes for the imperial robes,
Nor the load on his back for a four-horse carriage.*

*He leaves the jade in the mountains and the pearls in the sea.
Wherever he goes, whatever he does, he can be happy -
he knows when to stop.
He does not pick the brief-blossoming flower;
he does not travel the dangerous road.*

*To him, the ten thousand possessions are dust in the wind.
He sings as he travels among the green mountains.
Hung Ko*

Mind Games to Help Find The Ideal New Businesses For You

As a psychology student, I liked the concept of thought experiments quite a lot. They are a great way to investigate a theory or concept from the depths of a comfy chair, with no need to press gang unwilling participants, set up a physical experiment or sweep up stray bits of rat brains afterwards.

They allow us to test a theory or hypothesis by examining what *could* potentially happen under certain circumstances, when it is not possible to conduct an actual experiment.

Here are four questions I'd like you to have a go at now. Hopefully, they will help you understand where your passions are, and what your ideal business would be. For best results take some exercise first, and then settle down somewhere comfy and warm where you won't be disturbed.

1. If you won the lottery, what would you do?

Go on, indulge in a bit of wishful thinking. After you've got past the 'sack the boss, buy a big house and flash car and go on holiday a lot' stage, think what you would like to do with your life now. If you had no financial worries, and your time was your own, what would you love to do? Whatever it is, this is what you actually should be doing today. What you *truly* want to do, so long as it can benefit others (your customers), can automatically bring wealth to you.

2. The doctors say you may only have one year to live

I know, this is a bit brutal, but believe me, it does clarify the mind wonderfully. Although my own scare has long since passed, I still remember the boost it gave me to value each and every day, to think seriously about work and to get as stable as possible financially. I would not have believed how quickly we got the mortgage paid off, once that became a priority. Think on what you would still like to achieve in life, how you want to be remembered and what legacy you'll be leaving to your friends, loved ones and the world in general.

By the way, if you've not seen it yet, search the interweb for the

video clip of Randy Pausch giving a final lecture before his death at the age of 47. Moving stuff.

3. What would your perfect day be like?

This is a similar question to 1 above, but from a slightly different direction, and without the distraction of thinking about all the money. I was never really that fussed about all the flash toys and trappings of wealth — but gradually ended up with a day to day life exactly as I had imagined my ideal to be — able to wake up when I wanted, take a walk round the village first thing, then start and finish working when I felt like (apart from gigs, which I enjoy more than should be legal anyway).

4. What do you want to do when you retire?

Again, another approach to discover what you really want to do — and how it differs from your current life. When there is no difference between the two, you have your ideal work/ life balance. There should also be no clear 'end by' date when you expect to give up and retire. It is not an all or nothing choice, but infinitely variable. If you enjoy your work, why would you want to retire? If you are really looking forward to having more free time to do something else, why not find a way to do that now?

Hopefully you now have a clear idea of how you would like to spend each and every day, where you want to live, even details about your dream house / car / whatever. The clearer the better, because that is now what you will move towards.

Follow Your Passion

“When it comes to the requirements for pleasing an audience, all the knowledge and instruction and apparatus in the world is worth less than one ounce of soul.”

Ottawa Keyes

Long experience has taught me that the crux of my fortunes is whether I can radiate good will towards my audience. There is only one way to do it and that is to feel it. You can fool the eyes and minds of the audience, but you cannot fool their hearts.

Howard Thurston

These quotes are from magicians, but they are relevant for any performer — or indeed all of us in business (and actually every single person alive, even though they may not realise it).

It really is important to have passion in a subject before starting a business. It is quite possible to end up as an employee in a job you hate — I certainly have a few times, but who on earth would consider sentencing themselves to a daily grind of boredom or even misery? Seize the opportunity to spend every working day doing something you love. We are not on this planet for that long, so make every single second count.

Previously, I wrote about Bizz Opps, and how I'd searched through loads of different ones, reading through books and manuals and listening/watching the tapes, CDs, videos and DVDs — I even tried out a few of the more tempting ones. None of them really came to anything — I was able to avoid losing any large sums of money (we'll cover that later), but time and resources were wasted. Looking back, it is clear now that my efforts were pretty feeble and half-hearted. I was not following a passion so I didn't do the homework, put in enough graft or try hard enough to overcome problems as they arose. I suppose that I didn't really believe that I would succeed.

There are two areas where success *has* come however — providing live entertainment, and working with other small businesses, handling accounts, dealing with admin and advising on the day to day running, as required. Both are things that I have a passion for (sad, isn't it).

Don't chase the money.

Follow your passion. Blindly pursuing money will almost certainly result in failure. Your customers will know that your heart isn't in it, and frankly life is far too short not to spend as much of it as possible doing the things that you do enjoy. My two main businesses pretty much built themselves up at first — the satisfaction of doing things well led to happy customers who told others. More work led to more experience and confidence, then ideas for fresh opportunities.

Don't worry yet about making enough money, or even by what methods — the only way I've found to be a success is by following passion. But this enjoyment is just a spin off. What happens if you are passionate about what you do? The following true story shows what can happen...

How did one dealer blow the sale....when another managed to push our budget up by 133% extra?

As men of a certain age and their long suffering partners know, during middle age our genes kick in and one or more of the following three things may happen;

1. We start moaning a lot more.
2. We reach a cross over point, with more hair on our bums than our heads.
3. We want to buy a sports car.

I fell victim to number three in 2007.

This was to be our first vehicle chosen for fun rather than by how many amplifiers, stands, speakers and instruments we could shove in the back. It would also be my first sports car, first soft top and indeed first brand new car. So it was quite a big investment in both money and emotion, and I was looking forward to the whole experience being fun and enjoyable.

After looking at all the glossy magazines and browsing the internet a Mazda MX5 looked like the best option, and the local dealership was called to arrange a test drive. Yes, that would be possible, but not the model I wanted to see. I would also need to bring a driving licence and fill out all the relevant paperwork first. Already the experience was starting to sound like a trip to the Passport Office.

Come the big day, and the buying experience continued as it does so often. Although polite, it was obvious that the staff were just doing their jobs — they were there to process volume sales of a mass-produced car.

Gradually, my enthusiasm was chipped away. We left feeling a bit depressed — having arrived as hot customers, who could have so easily been converted into a sale. OK, so it wasn't the fault of the staff — management should lead from the front — but that was irrelevant. The result was a lost sale on the day, as well as potential future income (servicing, future sales and word of mouth publicity).

The Mazda was the sensible option, if there is such a thing with a sports car. My other choice, and the car I kept sneaking looks at in the glossy car mags was a Morgan — an older one could be bought for the same cost as a new MX5. Our next visit was to the local Morgan dealers, and the experience could not have been more different.

A lesson on how to treat customers by Brands Hatch Morgans

It was obvious from my very first 'phone call that all the staff were fanatically enthusiastic about their cars. The welcome on our first (and every subsequent) visit was warm, genuine and in no way artificial or forced. With no forms to fill in or documents to produce, we were quickly able to road test anything we wanted. Talk about a kid in a sweet shop! Nothing was too much trouble — 'can I try one with the side screens out / a hard top on' and so on. They even took the missus out for a run in a £65,000 top of the range V8 whilst I was pottering about in another car.

It was soon obvious that the older, narrower, cars were a bit too small for us, and a series of modern improvements made the current model the best choice. There was an opportunity to ethically jump the waiting list as they already had a build slot (the cars are individually constructed by hand) coming up for a vehicle for their own stock. We could choose any paint colour, and from huge range of interior colours.

One visit later we had signed up for a brand new, bespoke car costing £35,000...

So what happened? How on earth could our budget have gone up from £15 to £35 thousand — a 133% increase. The passion shown by all the staff was infectious, and our thinking moved from logical (cost) to emotional (enjoyment). It has been said in advertising that the job of our 'monkey' brain (the conscious part) is to justify what our 'reptile' brain (the much older, unconscious part) wants — in other words, work out what the customer really wants, deep in their heart, and help them find reasons why they should buy it.

And the car? The decision has not been regretted.

Who gets the gigs?

The same emotions come into play in my own companies. When putting together a band, who would I rather book? The person who may not perhaps be the strongest player, but who brings an irrepressible sense of fun and happiness, or the technically brilliant but grumpy old sod?

When asked if Ringo was the best drummer in the world, John Lennon replied that he "*wasn't even the best drummer in the Beatles!*"

Helping you through the 'harder' bits

"Opportunity is missed by most people because it is dressed

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in overalls and looks like work."

Thomas A. Edison

Follow your passion and you'll get more out of everything in life. It will also help you get through the parts of your job that are less enjoyable. Although most of your new business can and indeed should be great fun, there is other work to do as well as the good stuff. If you cannot afford to bring others on board at the start, it is all going to land on your desk. You will also become, at the very least, an unpaid tax collector and Health and Safety inspector. It will also mean mucking about with all those nasty figures and sums thingies.

A lot of the self help and Bizz Opps books, tapes and courses for sale tend to gloss over all these troublesome bits. It is much easier to build up and sell you a dream without all that cold water about. But if there is some magic way to make lots of money, or achieve something magnificent in life without any effort then I've never heard about or seen it.

If you are working towards a goal, or doing something in life you enjoy, then that is great fun. Having turned a niche hobby into a very enjoyable occupation I can tell you that work can be a real hoot, **but not all the time**. When playing a gig I'll have to haul all the sound system and instruments out to the car, drive to the venue, set it all up and later strike it back down at the end before driving home and then unload it all at about 2am in the morning (the equipment is not insured if left outside overnight). It's all part of the overall balance in life — and I'd rather move gear all day long than go back to being a Civil Servant.

Do the less pleasant parts of running a business (tax, V.A.T, P.A.Y.E. etc) ruin your enjoyment of the whole? Do they mean that you shouldn't start up? Absolutely not. Business can be the most fun you can have legally in the world today. The rewards of achievement, freedom and personal fulfilment far outweigh the few negatives.

Stick to something you enjoy, and it will help keep the 'nasty' bits to a minimum, balanced by the fun bits. Persevere in the early days, and look forward to being able to pay someone else to do the bits you don't enjoy at some time in the future.

For another example of passion in action (unless things have greatly changed), if you have a branch of Richer Sounds near you, go and visit them — followed by a visit to most other shop selling Hi Fi equipment, and contrast the experience.

Some shops, pubs and restaurants seem to be running a competition to see just how many signs they can put up telling you what you can't, or they won't do — no food, no children etc. Richer Sounds have always been exactly the opposite. There again, Julian Richer himself has always been very approachable when I've written to him and seems to have infused the whole company with his view of customer service.

What happens when you delight customers through your passion? They rave about you to others as I've just done. Twice.

"The biggest mistake people make in life is not making a living at doing what they most enjoy."

Malcolm S. Forbes

"We act as though comfort and luxury were the chief requirements of life, when all that we need to make us happy is something to be enthusiastic about."

Albert Einstein

Chapter 4

Find Your Niche

Whilst it is essential to follow your passion, on its own it is not enough to guarantee success. You may be the world's greatest living authority on a subject, but it takes two to tango. Unless you can share your passion with a sufficiently large number of potential clients (with ready money), then you still only have a hobby rather than a business.

It was a wonderful moment when a potential client first asked if I was 'the barn dance man.' Someone had described me to them as the man to go to if you want a barn dance and this was perfect — to be identified directly with a clearly defined niche.

You do need to choose an area that will require specialised knowledge and/or skills. Look for areas where there are potential markets that mesh with your abilities and skills, but which are very hard for others to leap straight into. Just needing a chunk of capital is not enough. We watched chocolate fountains come into fashion at weddings. As soon as it was proved that there was a viable market for these, lots of new companies started up and the market became saturated. We would see eager couples turn up with nice shiny new equipment but little experience, and just know that they would not be about the next year. The same thing is currently happening with hog roasts — definitely one of the favourite choices at the weddings we played at in 2008.

Back in the dim and distant past, before the days of digital cameras, I was having a quiet tongue in cheek moan to a friend who is a photographer. We were at a medieval themed wedding, and I was expressing the usual gripe of musicians that here we were, all dragged up in our fancy costumes and with a big pile of props and instruments, whilst he was earning three times as much as our whole group

‘just for taking a few snaps.’

Things change however, and a few years later we still have our very specialist niche pretty much all to ourselves, whilst the huge range of cheap digital equipment now available means that our friend must not only compete with a wave of new rivals, but also all the Uncle Stan relatives who fancy a go. Even worse — at a series of medieval Christmas banquets last year, a photographic company set up to take and sell pictures of victims in the stocks, only to find pretty much anyone who wanted a photo was simply using their mobile ‘phone to take one.

Look out for a niche that ties in with your passion, which requires skill and training rather than just straight capital and then become *the* person to go to for help and advice.

Too Big or Too Small?

Go for too limited an area and you will be restricted to running part-time, unless you have been skilled or fortunate enough to spot a future, or growing market. As you spread your net wider however, although you will reach many more potential customers, the greater the opposition, with more rivals also chasing the same clients.

But this is a good thing! If others are already running a successful business in this area, then at least you know the market is already there. All you have to do is benchmark the potential rivals — study them closely to see how they operate, then work out how you can offer a better service, and/or advertise and market more efficiently.

Please note that I avoid focusing on getting into a price war. Often, resorting to being the cheapest means that you cannot compete on any other level — and the only way from there is in a vicious and damaging downwards spiral for all those competing. Just use all the methods covered later on in this book to stop your opposition dead in the water.

If you have found the ideal niche but think that it is too small to support a full-time venture, don’t worry. Think about running it either as a paid hobby (after all, it is something you are passionate about!) or else look for another ‘micro business’ to run at the same time. This is a brilliant way to avoid putting all your eggs in one basket. At the time of writing I can neither drive nor work as a musician due to an accident, but my accounts and admin work brings in more than enough to cover all our day to day running costs, and can be

FIND YOUR NICHE

done entirely from home.

A part-time hobby may well become a full time opportunity in the future due to changes in fashion, taste, buying habits, social changes or whatever. If you are the expert in a specialised field, and already have a successful and established business up and running, just think how well you will be able to take advantage of any changes in your field if the potential market suddenly expands.

Chapter 5

Where Are You Now? Add in The Skills You'll Need

"Fame costs, and right here is where you start paying" — sorry, I slipped into old movie mode for a minute there! As I said, don't worry yet about the exact methods of making money — that comes later.

In the same way you carried out an audit of your financial position earlier, now take stock of your current skills, knowledge, and personal contacts. Often you will already have a strong knowledge to match your passion, even if it is only currently a hobby. Are there any qualifications / certificates you'll need, any training or special equipment?

Now please be honest about your current skills and abilities. Wanting to start a new business by just throwing money at problems will in no way compensate if you don't have the necessary knowledge and exactly the right equipment. Keen, hopeful musicians have come to me asking how to learn to play. Unfortunately, often I must advise them to start by selling the instruments they have bought, which are little more than toys which can never be played properly by anyone, no matter how good or experienced.

Once you have a clear idea of what you need to know, and your current abilities (and maybe inabilities), the difference between the two now reveals what you need to do — it also helps you plan your stage by stage road map, providing a series of steps along the way that can be measured to record your progress.

Are you willing to put in the effort required? Be honest with yourself now! If you secretly know in your heart of hearts that you won't follow things through then save yourself time, effort and money by not starting yet. Sorry, but I do want to be honest, and if at this point you are feeling pretty lukewarm towards the whole idea, then your

chances of success are slim.

Don't give up totally though. Make a note somewhere to remind yourself to think things through again in a month or so. You may find that, having mulled it all over for a while, you then have the necessary determination to make a go of things, or you may have realised that your true passion lies in a different direction. Always remember that things change, including your needs, aspirations and resources.

"The show ain't over until the fat lady sings."

anon

Getting to The Dream

Even Hollywood accepts that there will not always be a happy ending. Your aim should be to plan for success with every step, and to realise as soon as possible where, when and how things are going wrong. Outside influences — a change in the market, new government legislation etc. can kill your business outright, but with a clear plan and limited reliance on loans, your escape route should be built into your business plan.

Don't assume anything

The Paris-Dakar race is a gruelling 6,000 kilometre trek for cars, bikes and trucks. Treat it like a Sunday drive to the coast and your odds of success (and possibly survival) are poor. Prudent competitors plan a clear route, arrange proper back up and logistical support along the way and make sure that they have a suitable vehicle which is in perfect mechanical condition.

Simply adopting a 'hey gang, let's do the show right here...' attitude, as many do when starting their new business, will probably end in tears. As always, hope for the best but prepare for the worst.

Keeping with the motor analogy, you cannot make a car race ready by just by slinging in a whacking great engine. As well as adding all the necessary safety equipment — proper seat belts, a roll cage and external engine cut-out switch you must also upgrade the brakes and suspension so that all the elements of the car are in balance, with no weak links.

There is no point having the perfect product if you are unable to reach your target market, or sort out delivery. You may have the best chef and kitchen staff in the world, but if you don't have enough wait-

WHERE ARE YOU NOW? ADD IN THE SKILLS YOU'LL NEED

ing staff, or adequate parking and if your reception or bookings staff are rude, then it's game over I'm afraid.

And it's the same if your excellent staff are let down by broken, poor quality or inappropriate equipment. Customers may love the retro look in furniture or fashion design, they'll probably be less enthusiastic about vintage medical or dental equipment.

You and your plans

William James said:

"When two people meet, there are really six people present. There is each person as he sees himself, each person as the other person sees him, and each person as he really is."

It can be really helpful to get an outside view of both your abilities and your business plan. Entrepreneurs are often blessed with a gung ho 'can-do' positive attitude, but this can be a two-edged sword. I have been called into companies — usually far too late — that were set up with plenty of enthusiasm, but little or no detailed planning. Do please take the time to have at least one competent person — preferably with business experience — go over your plans before you start. You may think their advice is just cold water but do remember that cold water is the natural result when a lot of hot air gets on thin ice.

Doing the homework

*"The key to victory...the pursuit of all means,
however small, which might promote success."
Arthur Wellesley, Duke of Wellington*

*"Chance favours the prepared mind."
Louis Pasteur*

There is a principle that unites boy scouts and ruffy tufty American woodsmen (I assume that there are ruffy tufty American woodswomen as well, but am not sure if it is possible to tell the difference without a closer inspection that I, for one, would not be prepared to undertake). EDC they call it, short for Every Day Carry meaning the equipment you should always keep with you. Or in old fashioned scouting language, 'Be Prepared!'

A year or so back, working as a musician, I wanted a portable toolkit and mini-torch to carry to outside events; both had to be robust and reliable. In the trawl of the interweb to search for these, a lot of US survivalist web sites came up. Along with the stuff I was looking for (and a quite startling range of evil looking knives), there was also this quote:-

I have spent time in three military organizations in the past ten years, and the basic rule is that things will fail, break, come apart, explode, burn, sink, or get lost exactly when you need them. Survival is an instinct. Preparedness is a lifestyle.
Robert Humelbaugh

Take out all the macho stuff and the basic truth is still the same, namely that:-

1. Things go wrong.
2. They go wrong at precisely the worst time.
3. With careful planning, you can prevent, or limit, the fall out from a cock-up.

Sometimes we'll have gigs that seem to do everything they can to go wrong before they even start — and would do, if we let them.

I've spent minutes rooted to a spot, fishing in different boxes and pockets and dishing out bits of kit to the rest of the band — pliers, screw drivers, torches, fuses, adaptors, a mobile 'phone and a PDA (Portable Digital Organiser — electronic Filofax) to call musicians and give them better / different directions to a venue, and so on.

My work car is big enough to carry all the gear, and about as reliable as possible (Subaru). It is also a 4x4 with a tow rope always on board since we do get a few bookings in fields. Three times I've needed to 'un-stick' vehicles. At one very damp military re-enactors festival, the only things on wheels still moving in the mud at the end were the Subaru (with a full load on board) and a Ferret armoured car.

Please don't think this is bragging in any way, it's taken a long time — far too long — to realise that life is just far more pleasant if you avoid all the problems you can, and know how to fix the ones you can't prevent.

WHERE ARE YOU NOW? ADD IN THE SKILLS YOU'LL NEED

As they say in the army; P.P.P.P.P.

or

“Prior Planning Prevents Piss-Poor Performance.”

Picking up on a small details early on can save a lot of trouble and cost later — as well as that nasty prickly feeling at the back of your neck upon realising that you are in deep doo-doo's. When the Royal Navy changed to ordering their warships using metric rather than imperial dimensions, it would have been handy if this information had been passed on to those fitting out the vessel with all the necessary sundry odds and ends. Waiting until something has broken and needs fixing is not the best time to find out that your traditional imperial spanners will not fit your metric nuts and bolts. ‘God is in the details.’ True, but so is the devil.

Had I bothered to read the small print on the tinnies it would have been clear that the trays of lager I bought cheap at a market were alcohol free. And had I not been a total dingbat and in too much of a hurry, it would also have dawned on me that there was a bit of a ‘give away’ in the main text on the cans. They were printed in both English and Arabic!

R.T.F.M

Short for ‘Read The F(lipp)ing Manual!’ Mainly the failing of us men, who consider reading instruction books to be just as shameful as having to ask for directions and thus admit to the world our total and abject failure as hunter gatherers. But women can be equally as guilty — my wife wastes a couple of minutes every time she drives my Subaru by randomly jabbing away at buttons without any idea of what they are. Once all the doors and windows have been locked and disabled, the deadlocks set and the alarm wailing away nicely, the process is eventually reversed by trial and error. It really would be quicker to read the manual just the once.

Read, ask and listen

As well as reading as much of the truly decent business advice books as you can, (there are details of some of my favourites at the back) do try and ask the advice of those already up, running and successful, you will probably find them very approachable and helpful — I certainly have. If you want to make contact with someone you don't

know, and may even feel intimidated by, then use the principle of 'reciprocity.' This is our hard-wired need to repay a favour. Do something nice for a person, and they will feel obliged to do something good for you in return. Look for errors on their web site (surprisingly common) and advise them very politely about these. Pass on information that you think may be of interest — even send them a book you genuinely think may enjoy, or find useful. Respect their time, ask simple questions that don't need long replies, and thank them afterwards. And remember to 'pass the ladder back down' if you get a chance to later on, when you are a success...

If you have been impressed by the work of someone then say so, and explain why. False flattery will be easily detected, but by their very nature, those who have forged a successful career are often very willing to help those in who they detect the same spark of passion.

One line that can help in many situations is the simple phrase 'I need your help.' Ask if there is a day when you can turn up and wait until it is convenient for them to spare you ten or twenty minutes. Offer to buy an hour of their time. Even if they do make a charge, paying to learn the distilled secrets of their success, and learning how to avoid mistakes could be the best investment you could make. If they don't want payment then offer to run errands, clean their car — anything you can, just to show willing.

And if you do get the chance of a one-to-one remember to take some kind of recorder with you — even if it is only a simple Dictaphone. Ask as many points as you can at the time, and then go through the recording many times later on to extract every nugget of information. You'll be amazed at how much more you will pick up. This may not be relevant, but if you are talking to an expert in your field ask if you can use any of the recording in downloads, transcripts and so on. I'd especially suggest you look at ways you can offer relevant information that will be of interest to your clients for free on your website.

Here is an example of an email to me from someone presumably hoping to make it in the arts and looking for a performer. It is informative and polite, but not really worded to get a positive response. Reproduced as received — not my spelling or grammatical errors.

WHERE ARE YOU NOW? ADD IN THE SKILLS YOU'LL NEED

To: paul@barndance.co.uk
From: xxxxxxx
cc:
Subject: RADA directing project

Hi Paul,

I got your details from (xxxxxxxxxxx) who was going to fill in for my musician who is on holiday for the second presentation of my student RADA MA directing project at the Drill Hall on the 8th of August. He was happy to do it until he saw that he had to announce each episode and do a bit of talking and he felt uncomfortable with that. He suggested you may know of some people who may like to do it? Because it is my dissertation project it is unpaid but it is with RADA and will provide a performance in the professional theatre, The Drill Hall, and an experience to work with creative professionals.

We would have to meet once to go over the material and then a session of about 2/3 hrs to block through it with my actors and then I would need them the evening/night of the 8th for a tech run and performance. I would prefer a fellow but am flexible. I have attached a copy of the piece, it is about homelessness and Brechtian in style of presentation, to this email with the hopes that you may be able to help me. I have my first presentation on Monday the 21st July at RADA at 8pm.

Thank you very much for your time Paul and I look forward to hearing from you.

So they wanted an experienced and versatile actor/musician to travel to London at their own expense for two rehearsals and one performance, all of which would be unpaid. The 'reward' would be the chance to "*work with creative professionals.*" This did rather grate as it was us who were already making a living and being 'professional.' On leaving the cosy world of RADA, how many graduates will be called on to recite anything more challenging than "*Do you want fries with that?*"

A more effective approach would have been to start with a clearer ‘I need your help as an expert’ instead of just asking for someone to “fill in,” and then make at least some attempt to find benefits for us. How about free tickets to a show, especially if they could arrange accommodation for those of us living in the sticks? We’re talking ‘swapsies’ here folks, more about these later. Lastly, I would have turned it into an opportunity — ‘if you can help me with an entertainer, I would be pleased to offer my time with (insert skills here) as a thank-you.’ Perhaps I’m being big-headed, but I’m sure someone hoping for a career in arts would learn at least a few tips by working a few days for me. If nothing else, at least how musicians think and feel about remuneration!

And there is one important fact you really must know about asking for help. How do I know it is a fact? Because I have now experienced it from both sides. It is simply this — when I showed an interest in their work, and asked experienced business people intelligent and researched questions they were always extremely helpful and forthcoming. Others now ask me about areas where I have some specialist knowledge or experience, and I find myself doing exactly the same. Why? Because two people are talking about a passion they share. The person with more knowledge wants to pass this on, and the other to learn as much as they can.

Even when someone has considerably more musical talent than me (not hard), I have no problem helping them to develop as far as they can. Why feel jealous or threatened? So long as I do the best I can within my own abilities then that is enough. Hopefully they will do the same.

So how much can you learn in a short time?

As an ex jeweller and silversmith, I know that in ten minutes or so per subject it is possible to give a pretty good guide on what to look out for when buying a diamond ring, gold chain or bracelet, pearls, clock, watch or antique silverware. Unless you’ve worked in the trade, you may well not know how to watch out for someone who is ‘growing a diamond’ realise what a ‘harlequin’ set of cutlery is, know which metals to avoid or understand how to spot faked silver (or realise when what appears to be a fake is really absolutely genuine). Whatever you need to know, talk to the experts.

A friend in the clothing trade once took me up to London to buy a new leather coat. First, she inspected several shops in a trade area of

town before selecting the right one to deal with. I can still do the same evaluation with jewellers. When a rail of coats was brought for her inspection, she had one glance, gave the guy a hurt look and said "*I am in the trade, you know.*" He apologised, "*sorry my dear, no more rubbish,*" before bringing out another rail from the very back which did meet her approval, although the coats looked identical to me. It didn't matter that I had no idea about the quality being offered, my expert friend did.

Tip

Take every opportunity to talk to experts. Ask them what are most important things that we 'muggles' need to know about their trade, the most interesting stories from their experiences and the most unusual solutions to problems they have seen. Then please pass details on to me about the last section, for a later book! I've just bought a portable recorder so that there will be no excuse to miss the chance to have a spur of the moment impromptu interview with any passing specialist.

Measure twice, cut once

As the traditional builders' saying goes. Obviously, a final check before you finally start is a pretty good idea — draw up a checklist to make sure all the legal niceties have been covered, as well as the logistics on how you will find customers, deliver goods and/or services to them and follow up afterwards. Be quite sure that you have a clear plan, that you've taken any relevant professional advice needed. Make sure that you have a clear way to monitor your progress, and basic targets with which you match your performance.

When you are sure of what you want, then get stuck in and don't hold back — just make sure that you test any new idea on a small scale if at all possible first. You may be sure that the market is crying out for an edible flip-flop, but do please make sure that others agree, and will part with enough cash to make it a viable plan.

Remember, this is important.

Finally (and no apologies for repeating this), before you start, are you quite sure that this is the right way to go? Avoid starting something that you know, in your hear of hearts, you won't finish. Is this really what you want to be doing; where your passion lies? If not, just keep looking. The right path may well not be the easiest or most pleas-

ant option. Sorry, but this is real life rather than a soap or feel-good film. If you want to become a doctor then great. I wish you every success, but you had better be ready for a lot of hard studying.

If you are starting a business that you don't yet have direct experience in — maybe running a pub, or restaurant — my advice is that you should spend at least three months or so working for someone else first. Again, no apologies for the repetition, this is so important. The time spent will not only give you practical experience and a chance to find out if you would really enjoy all the aspects of being 'mine host' but the opportunity to see life from the other side, as a worker. You may end up bursting with even more passion to get started, or you may look back on the experience as a lucky escape.

Take the opportunity to learn about the common fiddles and scams used by staff, and so be much more able to protect your own business from these when you start up for yourself. Poachers make the best gamekeepers. Do you know about the difference between 'X' and 'Z' till totals, and what they can mean to your profits? I strongly suggest you find out for yourself, before ending up at the wrong end of a Revenue and Customs claim for lost V.A.T. or Corporation Tax.

Practice, practice, practice

"Amateur performers practice until they can get it right; professionals practice until they don't get it wrong." But that is just the start. With time, the physical skills become automatic, leaving you to move to a much higher and instinctive plane.

You never know when the chance of a big break will come along. If your business relies on a personal skill, make sure that you are fully up to speed when you start properly. For example, there is a local club for magicians with both amateur and heavyweight members. It is an ideal way to develop and hone skills, drawing on the expertise of experienced performers, before trying out illusions in front of a paying audience.

Chapter 6

Adding The Business Bit

If you want to go into business making bespoke clothing, what will your job be?

This is a bit of a trick question. If you said ‘fashion designer’, ‘tailor’ or something along those lines, I must disagree with you. The clue was in the word ‘business.’ You will be a business man, woman or person (your choice of suffix) first.

Whatever else you have to learn, please don’t forget that in order to run a successful venture you’ll need to have a basic, day to day working knowledge of tax, book keeping, V.A.T., insurance, your legal and professional responsibilities and so on. That is what makes you a business man or woman. But don’t panic. We’ll cover these along the way.

“Whatever your type of trade, service, or profession, never... ever... work ‘in’ it... You work ‘on’ it.”

Paul Gorman

When you work for others as an employee, there are clearly defined areas for you to worry about. There may even be a handy job description, or even a staff manual that lays everything out clearly for you. At the very least, you should have a supervisor, line manager or other senior person you can go to for advice or clarification.

Start your own company, and the position is somewhat different — everything will be down to you. Even if you are able to take on good staff right at the very beginning, the ultimate responsibility to have a clear overview and ensure that the whole company runs smoothly (and legally) lies on your shoulders. As a book keeper, I’ve

worked for those who have concentrated on the areas that interested them but blatantly ignored the bits they didn't like or enjoy.

Please remember, you should delegate, but never abdicate. You don't have to do everything yourself, and probably won't have time to anyway, but it will be **your** job to make sure that everything gets done when it should. It makes sense to bring in others as soon as you can to cover the general work so you are free to market and innovate but please don't lose touch of the overview. You can't lead from the front if you don't know where the front is.

I sincerely hope that this book will become a complete business instruction manual for you. When building anything complicated — from a self-build house to a kit car — you would need to follow closely every single sentence in the manual or directions. The consequences of missing out a vital stage could be very expensive (if not fatal).

Please think of this book as that instruction manual for your new business — don't miss out a sentence. If there is anything you think I've missed, please let me know and I'll consider it for inclusion in future editions (and send you a revised copy with my compliments!).

Ethics And Working Practices

The only way I know to run a long-term and profitable company is to work to the highest possible standard of ethics. Respect, even revere, the customers, staff and suppliers you choose to work with. Provide outstanding service and aim to be the perfect supplier, perfect customer for your suppliers and perfect colleague, friend and employer to your staff.

Establish an impeccable reputation, and then the work will come in through repeat sales, referrals and recommendations. Always aim to 'Over Deliver' on quality and service. Raving fans are the best form of advertising, as well as the cheapest.

Apart from the moral position, it is also so much easier to run a company that is totally above board. I've worked in organisations with an ingrained culture of lying, and blame-passing. It was all very depressing and wearing. If something goes wrong, explain it fully to the customer, and offer solutions to the problem. Don't start off with a hunt for loop holes and excuses.

Build up good will by helping staff, suppliers and customers when they have problems, and they will return the favour when you are in trouble. When one band let me down badly with a run of bookings at

the height of the summer, I even had other musicians offering to cancel holidays in order to help me get through the sticky patch. Once again, reciprocity in action.

I now deeply cherish the relationships we've developed over the years, built on mutual trust and respect — and it is a large part of why our groups work so well together. It would have been possible for me to have been meaner on the fees paid out, and less flexible on contract terms when performers had the opportunity for once in a lifetime bookings on dates they had already agreed to do for me, but an inflexible or short term approach would have generated matching responses in future years from those I had short changed or obstructed.

Set up a culture of being a hard nosed and 'tight' person to deal with, and that same attitude will be mirrored back to you. Aim to be genuinely helpful, friendly and accommodating and exactly the same is true. Paul Gorman calls it 'invisible leverage.' Forget the Harvard MBA scientific and mechanical approach to business and instead rely on being honest, friendly, helpful and polite. You'll be amazed at how everyone — customers, staff and suppliers will respond to you. And it really is a much more pleasant way to spend your time as well.

Find, and follow your own code

Gosh how old-fashioned is that?! Well, I was once called a 'retro-bate!'

In the jewellers I worked at, customer service was covered by sticking up a poster with a picture of a lion and the slogan "*The customer is King.*" This was followed by a mental dusting of hands and the thought 'well, that's that covered then' before the level of service returned back to normal (abysmal).

Work out a code of practice that you are comfortable with, and will follow. Set yourself the highest possible standards to live up to. Avoid those just out for a quick buck at the expense of everyone else, and don't be dragged down to their level. Start with the little things and work up. If you have had a good experience working, or dealing with someone then send them a simple 'thank you' letter. Always observe the simple, common courtesies.

Here is a suggestion;

All clients and other business partners have the absolute right at all times to receive (as appropriate)

Products that work as described

Respect and courtesy

Our full attention

Our constant and continual best endeavors

If you feel unable to commit to offering any of the above, it would probably be worth working out why that is...

My friend Malcolm was running the sound and lighting for a corporate event, working from a small cabin in the middle of the floor. He shared this with the young lady engaged to emerge at various times and waft placards and signs at the audience. Unfortunately, she was taken short. There were no handy discreet exits or facilities in the cabin. Malcolm suggested she improvised with a metal waste-paper bin but that led to another problem — the resulting sound carried round the room to the great amusement of the delegates. She was mortified, and absolutely refused to go outside again, until Malcolm took the hit for the team and poked out his head to apologise, saying that it had been him responsible. Now *that* is the action of a gentleman.

You can be creative whilst still being truthful

There will be times, especially when you start, when it is necessary to be selective with both your language and presentation. Geoff Burch (see books at end), would park his ratty car safely out of sight before an appointment. If the client saw his Jaguar key fob, and drew the wrong conclusion, that was hardly his fault. I used to own up to driving an Italian two-seater. When pressed, I would reveal that it was a Fiorino. Sounds sexy and Italian, and not everyone would know that it was a dinky little Fiat van.

I still use the same techniques today. Depending on who is asking, and the response (or deal) I'm after, I can describe myself as anything from a student, musician, band leader, author, book keeper, consultant or companies director. I think about how to dress (even which watch to wear) and which car to take when visiting clients. Like Geoff, I'll park it out of sight if I think it will send off the wrong signals. Although if I do take the Morgan, the first half hour or so is usually spent giving joy rides!

Base your business on giving rather than taking

Rather than being the keeper of secrets which are only disclosed to the worthy paying few, aim to pass on as much information and as

many hints and tips as you possibly can to potential clients. Doing this will establish your credentials as an expert. Depending on your product or services, ideally you will make or save potential clients enough money from the 'freebies' for them to come to you as paying customers.

What level of service should you offer?

When arranging a big package of entertainment for a wedding, I wanted a way to describe how it would include everything it should without going over the top. In the end, I came up with the description 'I'll plan it as if it was my own sister's wedding' – in other words pull out all the stops and put in some pretty impressive acts, without including anything just for the sake of it to bump up the fees.

In the same way, please avoid either just going through the motions, or straining to push sales beyond what is needed/required. If someone is trusting your experience in planning their budget, don't betray that trust. Always give the same level of service as you would to your best friend.

Have a Business Plan

A well thought out business plan is essential. I was convinced that my first business (Harlequin Castings Ltd) was such a fantastic idea, no plan was necessary, and that the only thing needed was a shovel to shift all the money we would make. What a prat! Without any kind of clear planning, the only thing that saved me from absolute disaster was that, with a background in book keeping I was able to quickly see that things were not working out. A clear plan would have highlighted the problems well in advance.

A business plan sets out what you intend to do, how you will do it and how you plan to grow your business. Writing these down will help you in five ways;

1. Potential problems and bottlenecks can be spotted and addressed in advance.

2. You will have set, quantifiable targets identified that can be used to measure your progress. Are you on target week by week?

3. It will help you stay focused on your key targets, making it

harder to wander off course along the way.

4. It will help you borrow any funds required — lenders will probably want to know how secure their money is, and what you want to spend it on.

5. You can ask trusted advisers for their comments and suggestions.

There is not space here to go into details, and no need either. A quick Google will bring up free business plans for you to use — ranging from those provided by people trying to help you (Business Link), and those offering ‘ground bait’ who are after your business (the banks). I’d recommend starting by seeing if you can find what you want at Business Link — and this should be one of your saved ‘favourite’ web sites anyway.

Build in contingency funds and time

Just like carrying out home building works, things will probably take longer, and cost more than you think (or you are first quoted for). As we’ll cover later, wherever possible always carry out small scale test runs first so that you know exactly the time, materials and resources required. Always test equipment and machinery first so there are no nasty surprises when you start in earnest.

Time — Wring Out Every Minute of Every Day

Keep working time sacred

If you work from home, make sure that friends don’t keep dropping round for a chat, and that your family know when you don’t want to be disturbed and respect your working time. Those who have never worked for themselves don’t always appreciate that you can actually be both at home, and working at the same time. I only frightened off one continual visitor when, in desperation, one really hot summer’s day I ‘forgot’ to put my trousers back on and answered the door in my boxers. Hardly a pretty sight, but effective.

Plan every day

End each day by writing a list of what needs to be done during the next — you have a clear idea at that point of what is important,

and you'll be able to get off to a flying start the next day. Try and limit the list to no more than six points. Have too many and you will end the day feeling depressed if it appears that little progress has been made because of all those still remaining unfinished. Number the points in order of importance, and try to get the nasty jobs at the top of the list, and the fun ones at the bottom. Work through the list strictly in order.

Sort by priority

There is a medical procedure used in warfare and major accidents called 'triage' which is used to make the most of limited resources. Patients are assessed by three criteria. Those categorised as being in the two extreme groups — who will live or die regardless of whether they are treated or not, are ignored. The limited care and facilities available are only used to treat the patients in the middle group who will benefit from them. Resources are not wasted on patients where it will not alter the chances of their survival, but concentrated on those who need it in order to survive. Be honest, don't waste time on tasks that are already in the bag or else dead ducks.

Use time efficiently

Don't gold plate tasks — take enough time to do the job properly, but only up to the level it requires. For instance, a sales letter, web page or email to customers requires much more time and respect than a general admin letter. I'll happily write a quick reply on the bottom of a letter from a supplier, take a copy and send it straight back out again so long as that gets the job done quickly and efficiently.

Aim to look at each piece of paper or email only once. Respond to, file, forward or dump it at that time if at all possible. **This will save you hours and hours of every week of every year.** Time that can then be invested in the way in innovation and marketing — the things that actually bring results, and therefore income.

Make your time count — stick to the things that only you can do, or where you will have the most impact. Pay others to do jobs where possible, especially if they'll do it better. The wage you'll pay out is much lower than the money you'll earn by developing, innovating and marketing. Don't prostitute your time or skills.

When possible, rely on the answer phone to screen calls and set up your computer to avoid tell-tale pings announcing new email messages. Concentrate on the job in hand.

Make an investment of time now to gain in the future

How much do you really want to achieve your dream? Is it worth cutting back a bit on social events and the TV for a bit? Take the time to audit your social life — are there any clubs or societies that you no longer really enjoy? You may find that the chance to shake things up a bit with a break from some activities will let you view them more objectively. If, for example, you are heavily into sailing, would you gain more benefit by concentrating more on your business for a few years and then returning with the money to buy the yacht of your dreams? It would provide pretty good motivation. Of course, I'd recommend that you look at ways to make a living from sailing in the first place.

Money — Where to Get it, How to Make it go Further, How to Not Waste it

Some of my musicians have well paid day jobs that meet all financial obligations. Not only do they enjoy every gig, but all the money they earn can be used to indulge every whim they ever had for particular instruments or equipment. Some end up with rooms or garages / sheds that look like small, but very well stocked music shops.

However for others, the music is the day job. Unfortunately, they often fall into the trap of spending on *wants* and not *needs*. The musician and writer Dec Cluskey urges that we should 'be in music to make money, not spend it' and this is true of any business. I don't mean that you should concentrate just on making money — it is important to have fun along the way as well. But your focus should be on finding exciting and varied ways of making money — not spending it.

You are, of course, by now experienced in saving money, getting the best deal and generally knowing how to fine tune your finances courtesy of Martins Money (if you are dipping into this book, and have been there yet, please do go to moneysavingexpert.com as soon as possible). Hopefully you have also built up some savings, and if you do have to borrow any money, you have accrued enough of a deposit to convince any lender that you are serious.

Also, before you rush out and buy loads of new furniture and equipment, do please work out what you really need. Don't buy to create an image, unless that is an essential part of your profile, but do

take care. Turn up in too flash a car, and a potential client may well not be impressed. In my Civil Engineering days, turning up in a better car than the site manager would lead to a lot of sulking, sarcastic comments about our prices and zero co-operation.

Often, when starting work for a new business client I'll find a stack of boxes full of letterheads and stationery, tucked away simply because the logo or other details have changed. With the current quality of desk top printing applications, as well as cheap laser printers, please avoid the temptation to splash out on fancy artwork and printing in the early stages — it could be out of date very quickly.

I used to print my contracts and confirmations onto letterhead paper. Now the logo and company details are loaded into the spreadsheet I use for bookings, and get printed straight onto plain paper along with the rest of the information. Look at the options for renting, leasing, or even borrowing gear until you are fully established. Rather than buy an expensive specialised bit of kit could you sub-out that part of the job?

At a brand new civil engineering company, we needed to start on a shoestring. Instead of signing up for a brand new photocopier, I approached a hire company and took a smallish three year old copier from them for free, in exchange for signing up with them for the maintenance agreement (with a one month's notice for cancellation). The machine had already paid for itself and was just sitting in their warehouse, so they picked up a new customer, cleared a bit of space and set themselves up for a potential deal for a new machine in the future. We saved a fortune, and avoided a long-term commitment.

Don't let the tail wag the dog!

You should pay out only what your company can afford; not what you need to support your private lifestyle. Remember the old fairy tale about killing the golden goose? I've seen successful and viable companies bled dry, with the owners drawing out more money than the companies could stand. Income can be sporadic, so plan your personal financial affairs to cope with this. Ensure that you can get by on the bare minimum if necessary.

As soon as you can, put aside some reserves — both company and private — for the probable rainy days yet to come. Once you are happy that your financial position is fully secure, *then* you can start reaping the rewards. Just do so by paying for things outright, and avoiding long term loans that would leave you exposed in the future.

Using your own money

I want to get this point across to as many people as possible. Starting with a pot of money, be it a pension or redundancy lump sum, windfall win or inheritance is no guarantee of success. In fact, it probably makes failure more likely.

Financing a new business by throwing money at it based on nothing more than your personal faith is a *very* risky affair. If you are lucky enough to have ready cash, then please, please, do make sure you do all of your homework thoroughly first. Then take your business plan to several bank managers. If they throw up their hands in horror, ask them why and re-evaluate your plans accordingly. Think very carefully before committing your own capital or savings.

Loans

The usual first choice for a new business where personal funds are not available, but a few words of caution... Do check the APR rate and find out who is offering the cheapest deal.

You'll probably be asked to give a personal guarantee on a company loan. Be fully aware of the implications before signing. Would it be cheaper to take out a personal loan, or use an overdraft facility? But one word of caution — just like with credit cards, the temptation is to use credit just because it is there! Don't!!

If at all possible, look at the last three options I suggest instead.

Dragons and Angels

Business Angels are experienced investors who will lend money in return for a share of your company. Look for those with real and practical skills and trade contacts, so that they are bringing more than just money to the party. You may baulk at the idea of giving away a chunk of your baby but it could be the only way that things will take off for you.

Dragons are the same, but with the potential of either extreme public humiliation, or a lot of free TV advertising, depending on how good your idea is! As with Angels you will probably end up owning a smaller slice of a much bigger cake. I'd personally jump at the chance. Remember, in both cases, it's not so much the money you will benefit from but the expertise and experience that the experts bring to the deal.

Credit factoring

This allows you to borrow money against your sales invoices once they have been 'raised' and sent out. From experience, I've seen three problems with this, any of which on its own would be enough to dissuade me from using it personally. Add them together and (for me anyway,) the idea really stinks.

1. It is very expensive — all those different fees, charges, insurance and interest really add up.

2. It is a right pain to keep track of the exact current position. I've dealt with three different factoring companies — all were fiendishly complicated, just in different ways.

3. You lose control over a large part of your customer service. Outstanding sums are chased directly by the factoring company, often in a very heavy-handed way. There are some very effective ways to deal with customers who are a bit late in paying bills, and times when a bit of tact and diplomacy are required if their cash flow is a bit tight. A one size fits all regime of snotty, impersonal or even threatening letters does little to nurture warm trading relationships!

Make the company fund itself

Rather than starting with a huge budget, start small and build up through natural growth.

1. Buy a smaller amount of stock, use the profits to buy more next time, and keep building up.

2. Get stock on 'sale or return' — you don't have to pay until the product is sold (but remember to pay promptly).

3. Sell on commission — have the product sent directly from the wholesaler or manufacturer.

4. Get all of the money, or a significant payment, up front first before paying for and sending a product — mail order usually works this way.

'Swapsies'

Time for a bit of lateral thinking.

As a musician, a lot of wedding fairs make contact trying to sell me a stand at their events. My styles of music are a bit too specialised to guarantee good results, so instead I suggest that we attend, playing live music, and don't charge them for this. Not everyone takes me up on this, but some do.

At one of these events we met a couple who wanted a full day's entertainment of exactly what we do, but couldn't afford the cost. Looking for a solution, I asked what their jobs were. 'Well' the groom to be said, 'I'm a web designer...' It didn't take a genius to sort out a bit of a compromise. We gave them a cracking jazz session on the Friday night, and a full 'all singing, all dancing' show on the Saturday. He created the www.barndance.co.uk web site.

A client and friend is responsible for hiring out an absolutely stunning holiday property — a converted stone boathouse on the edge of a lake. As I had just set up a series of Google Ad Words campaigns for myself and others, I suggested that he would probably benefit from one as well, with my compliments. Of course, I would need to stay there myself for a few nights, obviously free of charge, just to get the feel of the place. It would be better if some guests could come with me and pass on their comments...

Swapsies also extends to asking friends for favours (so long as you are prepared to respond in kind when you can). We decided not to spend a fortune on our wedding, choosing instead to save the money for the deposit on a house. One friend made the cake and another brewed the beer. The village hall was arranged by our landlord and a friend with a Norton 500cc single motorcycle complete with a coffin bolted onto a sidecar chassis provided the transport. Shame he forgot the chainsaw we had wanted to cut the cake. The catering was pretty much at cost courtesy of another friend and as well as two fire-eaters, we had enough musicians to form a huge wall-to-wall scratch band. Our friend and professional photographer Pete took the snaps. All in all, the whole day cost about £500 and was a lot more fun than weddings we've since worked at costing fifty times as much.

Things will probably be tight financially when you start. By using skill swaps you will not only cut down on your expenses, but also be able to display your abilities and services to a wider audience of potential clients. My first ever non-folk booking was for the Harrietsham Women's Institute and the fee was paid in part cash, part pick-

led onions. And very tasty they were, too!

Buy good stuff cheaply

Working as a jeweller, I learnt that the best items always retained their value more than the poorer ones. A classic top-quality diamond solitaire would always be welcomed back by us, because we would be able to easily sell it again. But the moment we had to rely on a cheap price to sell an ugly modern design, or a poor quality stone, I knew that we would only be tempted to buy it back for a very low price indeed — if at all.

Nowadays I always look for top quality items, be they instruments, office equipment or for private use, but try to find them for sale second hand. Having taken the first hit in price, these tend to retain much more of their value in case you need to sell them later on. Just look at all the second hand catering equipment available, and check out the prices against brand new. Restaurants and pubs are notoriously liable to failure, so there will be a lot of new kit out there at bargain prices.

Buy a modern desk, and it immediately drops in value. Pay the same for a top quality second-hand one from the days when they actually used wood rather than what appears to be cat litter stuck together with glue, and it could even prove to be a bit of an investment. For me, anyway, it would certainly be far more pleasant to use each day. I've been amazed to find how much more enjoyable life can be if you bring quality into the equation when buying, rather than sticking to price alone. Getting decent kit second hand rather than paying the same for brand new rubbish brings joy to my heart.

As a musician, I know that it is a false economy to buy a cheap instrument. I'm not talking about the level of decoration, but the quality of materials and the skill used in construction. Any defects in these will affect the tone, durability and/or speed of playing. And I need all the help I can get.

Spending money can save you money if it saves you time

In the past, I've been particularly guilty of delaying buying equipment & software, even if it was needed to make the most of my time. Here are three examples of things I should have bought much sooner than I did.

Royal Mail Smart Stamp – This cunning bit of software allows you to

print your own postage barcode, complete with logo, slogan and repeat address as required. Normal adhesive stamps are still needed for mail shots and return envelopes, and there is an annual fee (currently £50 a year), but it is quicker and looks a lot more professional than mucking about with odd stamps or going to the Post Office. It especially works well with this next bit of kit...

Dymo Label Writer – Again, being a cheapskate, I avoided putting off buying one of these for ages. Big mistake. It just sits on the desk and offers a quick and easy way to print labels for postage, addresses, files, folders whatever – depending on your trade, you can even make your own replacements for business cards – all your details ready to be stuck in a book, or on a piece of equipment so they are ready to hand in case of need.

LightScribe – CD and DVD burners use a laser. If you buy disks treated with a special ink, you can use this software (and a compatible burner) to create your own etched CD artwork – just flip the disk over when the contents have been burned to do the other side. The disks are a bit more expensive to buy, but look so much better than using sticky labels and felt tip pens, and there is far less hassle – especially for one-offs and short runs. I can even print individual music demos with the prospect's name on each – how posy is that?!

Chapter 7

Administration And Accounts

Several years ago, I approached one of the larger publishers of Bizz Opps products. My idea was to put together a complete guide to the accounting nuts and bolts - the necessary mechanics for running the business side, that he could sell as an add-on to his products. He told me not to bother — not because it was not needed, it sorely is, but because *“the book-keeping stuff, although worthy, is just not ‘sexy’ enough to sell. I’ve come unstuck a few times trying to sell manuals on excellent business ideas which are just too boring.”*

Actually, having now taught the skills for several years, I’m pretty sure that it is not easy at all to do this with just a book. Just like when you are learning to drive a car, there needs to be an instructor handy. Someone needs to oversee the early stages, and be readily available to answer any questions. I learnt the hard way, by taking a position as a book keeper before I actually knew how to do the job, and then just copying what had gone on the month before. When computers came along, I would set up a dummy company on each new software system then use it to replicate the normal flow of cheques, invoices and bank statements. Finally, I would try and create all sorts of errors and problems, and then work out how to solve them. When I had learnt fully how everything worked, this dummy company could be deleted and a fresh working one set up.

I’ve had a stab at giving you the basics in this section. If any of it does not make sense at the end don’t give up, but just keep plugging away. Admin, which most business owners I’ve met don’t enjoy doing, is actually an exiting, fundamental part of steering your company to success. It shows you clearly how it is performing. You can be the proud parent, right from the early days of the first sale. After all, it is

no one else's child but yours.

Whilst it is indeed acceptable for you to delegate some tasks (and it will become essential later), you cannot abdicate. It will still be your ultimate responsibility to sign off accounts, and oversee the health of your company. It will not be possible to do this unless you understand at least a few of the basics, so learning how everything works at the beginning always pays good dividends later on.

Please, please believe me on this point; I've been working in banking, retail and accounts / admin now for over thirty years. I have seen, time and time again, examples of clients wasting huge sums of money by not understanding the basic working practices, rules and regulations. Follow the tips here, and it will make the difference between success or failure; between having a new car each year if you want or being forced to keep running an old banger.

Of course you can take the option to not bother about all the 'fiddly little details' whilst you concentrate on the 'proper job.' Just make sure you have a **very** good book keeper following closely behind to pick up all the pieces, and remember to treat them **very** well indeed. You'll be totally and absolutely stuffed if they decide to leave.

In fact, if you are not currently employed and not sure which direction to go in at present, you could do worse than taking a full course on book keeping, then become a temp and work for as many different companies as possible. It's like being paid to take a degree in business skills. A friend says that you will never starve as a musician, because you can always at least play in exchange for a meal. Possibly true, but as a book keeper you won't find yourself competing with others who do it as a paid hobby because they enjoy it so much.

I know many hate the idea of this stuff, but just remember that it is all about **your** money. Follow a few simple guidelines and you'll have more money for all the things you really want. As I said, it could well mean the difference between success or failure.

Basic Accounts

You may think that with a background in banking, admin and accounts I'd be pouring over Profit and Loss statements and such like all the time, but this is not so. My business model would give any high-powered MBA consultant a severe attack of the screaming ab-dabs. Ok, so I do give spreadsheets a pretty fair hammering as they are so useful, and my accounts are all kept accurate and bang up to date.

But everything is kept as simple as possible though — no loans, suppliers and tax liabilities paid on time and a comfy working reserve of capital. There is no point concentrating on earning pennies in interest whilst losing pounds from lost sales — my focus is directed on the important things.

There is no big secret with accounts; it is as simple as building a house. Get the foundations right and the house stays up. The better the footings the higher you can build. When you build a doorframe by going up, across and back down again with pieces of timber, you expect the last piece to join at the end of the first, rather than just wagging about without connecting to anything.

Take the time to record everything properly when the transactions take place. It will take a lot more time, with more chance of error if you have to try to piece things together later on. Do it at once, before you forget.

I once had to sort out a six year backlog of accounts — the cost for my time to put it right (let alone all the fines and penalties incurred) was huge. The problem was caused because the owner of the practice had abdicated responsibility for the ‘bean counting.’ As a very highly trained professional, it was not his responsibility to be bothered with all the ‘petty number crunching.’ Wrong! It was his company, so who else was responsible? Apart from the cost, there was also all the resulting wasted time and the hassle.

What is all this ‘double-entry’ stuff anyway?

*“For every action, there is an equal and opposite reaction.”
Newton’s Third Law of Motion*

Double entry is the foundation of accounting. Every financial transaction has an equal and opposite one somewhere else. When you sell goods, your stock level goes down, but you are now owed the money by your client so your ‘accounts receivable’ figure goes up as well. When their money comes in, the ‘accounts receivable’ sum (an asset) now drops by this sum, but your bank balance goes up instead. You now buy new goods, so your stock level goes up but your ‘accounts payable’ liability also increases by the amount of the supplier’s invoice. When you pay off the invoice, this debt is cleared but your available bank balance falls by the sum of the cheque. You’ll need to understand these basics before delving deeper into the ‘black arts’

of finance and accounting, but I hope this bit at least now makes sense!

To explain how this works at a more complex level, and to show how important it is to get all the details right, I usually use the example of payroll and wages. Many business newbies list the total of the net (after tax) wages paid to staff as ‘wages’ and the total tax paid out as ‘tax’ and leave it at that, but this not the whole picture.

Firstly, there can be problems with tax credits, wages paid on account, deductions and so on. To make sure that any differences stand out, it is much easier to set up ‘control accounts’ (like individual bank accounts) for both ‘Wages’ and ‘PAYE /NIC.’ Also, as we’ll see later, as well as the NIC (National Insurance Contribution) you must deduct from the ‘gross’ wages due, there is an additional sum to pay as well for the privilege of being an employer — another cost that needs to be recorded. You must also separate the details for both employees and directors.

Your wages ‘journal’ (a breakdown of debit and credit sums to enter in your accounts) will look like this. The figures are not representative, but just there for illustration.

	<u>Debit</u>	<u>Credit</u>
Staff Wages	10,500.00	
Directors’ Wages	2,600.00	
Employer’s NIC — Staff	850.00	
Employer’s NIC — Dir	530.00	
Wages Control		9,300.00
PAYE / NIC Control		5,180.00

The payments for both wages and tax will then be debited to their individual control accounts. If everything has gone through properly, the payments will cancel out the original sums to leave zero balances. If not, you’ll need to find the difference.

I’ve not given this example in an attempt to confuse you, but just to show the intricate nature of double-entry accounts. **And if it stops one person deciding that it will be ok to just dump all the book keeping onto an unwilling partner who doesn’t understand it either, then that will be a result as well!**

What about running two sets of books?

Always declare all your income, no matter how tempting you may think it is to ‘trouser’ some straight into the back pocket. Even if the moral argument is not enough, there is the risk of extreme penalties if

you are caught. It can be hard enough to keep everything on track being totally legit. I've never tried running two sets of accounts (one for yourself, and one for everyone else) nor would consider doing so, but I imagine the effort involved to make everything mesh perfectly would be fantastic. Use this effort instead on all the legitimate activities that will benefit your company far more anyway. You won't always be looking over your shoulder as well.

I'm convinced that all the government inspections on tax and V.A.T. I've been through have gone so well because there was nothing to hide. I could be completely open and honest — inviting them to look at anything they wanted. Had there been any sticky areas, I'm sure my body language would have betrayed me. A friend and fellow musician was formerly a tax inspector, and gave me some very useful insights into how they worked.

One of their methods is to trawl through small ads and news items looking for names. If they can see you have earned anything (no matter how small) without declaring it, then you are busted. There can be an automatic penalty, followed by their assessment on unpaid taxes. When I started as a 'hobby' musician, I sent a letter to the local tax office advising them that I was earning money, but not yet making a profit. I later earned a (very) small fee appearing at a local folk club without repercussions, but another act who had not advised their tax office were caught out and hammered. One of them even had his self-employed income re-assessed, *"If you are lying about the music, you are probably lying about that as well."*

My friend also told me that whilst they often tolerated a bit of mildly enthusiastic claiming of expenses, *"if you are taking the piss don't be surprised if a double-decker bus load of inspectors turns up on your front door early one morning!"* Nowadays computers are used to profile and compare different traders in the same industry. If the norm for your industry is to spend 50% on materials, but you are claiming 80%, your name may well ping up for a friendly visit from the heavies at Her Majesty's Revenue and Customs.

How to keep your book keeper happy.

Ok, so this section is bound to be a bit of a moan about the things that clients do which wind up book keepers. But as we'll see later, learning to see things from the perspective of others is an incredibly powerful and effective skill — for both business and social life.

Book keepers are in general shy, retiring, tidy and precise creatures who like simple lives of tranquillity created through order, structure, and accuracy. This will be a good thing — when (if) you ‘enjoy’ the experience of a tax or V.A.T. inspection. Things will swing along swimmingly if all your records are complete, and in good order. I’ve been through quite a few inspections now, and always treat it as a challenge. Rather like a cheesy stage magician, I challenge them to inspect the accounts and then “*pick an invoice, any invoice,*” before producing the original with a flourish.

Make life considerably easier for your tame bean counter by taking a little time to sort things right from the start. For example, it may be marginally easier for you to carry sugar and salt back home in one bag instead of two, but you can imagine the hassle to sort them out afterwards. Keep all debit/credit card slips separately for each card. Yes, you’re the boss, so of course you can mix them all up together if you want to — and throw in a few receipts for your partner’s underwear as well, on a private card for good measure (I’ve seen it happen!). At the end of the day though, it will be *your* money wasted in sorting the mess out. Also, if there is no valid receipt available, it will not be possible to claim back the V.A.T., or perhaps even the net cost, so you’ll end up paying more tax. Your accountants will be happier as well, so audit fees can be kept to a minimum.

I was once working at a new client’s during a visit from a pack of V.A.T. inspectors. When asked to produce last year’s records, he explained “*ah, everything was in the back of the Escort van that was nicked and burnt out.*” There was a period of stunned silence when we all looked at him, and the scent of disbelief hung heavy in the air. The inspectors then politely but firmly insisted that it was therefore his obligation to obtain copies of every single bank and card statement, invoice, all sales and purchase invoices and each petty cash receipt. I politely but firmly gave notice that it would not be possible for me to continue due to pressure of work from other clients.

Please don’t complain if you feel you are being nagged by your book keeper. At least this shows that they are still concerned about, and taking an interest in your affairs. It can be really damaging if you end up with someone who is past caring. This can happen when the book keeper wonders why they should bother about the details, when no-one else does. It’s a bit like sharing a house or flat — why would you make an effort to keep the place tidy when everyone else treats it like a tip? Not the right attitude from someone being paid to do a job

perhaps, but it *is* human nature. I always try to deal in realities, rather than 'should's.'

Keeping records

Everything has to be written down properly. The idea should be that anyone, without specialist knowledge of your company, can inspect the records and see exactly what you have bought and sold, who was involved and when the transactions took place. You don't even have to do any complicated filing yourself. It is not a problem to simply put all your paper work in a shoe box and pass it on to someone else to sort out — many do — so long as you remember to do five things:-

1. **Always** get a receipt, and make sure it is a 'V.A.T. receipt' if you are registered.

2. Put **everything** in the box — **all** the cheque stubs, invoices, tickets, receipts and statements.

3. Write out **all** the details you can. Fill in cheque books and paying in (credit) books with details of the invoices paid, write cheque number and date paid on purchase invoices.

4. Find a good, reliable book keeper who can come in as often as needed to keep everything in order.

5. Make sure that you understand fully the financial implication of any transactions you undertake. For example, one client 'saves money' by using credit cards and cheques for one company to buy things for another. At one time, he was ordering goods through company A on behalf of company B, and then paying the bills through company C.

Although the transactions were all above board I had to record everything meticulously so that any auditors and investigators could see that nothing was fraudulent. Instead of the one original transaction, I had to enter up three sets — with each company having two 'inter-company' accounts. It would have been a lot cheaper and easier if each company had remained fully independent.

I've gone into more details in the 'Simple records and filing' sec-

tion, which is intended to provide enough of a framework to get you started, rather than being a full course. But it will at least point you in the right direction.

Keep a Diary

Rather than just a paper one, I'd suggest using a lever-arch file with a set of monthly dividers. Use this to file, in date order, anything that needs to be done. At the end of a month, roll on the divider to the back of the file to keep it current, with the new month now at the front.

As well as correspondence (file letters by the date for the next step to be taken), payments and 'returns' (forms with information you have to submit to government departments) you can also use it to remind you of anything else that needs to be done — car services and M.O.T.s, insurance dates, even family birthdays, closing dates for special offers and so on.

In fact, use it to file anything that requires action on a particular day. Work out the day of the week that suits you best (for me, Sunday afternoon or Monday morning), and look at the front of the file to see what needs to be done that week. It's pretty simple, very cheap and easy to set up but very effective.

As well as this paper back up I also use a synchronised PC, mobile 'phone and PDA. This gives me instant access to a streamlined database of emails, contact details and calendar entries, all available wherever I am, as well as the security of three different and separate back ups of this information. Overkill? Yes, until you find that one of your shiny boxes has turned up its little electronic toes and has taken all your precious data with it off to 'Silicon Heaven.'

Type of Company

Again, this is not a subject to cover fully in this book. You will need to take professional advice on this from someone who knows your exact circumstances, and take into consideration how your choice will be affected by current legislation. However, for what they are worth, here are my own views on options available to you.

Sole Trader

The simplest one of them all to set up. You don't even need a fancy name to trade under, if you want, just use your own. Or you can oper-

ate along the lines of 'John Doe trading as Omni Consumer Products.' The risk is that you are putting up almost all your own assets into the firing line should anything go wrong. It would be essential to think things through **very** carefully before going down this route, making sure that you are aware of every trading risk, and had full insurance covering any potential claims.

I operate as a sole trader hiring equipment, and providing services to my three limited companies (which own nothing in their own right). As I pay out profits from the limited companies by dividends rather than salary, this also enables me to maintain my National Insurance cover through payments as a sole trader. But I do NOT trade with, or work for other companies or private individuals through this company if there is any personal liability risk involved.

Do remember, or course to advise your local tax office.

Partnership

To be avoided, unless you have total and absolute faith in your workmate(s). All the partners are liable for the actions of the others, so you have to be *very* trusting. I would also be concerned how to sort out who does what, and how they are rewarded. Let me give you an example.

Because we had not set up any other framework, my first bands were automatically partnerships by default, as were the Beatles. At first it was a hobby working with close friends who lived in the house next door, and this was not a problem — we shared the costs and income equally.

However, when they emigrated to Darkest Wiltshire and I bought out their share of the equipment, the new musicians I found came from London although I lived in Kent. Almost all of our work came through me and was out in the country. I advertised for the gigs handled the contracts, stored, maintained and transported the equipment. As a partnership, the feeling was that travelling costs should be paid first, before the fee was split equally. This was especially the view of the guy with the ancient automatic Mercedes Limo.

Other bands had a similar format but with everyone owning the equipment jointly. Bits were taken away for other, private gigs and lost/mislaid/broken. No one person had a vested interest in looking after the gear and keeping it maintained. I saw an amplifier where the fuse had blown, and had been wrapped in metal foil in an attempt to get it working (the amp was fried by this bodge). In one case, the

entire rig was left in view in the back of an estate car for two nights. On the third night, the car was broken into and everything pinched.

The solution was for me to set up as the band leader, find all the work, take responsibility for all the sound equipment and hire musicians on individual contracts for each event. It was then possible to operate a pricing and payment structure that took account of all the overheads. It also allowed me to adjust the size of the line up to suit each event, and solved previous arguments about taking on, or dumping band members. It was a benevolent dictatorship, and enabled me to run the band as a proper business, trying out and developing new ideas, and spending far more on advertising, equipment and even training than would ever have been agreed on by the former partnership.

Limited Liability Partnership

Like a partnership as above, but with protection to the members against business debts, which are the responsibility of the LLP rather than individual members — see the Companies House website for full details. Whilst it may solve the problem of personal risk, you'll still end up with a business by committee. This may indeed work for many, but I'd hate the idea, and like many of the entrepreneurs I've worked for, I want to be in full control of my own venture. For me, it would be hard to feel involved with, or passionate about such an organisation.

Limited Company

The perception of many is that a limited company has more status and standing than a mere individual. In fact, the word 'Limited' means exactly the same as it does in a LLP. It is a warning that the liability of the company is limited. From the point of view of us as business people, it means that our personal assets — our house, car and complete collection of Spiderman comics are not up for grabs should the business fail (subject to any personal guarantees you may have signed).

It also provides an easy framework to raise money — you can sell shares in the company to investors, who will then expect a return on their money through dividend payments. As the company thrives and grows, so does the value of the shares as they represent both a share of the assets of the company, as well as (hopefully) continued dividends. It is easier to sell on your own share to others when you want to, compared to transferring a self-employed business.

If things go really well, you can decide to take your company public and offer shares on the open market, but this is not the time or place for such heavyweight matters.

There are of course, obligations on you as a company director as well as returns and accounts to file, but your accountant will be able to help with pretty much everything. For me, this format works the best in terms of both image and piece of mind.

Insurance

You will need to find a good broker that you can trust to get things right. Remember that there is an obligation to tell the absolute truth, so any omissions or errors could invalidate your policy. For that reason, I use a single broker for personal and business cover — it makes it easier to avoid any gaps. A civil engineering company I worked for had the 'Fleet' vehicle cover with one company, and the 'Plant' equipment with another. When a trailer was stolen, it proved impossible to pin the loss on either, as both argued that it was down to the other!

Also, by using one broker for everything, they will earn more from you and so should give a better service. I've certainly found that to be the case. Tell them everything you can about your business, it will save problems later. At one company, where this had not been done, it turned out that their insurance specifically excluded tunnels and bridges — rather a problem when almost all their work at the time was either on the Dartford Bridge or the Channel Tunnel!

The guys I use (Sevenoaks Insurance Brokers) state that:

"We are independent & are obliged by law to act in the Client's best interest at all times & are not beholding to any insurance company. Spending time with Clients, we can identify most aspects of cover & do not read from scripted questionnaires. Neither do we sell lists of Clients — but that is a bit controversial. We carry professional indemnity cover which provides protection for our Clients in the unfortunate event of wrongful advice or omission and are fully audited by the FSA every six months to ensure solvency."

Which is really how you should expect any broker to behave. A good one will be able to advise on the policies you will need, here are a few to consider.

Employers' Liability

The moment you take on staff, you also accept liability for their protection at your premises (just as you do when customers visit). There is no longer a need to publicly display your certificate, so long as everyone can see a copy of the document through your computer system.

Third Party Indemnity (Public Liability)

This covers your obligation to your customers — for me as a musician, this could be the risk of a loudspeaker falling off stage and on to someone, or else a member of the audience tripping over a badly positioned cable or instrument case. My cover comes as part of the membership deal as a member of Equity; many trades and professions have similar deals. Check out the Federation of Small Businesses for some of their offers (see later on).

Products Liability

Do you make anything? What risks are involved to your customers in the event of a defect in manufacture? This cover will not only protect your company from a claim in the event of a problem, but also ensure that you are offering your customers an adequate level of financial protection.

Professional Indemnity

As above, but to cover you for liability resulting from problems with a service that was provided, rather than a physical object.

Premises

To cover any damage to the fabric of your business premises — fire, flood, burglary etc. It can often also cover interruptions to your trading, data loss etc. If you work from home, don't forget to tell your insurers. If you don't, they may decline to pay any later claim.

Motor

Not only for commercial vehicles. Your normal cover on a private car is probably only 'Social, Domestic and Pleasure' and will need to be adjusted to cover anything other than just driving to and from your main place of work.

Plant

Covers your working equipment — all those nice shiny bits of kit that would be a right pain to replace if some ‘tea leaf’* ‘half-inches’* them.

Government Legislation

As a small company (I’m assuming you don’t plan to start a multi-national yet) we have an advantage over the big boys and girls with flexibility. They, of course, can flatten us with economies of scale with their ability to buy and sell in bulk. But they also have an advantage with regard to legislation as they can afford to have dedicated, full time specialist teams handling this.

Don’t expect the government to be on our side. Although they pay a lot of lip service to small companies, and do provide help through organisations such as Business Link we don’t have as much clout as the large organisations. It would be naïve in the extreme to think that the huge donations made to political parties are simply to buy titles for the bosses. Legislation will not in general tend to be drafted with us in mind.

Also, few politicians have any real world experience, and seem to think that when they pass a law, the world will naturally shift to fall in line. The European Parliament decreed that a new fishing net should be used that would only catch fish above a certain size. Problem was, although their design worked perfectly in principle, in practice the diamond shaped holes closed up to sweep clean whole areas of fish, regardless of size.

Our own Parliament seems to be fixated on scoring everything they can by targets. This was tried in Communist regimes with some strange results. Humans are pretty ingenious and good at finding solutions not thought of by bureaucrats. One factory was said to have been given the target of producing a set tonnage of finished spades. They succeeded, but the spades were just too heavy to pick up! In this country, it was claimed that a hospital was able to meet their targets by taking the wheels off trolleys so that they could then be classified as beds, parked in corridors now called wards.

As a musician, I have been particularly affected by what some of us have been calling the ‘War against Pleasure’ a series of different pieces of legislation that make it harder to perform live entertainment

**Translation from Cockney - tea leaf = thief, half inch = pinch.*

but which very strangely don't seem to affect wide screen TVs in pubs and similar "*entertainment*" provided by large donors to the Labour Party. At one point, until changes were made, it would have been illegal to sing 'Happy Birthday' in most public places! As well as full-blown laws, governments can also slide through chunks of legislation using Statutory Instruments and one such 'SI' (2003-3319) was introduced regarding those working as entertainment agents.

As someone who used to read these 'SIs' when working in County Courts, I invited government representatives to come round to discuss the implications. They agreed with me regarding overall interpretation, as well as areas that had been badly drafted and points which seemed to be contradictory. In fact, they were waiting for test cases so these issues could be clarified by a judge. Brilliant. There was a risk that I could look forward to being a star player in 'Regina v Hurst'.

Although some rivals decided to adopt the Continental approach — keep their heads down and simply ignore the new legislation, and others sought to comply, I decided not to take the risk of following either strategy. So the only entertainment agency in the country that offered all its clients a full money-back guarantee closed down. I have a mental picture of legislation that is far too long and complicated to go into here (it involves rampaging elephants and dustbins), but in general, expect to get a blunt instrument wrong solution to the wrong problem which will be ignored anyway by those who should have been targeted in the first place.

The good news is that legislation lumbers along in a pretty straight line. Keep aware, and you should be able to find out exactly what the effects will be some time in advance. My solution was to revert to being just a band leader again — just with a very big band. A slight metaphorical step to the side, and the new regulations thundered safely past.

Although we may not be able to employ our own specialised staff, by joining an organisation like the Federation of Small Businesses (FSB) it is possible to benefit from strength through numbers. Don't think that every single government inspector will be fair or just; some will be looking to forward their careers through some pretty aggressive tax collection. Others won't fully understand all the legislation, resulting in you having to challenge faulty decisions. I've seen it happen. As a member of the FSB, you can have the benefit of serious back-up during inspections. Don't be bullied into accepting a faulty ruling.

When checking out houses, shops and cars as potential targets, villains, thieves and other assorted 'ne're-do-wells' will often avoid the ones that look like too much trouble and just move on to the easier pickings. Having the muscle of the FSB behind you is the equivalent of a couple of Transit vans stuffed full of hulking great bobbies parked outside your house, a few hungry Rottweilers inside and a 'Kung Fu Training Centre' sign on the door. Help the inspectors to decide to move along and pick on someone else.

I write this at a time of increasing doom and gloom and would not be at all surprised if the collection of as much tax as possible from the remaining people still able to pay becomes a very important government objective. Don't be the equivalent of the weedy new kid who is all alone when the school bullies come along to 'ask' for his dinner money.

Simple Records And Filing

Files

Let me introduce to my personal favourite method for keeping records — the lever-arch file. Welcome to the house brick of admin; it is portable, can be picked up in one hand and forms the building block of a successful accounts and admin office.

You may well be able to start with just one file per year, using dividers for the different sections. As you grow, use more files, each with fewer, or even no dividers, as necessary.

Some sections will start afresh each year, in line with your company tax period, others can remain current. Do try to split files by company year, rather than any other date as this will make it easier to send them off when required for audit.

I've listed below some suggestions for a typical business, but you may well have to adapt these to make them more relevant for you. As always, start with the best guess option and then tinker, adjust and tweak until you come up with the best and most practical option for you. Things rarely stay the same anyway, so be ready to change again as necessary.

Sections you may wish to use:

Outstanding Sales Invoices (*payment still due from customer*)

Paid Sales Invoices (*payment received from customer*)

Outstanding Suppliers' Invoices & Statements (*to be paid*)

Paid Suppliers' Invoices
Bank Statements
Company Cards
Petty cash
Payroll
Tax and Accountants
V.A.T.
Leases and Hire Contracts
Correspondence
Insurance

Computerised accounts vs spreadsheets?

Both have their advantages. The main thing is not the method you use, but how accurate you are, and it is all down to your personal skills and the volume of information. I use a mix of both spreadsheets and full computer software not only for clients, but for myself as well. I suggest you start with spreadsheets to begin with, and only use a 'proper' accounts package when you have to — just make sure you fully understand how double entry works before tackling it. Or, better yet, get in someone else who already has this skill!

If you feel really retro and don't have many entries, you can even do the whole thing using a ledger book and simply write in details of income and expenditure. It's pretty much how I started (if not exactly as the cartoon at the front suggests). Would I go back to running manual written accounts? Well, I would enjoy the challenge as it is harder to do, but it also does take quite a lot longer. After all, we all use calculators now, rather than logarithmic tables and slide rules.

Bank accounts

Although you must have a separate account for a limited company, you don't have to if you are self employed. It would help you a great deal in keeping personal and private life separate though.

I use Alliance & Leicester online banking. It is pretty cheap to run (in fact, I usually get a small credit each month), and I can access my accounts not only from home, but anywhere there is a Wi-Fi or mobile broadband signal.

Cheques

Every time you write a cheque, do remember to record on the stub how much you paid, to who and when. Make sure you have a match-

ing invoice giving full details of the purchase, including the V.A.T. details of the supplier (if you are registered for V.A.T.). Always ask for cheque books with stubs (the bit on the left that remains when you tear out the cheque), and always keep these counterfoils after you have used all the cheques.

Bank statements

If you use on line banking, remember to print copies and save them. It is necessary to reconcile bank statements, checking them against your accounts to make sure that all cheques are cashed (and for the correct sum), and that all credits from customers are processed correctly. Also, make sure that all card payments, standing orders and direct debits are 'Kosher.'

Reserves

As soon as you have a bit of spare cash, do **not** think of it as the deposit for a new BMW, but build up a reserve fund. Having checked with my accountant, I use Premium Bonds held by me on trust for my different companies, and have any winnings converted automatically into new bonds. I'm not interested in the interest these funds earn, but just feel a lot more comfortable with a series of pots of instant cash lying about in case of need, and if I *do* just happen to win one of the big prizes, then the money would be rather a nice surprise.

One such reserve fund enabled me to seize a unique opportunity of working closely with a heavyweight mentor for a whole year and finally set up a project that had always eluded me before, and which will prove to be a truly life-changing experience.

Sales Invoices

Her Majesty's Bloodsuckers and Leeches — sorry, Revenue and Customs — require that all invoice numbers are 'unique and sequential.' In other words, the numbers must follow in numerical gaps and without gaps or duplicate numbers. Remember to include full details on the invoice, including your formal trading name and address and a V.A.T. number and breakdown if you are registered for Value Added Tax. All invoices should also be dated.

Purchase invoices

Make sure the details are accurate, that you are being correctly invoiced for the goods/services as ordered. Check the math, and

(again, if you are V.A.T. registered,) that there is a printed (NOT hand-written) V.A.T. number. In the UK, it will consist of nine numbers, arranged in the sequence nnn nnnn nn.

I keep all suppliers' invoices that are outstanding (not yet paid) together and in alphabetical order in one file, with the last statement from that supplier. Payment terms are often 'end of month following month of invoice' (any invoice dated in January, from the first to the thirty-first, will be paid at the end of February) so that cheques/transfers can be done together in a single run to save time.

This is not always the case, but is a fairly handy way which most suppliers will accept (so long as payments do go out when promised. Move the invoices to a different file (or section of the same file if you don't have many transactions) when they are paid. As well as recording the payment details in the cheque book, write the date and payment method (cash / cheque / card / transfer) on the invoice.

Petty cash

Keep full details of everything bought by cash, and get receipts whenever you can. It should always be possible to balance the tickets and cash held back to the sum of cash originally drawn out from your bank, so record details of all payments when it is not possible to get a receipt. Please don't be tempted to use petty cash as a sort of handy pocket money! When I first start working on a new client's books, it is the first place I'll look for anomalies. Why? Because it is the most likely place to find them. It gives me an indication about what to expect elsewhere, problem-wise. Inspectors and auditors may well think the same.

Payroll

Whilst you can handle payroll yourself, it is almost always so much easier to get a specialist company to do this for you. They can keep up to date with all the changes in legislation, and will have all the specialist software necessary — as well as being pretty cheap. Just send them the P45 of any new employee, together with their personal details and let them sort out the rest. Each month you'll receive a set of payslips, details of the individual wages to pay and the sum due to H.M.R.C. for 'Pay As You Earn' tax, and for National Insurance.

Credit / Debit cards

Company credit cards are just like private ones. You'll receive a

statement each month, and probably pay interest at a truly appalling rate if you carry over any of the balance into the next month. Again, debit cards work the same as their civilian equivalents, with the sum being billed straight through to your account. Much easier than using a cheque, especially for on line purchases.

Personal payments

There will be times when you use private money for company purchases, and visa versa. This is not a problem but do keep it to a minimum. There is a risk when using your own money that purchases will slip through the net. You lose the opportunity to claim expenses back against income to reduce your Corporation Tax bill. Unless you are very, *very*, good at keeping records, then I strongly suggest that you make every effort in avoiding using your own cash, cards or cheques for company purchases. Think about it — the best you can ever hope to do is get your own money back again, but miss a single transaction and you are immediately and personally out of pocket having used money that you have already been taxed on.

If you are self employed, then your personal and business accounts are probably not that separate. If you are a director of a limited company however, then using the company to buy items for yourself will lead to complications. There are restrictions on directors' accounts, and tax implications on outstanding balances at year end. The current details can be obtained from the government website (too changeable to commit to print here).

You will be expected to pay yourself through either a salary, or through dividends if you have made sufficient profit. This is something you'll need to discuss with your accountant, but **do not** just draw out untaxed income from the company and expect to sort out the details later. Your tax office will not be amused. They will manage to convey this displeasure to you quite effectively and most comprehensively. Probably with the help of a red-hot poker.

As with so many things, the simplest option is often the best. Once again, avoid personal drawings if at all possible. There will be enough constructive things for you to focus on, without wasting time getting involved in pointless skirmishes.

Contracts And Leases

There will quite likely be times when you need to enter into a finance agreement for equipment, vehicles or even premises, but do

please be extremely careful.

As I've already said, one of the biggest killers of companies are the overheads. Unless you have long term guaranteed income from rock-solid clients, there is always the worry that your income will vary. Lock yourself into too many long term agreements, and there will be a risk that you will not be able to make ends meet in a downturn. In general, always consider the following ten points;

1. Always read the small print

And check out the math fully before signing anything. Find out what happens at the end of an agreement — are there any other charges to pay? Is it up to you to return the equipment and so on. Keep copies of everything and always double-check the direct debits taken against the agreements. A salesman once changed the figures on the direct debit payments we had signed for three new vehicles, altering the sums to make them higher. Rather stupid really, particularly as he had watched me photocopy them before he left.

2. Break down bundled deals

The more complicated the agreement, the more opportunities there are for sales people to tuck in extra sums. At one company, they seemed to be paying an absolute fortune for their photocopies. After a bit of homework and some back of the envelope maths, I rang the leasing company up and asked the suppliers to confirm the new list price of the equipment (and who pays list anyway?). I also queried the interest rate at the time and how much the service agreement was. They agreed that yes, the machine would have cost the sums I said to buy, finance and service but were unable to advise what the extra £4000 was for, the difference between these sums and how much our agreement was costing over the full term.

Since then, I've always compared the bundled option against getting the best deals separately on the equipment/asset, and for the finance. This has saved a great deal of money, particularly on both cars and vans. 'Free finance' and 'special deals' mean nothing in themselves; it's the bottom-line figure that counts. With vehicles, being a straight cash buyer makes it much easier to tout round for the best deals, even if you do have to dispose of the outgoing 'wheels' yourself.

3. Don't 'churn' agreements

A common sales ploy is to ask if you would like to pay less per

month. This sounds great, until you realise that they want to replace the remaining months of your agreement with a fresh one for a longer period (and so more repayments will be made). This is called churning and will almost certainly end up costing you more.

4. Take your time before deciding

Are you quite sure you are not being rushed into a deal? As a general rule, never sign anything on the spot — whatever the deal is that you are being offered ‘for today only.’ Ask for details that you can take away and check, or show to an adviser. To paraphrase, ‘Sign in haste, repent at leisure’.

5. Do you need one that big / expensive?

Come on now, be honest! Are you getting a bit carried away? Is this a vanity purchase to show how successful you are? It is often better to aim to run equipment at capacity most of the time and bring in outside resources/hire extra when they are needed, rather than running with a great deal of spare capacity for the rest of the time. The Royal Mail do not keep enough staff or vehicles to run at Christmas levels all year round, but bring in temps and hire vans just for that season.

6. Can you buy second hand outright, or for a shorter repayment period?

Yes, I know, I’ve already banged on about the joys of being a skinflint, but it really can make a huge difference. After all, **you are in business to make money, not spend it.** Why waste money that could be saved and either re-invested, or else frittered on your toy of choice? Those Aston Martins don’t buy themselves. Here we are thinking not only about the money you will save, but the shorter period you will have to worry about the repayments.

7. Can you wait for a bit longer?

If so, can you save enough to buy what you need outright? At least a bigger deposit will cut down the size and/or number of repayments. It may even get you a better interest rate.

8. Is this something you can do in house?

When going through the books of a restaurant, I found that the

manager had signed separate (and very expensive) service agreements for cleaning the table linen, staff uniforms and towels for the toilets (as well as installing air fresheners). In fact, these all came to almost the total profit they could make on a good day. Apart from the high costs, these agreements were based on fixed volumes, regardless of whether the linen/towels were used or not. It would have been a lot easier to have asked one of the staff to arrange the cleaning for the few items that needed it. A local laundry service could then have been used if necessary when business picked up.

9. What are the cancellation terms?

Very important, but often glossed over during the sales patter. Be aware — be *very* aware — of exactly what you are signing up for, and if there are any penalties involved for cancellation. Don't be afraid to include all the terms and conditions in your haggling, you'll be amazed at how flexible these become when push comes to shove.

10. Can you sub-out that part of your work?

Are you buying something for a fringe activity? Whilst it may look very tempting to have total control over every aspect of your product or service, there will be times when you can start losing your focus. Aim to be an expert in your chosen niche, and don't be afraid to use other experts where appropriate. For example, as a musician I own several different sized sound systems. All however, are designed to be transported, set up, struck down and removed on the day of the performance, and to be run from stage. If an event requires a mixing desk and sound engineer at the back of the venue, lighting or special effects then I'll pass on the work to someone else.

Other Stuff

You will need to register under the Data Protection Act. This is the legislation which has severe penalties for us, should we fail to keep data totally secure, but has no penalties for politicians or civil servants who do the same. You are obliged to register, and it is a criminal offence not to do so. Many do not bother with this, but I suggest that you do — one less thing to bite you on the bum later.

If you want to play hold music through your telephone system, or play music at work — even have a radio on — you are obliged to reg-

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ister with both the Performing Right Society (PRS) *and* Mechanical-Copyright Protection Society (MCPS). Google for current addresses.

Chapter 8

Customers And Markets

“To succeed in any business it’s imperative that you understand your market and that you give your customers what they want”
Drew McAdam

Know Your Customer

Wants or Needs?

It’s important to define the context these words are used in, or confusion can occur. I’ve just had a debate / disagreement with my mentor about which is more important — wants or needs. Eventually it became clear that we were both right, but interpreting the words differently. It is fundamentally important to provide what the customer wants, rather than what they need. After all, how many motorists actually really *need* a full-on 4x4 ‘Git Panzer’ like a Range Rover or Shogun? Certainly far fewer than the number of willing customers who *want* one.

But it is also important to use your skills as an expert to find out what product or service is needed to best match their wants. They may think that what they need (want) is product A, when you know that product B would be far more suitable.

By asking the right questions (and listening very carefully to the answers) we should be able to identify what will make them happy — and spot if they are using words or phrases in a way that have a different meaning to them. When checking the books in a restaurant one December, I overheard a dispute with a customer who had booked for an office Christmas dinner. By ‘dinner’ she meant lunchtime, but the manager had assumed she meant for the evening — the mid-day

meal for him was ‘luncheon.’

Right from the very start, find out what you and your customer really both need and want, rather than just assuming it. View everything from their perspective, or as it has been described — WII FM (‘What’s In It For Me?’). If you feel that they will later come to regret their choice, politely and clearly explain why you think this is. Make sure they have all the facts available to make their choice. Very rarely, I’ll accept a booking whilst making it clear that we cannot give our normal full money-back guarantee. I’ll explain exactly what I think will go wrong, when this will happen and why. This allows the client to go ahead at their risk if they are sure their event will be different to the ones we’ve previously experienced. Very few do.

When ‘music’ clients contact me to ask about a barn dance or ceilidh there are a lot of questions I need to ask first before being able to offer the most appropriate group for them. For some, barn dance means cowboy hats, toy guns, lots of yee haring and straw bales. Others have a romantic vision of Thomas Hardy, rustic barns, Laura Ashley dresses (and straw bales). It is most emphatically not a one size fits all process (unless you sell straw bales). Try and run an Irish or worse, English style ceilidh for a group of fanatical Scots, and your life will become a lot more varied and entertaining if, perhaps, somewhat shorter.

If you have time, do some research on the theory of mind. This explores the ability we all have to see things from the perspective of others, and is a very powerful skill indeed. If you can follow the thoughts and mind set of customers, staff and suppliers, know what their wants and concerns are, you will be able get to a working solution so much more quickly and efficiently.

Here is an example from the excellent book *“Resistance is Useless,”* by Geoff Burch. Following tensions after an Egypt / Israeli conflict, the impasse was broken when the negotiator found out what each side really wanted. As soon as it was established that Egypt’s aim was to recover lost territory whilst Israel required security, a solution could be reached. The land was returned on the condition it became a demilitarized zone, a win-win result which benefited both parties.

Another interesting read is *“Wild Wood”* by Jan Needle. This covers the same story as *“The Wind in the Willows,”* but told from the point of view of the stoats, weasels and ferrets who live in the wild wood — rather than the dilettante newcomers who have bought up the riverside properties. Very entertaining. And speaking as an enthusiast on

both, he certainly knows his beers and folk instruments.

Other cultures have different mind sets as well. The French approach to health and safety was clearly demonstrated during one of our jaunts over the Channel, when visiting the ‘Nausicaa’ facility in Boulogne-Sur-Mer. Calling it an aquarium can hardly do justice to the flamboyant series of large displays covering all things aquatic and maritime. In one room there was a low sided, open top tank. As well as the usual name plate down the bottom, this one also had a hand-written note in French advising visitors not to dip their fingers in the water. Curious, I bent down to read what the tank contained. Oh yes, of course, Piranha. I could just imagine the nonchalant Gallic shrugs in response to angry parents complaining about the freshly truncated digits on their offspring. Probably saves on feeding costs though.

Do the research to find out what your customers want, work out how to do that whilst making a profit and then over deliver — provide more than you promised and leave them shouting your praises.

Would You Rather be Bombarded With Bread Rolls or Bouquets?

One of my companies provides entertainment for medieval banquets. Although this is a pretty specialised niche, we are not the only group who do this. There are some ‘period’ musicians who have rehearsed to perfection, and have beautiful and historically correct costumes. Their passion is playing the tunes as accurately as possible on the right instruments. They love to play for banquets as well and have visions of wonderful venues (actually, they often are) filled with elegant and courtly guests (unfortunately, usually not). When contacted, what they hear is ‘MEDIEVAL banquet.’

And that’s the problem. Based on experience, the clients I get pretty much always want a ‘medieval BANQUET.’ Rather than sitting in a quite and respectful silence to listen to exquisitely played madrigals, what they want is essentially a fancy dress party. Clients specify “*medieval, you know, like Henry VIII,*” and then sometimes come dressed as Cavaliers or Musketeers! This is not a problem at all for us — we are there to provide entertainment, not give unwanted history lessons or be ‘rivet counters’ (fanatics who come up with comments like “*actually, I think you’ll find that a helmet of that period should have fourteen and not fifteen rivets each side!*”).

A musician invited to join in, but not used to our client centred focus, said that it was the least professional event he had ever played at, and that he did not want to be considered for any others in the future. Interestingly, here's the client's view about the same evening.

It is difficult to express how grateful Paul and I are to you regarding the part you played in making this years event, probably, the most successful we have held so far. Thursday evenings entertainment was totally different to anything we have previously done and its success due largely to your watchful eye over the audience.

We have received numerous complimentary letters from our clients... Paul has been spotted as a 'must' for the next series of 'Stars in Their Eyes'!!

On a serious note, we are both sincerely grateful to yourself and your very talented friends who helped make the evening very special and particularly memorable. We have made a note of the murder/mystery theme!

Another performer I brought in to cover an event when my normal group was not available talked, rather patronisingly, about "*Red coat entertainers with three chords.*" Although his ability as a musician is not in question — he is truly excellent — as an *entertainer* he was less than successful on the night and complaints followed. The next week, I went down myself to join in and the manager read out his wish list on how he wanted the evening to go. It was my proposal — word for word — which had been sent to the venue some time in the past and based on our experience of what worked.

What response do you want?

It really does help to ask questions and *listen*. Find out exactly what the client wants, then deliver it. Play non-stop madrigals to a group of well lubricated young city types out on a jolly if you must, but don't be surprised when the bread rolls start flying!

When you do start talking, and more importantly *listening* to clients, wonderful things start happening. You will come across as an expert, and it will become possible to spot both problems and opportunities.

Tip

Do your homework FIRST. As an agent, I had groups ringing up

to say things along the lines of ‘we’ve put together a fantastic routine on our own material’ / ‘Swing Jazz arranged for Tibetan Nose Flute ensemble’ / ‘Well we can’t really describe it, but it’s fantastic’ and expecting me to bring floods of work for them. A gentle question as to who might possibly be interested in their act usually brought the response “*That’s your job. Go and sell us, we’ve done our bit!*”

Compete on Service And Quality, Not on Price

A printer once said that he could offer to provide an excellent service concentrating on any two of the following — price, service, quality. All the client had to do was choose which two of these options were important to them. If you do get bogged down in haggling on cost, aim to meet an offer with a counter offer. If ‘entertainment’ clients want to pay less, I suggest either using a smaller group, or else moving the event from a Saturday to another, less popular day. We offer a half-price rate for local charity and fund-raising events on a Friday or Sunday.

If you are worried about losing out to a rival who is slightly undercutting you, just make sure that you are not both offering like for like. Bundle up several products to make a special offer — after all, you don’t need the same mark up on an extra sale — you are still adding to your profit overall. I offer extra services or information that cost me either nothing, or very little, especially things that I know from experience clients like, and that rivals would have a problem providing.

We can tailor specific extras to individual venues. One local castle always has the coffee and cake part of wedding receptions in a different room, allowing the main hall to be cleared ready for the evening. We offer the free option to process back down the corridors with pipes and drum accompaniment. Not only does this offer some wonderful photo opportunities, it makes a great start to the evening and is an effective way to bring all the guests down in one go. All without costing us a penny.

Alternatively, look for anything you can strip out to create a bare bones product or service, with optional extras to bring the price back up.

The cheapest is not always the best

As a youngling, I reached the stage where it finally dawned that young ladies (hereafter referred as ‘The Bumpy Enemy’) did not per-

haps enjoy clinging desperately on the back of a motorbike and required instead something rather more sophisticated as transport. Not having a passed the car test at that time, my solution was to buy a Reliant three wheeler which was covered under my bike licence. Following the cheapest is best approach, I picked up a rather tatty Del Boy van (in fact, it later turned out to be made from *two* vans and a lot of extra fibreglass matting in the middle).

As well as a fair selection of other faults, the gearbox was pretty ropey. Attempt anything other than the gentlest of speeds in first and it would spit the gear out with extreme enthusiasm. Eventually I found that the solution was to floor the throttle and keep my hand well out of the way as the gear lever was flung out of first gear viciously enough to go straight through the gate and into second! My knowing description of it as a semi-automatic fooled most, and thoroughly confused even the experts.

In almost every way, the van was a perfect example of getting what you pay for.

Being cheap will loose you money

Well of course it will, I hear you say — ask less for something, and you will not earn as much. But it is worse than just leaving money on the table as the saying goes. A local band are so cheap that they offer no real opposition when I'm talking to potential clients — *"Just how bad do you think they are if they can only ask for that much?"*

I find the phrase *"bands know how much they are worth, and charge accordingly"* very useful, as well as *"we never set out to be the cheapest, only the best. We leave it to others to concentrate on just how cheap they can be."*

Penny, a Bermondsey market trader we know, once had a customer looking for a Victorian ring for his wife. She had exactly the ideal one for him, and it was at a very reasonable price so he would have made a small saving as well. He turned it down because he wanted to spend a bit more than that. Penny told him that she had exactly the ring he wanted. Taking it away, she cleaned it and put it in a different box before returning to tell him that it should be more, but she would knock the price down just for him. The sale was made and everyone was happy. Especially Penny!

Don't Miss an Opportunity to Find New Customers

One of our regular venues, a castle on the South East coast of Kent,

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is leased to a catering company whose main activity is supplying Christmas hampers. Every time the former boss went to London, he travelled by train with a hamper whilst wearing a striped blazer and straw boater. This provided the perfect opportunity for fellow passengers to ask him where he was going. When they did, he moved smoothly into the full sales talk and gave them a brochure from the hamper! Maximum respect!

On a trip to play at a festival in France, we shared a coach with a group of 'Scrap Metal Squaddies' — amateur combat re-enactors dressed in 'full metal jackets.' These guys were fanatics and had all the right gear (with exactly the right number of rivets). Part of the groups went as Viking traders, even going so far as setting up a stall in the market the next day. It all looked very impressive, and eventually they were asked the price of one of the items.

"Oh, it's not for sale, just a display to show what sort of goods the Viking traders had"

I nearly broke down in tears. Not only a wasted opportunity for a sale, but hardly a fitting tribute to the Vikings.

Always have a potted version of what you do ready in case you are asked. Avoid boring business cards and instead focus on what it is that you can do for potential clients. For the music, I use double-sided postcards with full colour pictures; here is the medieval side:



- Jesters
- Jugglers
- Minstrels
- Fire-Eaters
- Stilt Walkers
- Actors
- Magicians
- Banners
- Trumpet Fanfares



From solo all-rounder to full themed banquets with plays, games, music and dancing.
'Naughtie people' may suffer the stocks, or the dreaded 'Ordeal by Root Vegetable!'
With a full money-back guarantee, we use only the best performers.

Don't delay - call now before they are all gone!

Paul Hurst 01892 723376 Mob 07973134987
paul@barndance.co.uk www.barndance.co.uk

*Photo of Sod the Jester used with the permission of
portlandstudios.co.uk*

The Customer is Always Right...

But you can choose your customers, and even sensitively sack the ones where it just isn't working out. Concentrate your resources on the ones where you can build the best working relationship, where *both* parties can reap a good benefit.

Remember to make a profit!

One of our friends was 'phoned by a local pub "*We're having a bit of a do here later in the week, can you and some friends sit in the corner and play some tunes?*" Phil answered that yes, they could, but asked if the publican could arrange for his accountant to come down, sit in another corner, and sort out their books for free whilst they were playing. The landlord was confused "*Why would he want to do that?*" he asked, stumped at the very suggestion that an accountant would work for nothing. "*Why would we?*" was the reply — priceless! If accountants expect to get paid, why shouldn't musicians? In fact, Phil was meeting an offer with a counter offer, and suggesting 'swapsies'.

Be honest

Always be polite, but if you cannot help someone just say so. It is much better in the long term to stay focused on what you really want to do, and know you can do well. Avoid patronising clients with double-speak. Leave that to the banks, 'utility' and communications companies — "*For your convenience, this branch has been closed...*"

Tip

Some companies expect you to contact them on expensive 0870 (or worse, 09) prefix telephone numbers. When they receive a share of the cost of your call, there is absolutely no incentive for them to answer calls promptly; quite the reverse. Ever wondered about those very slow and long recorded messages, with pointless 'press button 1 now' multiple choices, and the most likely choice being the last one? Now you know! A cynic could even argue that the more problems they create, the higher their income courtesy of disgruntled callers. Help is now at hand — have a look at www.saynoto0870.com .

Control the contract

Although it is essential that you offer your customers the very best

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service you can, and stay focused on their needs (wants!), don't forget that you will want to make a profit along the way. Make sure that whatever you agree is written down as simply and clearly as possible, and keep the 'legalese' small print and weasel words to the absolute minimum. I've found it very helpful to explain *why* some parts of the contract are very important to us. I cannot think of a single serious problem since we did this (although some people *still* stand in doors!). Here is an extract including the terms and conditions. If you are a musician, this is your lucky day!

Sample from contract

(Heading and address)

Thank you for your recent enquiry, these details should confirm all the relevant points. Just send the first instalment back today, in the enclosed envelope to reserve your performer(s).

Re: Medieval themed evening with dancing
On: Wednesday 24.06.09
At: *(venue)*
Performer(s): Three performers and sound system, as discussed
Times: 7.30pm to 11.00pm with break
* Please see attached notes regarding times *

Total Fee £ *(fee)*

Please send the first instalment, £ *(sum)* in the enclosed envelope, with yellow copy of contract. Please make cheques payable to Minstrels Ltd

The balance of £ *(sum)* is due in cash immediately after the event or by cheque 14 days before, payable to Minstrels Ltd

* Please see attached notes regarding payment *

For written cancellation no later than 21 days before the event a 50% discount can be given against the balance. Reasonable safeguard is assured, but the performers cannot be responsible for events beyond their control. *(This clause saved my bacon during the fuel protests!)*

Permission is granted for film, video and sound recording for private use only, rights to commercial use must be sought from the performers.

BUSINESS SURVIVAL & PROSPERITY — GUARANTEED

Please allow for full and clear access one hour before the starting time of the performance, under normal circumstances it will take about forty-five minutes to remove the equipment afterwards.

We will need a 240v socket near the performing area if a sound system is being provided by us.

This is a discounted price, assuming payment in cash on the night, or by cheque in advance.

Other options:-

(Balance if paid by cheque at event) £ (*sum*) + 25.00

(Balance if paid within 7 days after) £ (*sum*) + 50.00

Important Notes — Please Read

These notes hopefully explain what is normal for our style of entertainment, and should prevent confusion or problems on the day. Please let us know if we need to do anything differently for you.

*** SMOKING * * Very Important!**

We assume that all venues are now non-smoking. There are still a few performers who are smokers themselves — please advise us in advance if you will be allowing smoking at a private event, and we'll match them to you if possible.

ACCESS — When a sound system is being used

With the sound system, back line amplifiers and instruments, there is quite a bit of gear to move before and after a performance. If you can arrange a space as near as possible to the performing area we can unload before, and reload afterwards as efficiently as possible. Guests always seem to congregate in the exit after a performance, so if another exit is available this can help prevent us inconveniencing them when removing equipment.

TIMES

Just as the start time is important for you, so is the finish time is to performers. Equipment has to be put away, journeys made home (sometimes with stops and diversions) and then everything unloaded at the other end (not insured if left out overnight). Delays can cause problems with baby sitters, and performers will have plans for the next day. It is also progressively harder to add on to the hours of a performance — think 'overtime' — the normal playing time is quite hard by itself; adding on extra time working tends to

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also have a 'knock on' effect the next day out of proportion to the actual time on the night. If you think you may like the performance to go beyond the agreed time, please call before so we can discuss options: it really is quite a 'big deal' to us to revise the times on the day/night.

PAYMENT — For All Events

Payment is normally by cash after the event, or if you prefer, by cheque in advance. If payment is by cheque on the night (or, even worse for us, after the event), the band leader must honour the contract and pay everyone the cash personally — leading to bank charges, and causing havoc with their finances. For this reason, we allow a discount for payment by the normal way. The full fee is due if payment is made after the event, or a partial discount can be given for payment by cheque on the night. Please let us know in advance if payment will be by cheque so we can make all the necessary arrangements.

REFRESHMENTS FOR PERFORMERS — For Events Longer Than 3 Hours

It is usual, but not obligatory to include performers for an evening buffet, and to ask caterers to arrange something simple for all-day events. Please let us know if performers will not be included so we can make our own arrangements. Drinks are entirely at your discretion, although it is normal to allow performers soft drinks at least — again, please let us know if this will not be the case

TIPPING PERFORMERS

We expect you to be delighted as a matter of course! However if you think the performers have managed to achieve something well above and beyond the 'call of duty' it would not cause them embarrassment.

(End of Contract)

These terms do not insist on many points, but merely state what is normal. Clients are usually happy to go along with what generally happens, but don't like being dictated to. Where they want something done differently, it is much easier to discuss options this way rather than from entrenched positions.

You may also have noticed that the pricing structure has been worded and arranged to give a reduced rate for payment on the night, rather than a penalty for later payment. It takes no extra effort to word it this way, and why on earth would I want to risk winding up a client

by choosing the negative option of adding a penalty?

A word of caution

It is prudent to reduce everything you can down to a cash sum, rather than relying on terms or statements that are open to interpretation. We played for a party in Cologne, Germany, and the contract included accommodation. Dropping us off at the end of a road, the client waved airily at a huge and glistening hotel in the distance. Wading through the carpet, we were all most impressed with the reeking aura of luxury. There was a slight problem as the receptionist hunted for a booking in first my, and then the client's name. Eventually we fished out the bit of paper with the name of the hotel. It wasn't this one. The receptionist, with no attempt at all to hide a sneer, dismissed us down the road.

Eventually we came to a shabby building with a bit of A4 paper taped in the window displaying the name of the hotel we were looking for. Rather than being ankle deep, this time our shoes stuck to the carpet, and the receptionist (who was watching a porn film) did not bat an eyelid at four men carrying a strange collection of bags and cases. The view from our shared room was of a shop window full of construction workers' clothing. Either side were windows full of police gear, and Native American costumes. The young naïve guy we had brought along asked, rather sweetly, "*Paul, why has that woman standing on the street corner got stubble?*" The more worldly wise of us had already realised that we were in a 'gay' hostel. And they say that the Germans don't have a sense of humour! In turn, perhaps the client regarded it as an error to have included drinks in the contract without quantifying the nature or quantity. A one-all draw I think.

Another example — a friend asked me to play in his band for a gig at Minster, in Kent. What, I said, on the island? He confirmed that this was so. Fine, great. We turned up looking for the venue in Minster on the Isle of Sheppey, but he was waiting at Minster, on the Isle of Thanet. A written contract complete with map or at the very least a postcode who have avoided my poor little van having to fly across the county at warp speed.

You'll never win an argument with a customer

You may of course win a battle, but never the war. If you leave a client unhappy they'll make sure others know. If you are very unlucky, one day they may even find themselves writing a book, and take the

opportunity to say that, in their experience, **Brittany Ferries** wreck holidays, have no concept of customer service and should be avoided whenever possible. Oh, and the bunks are really uncomfortable as well. From their thickness, I think the mattresses were made by Tampax.

My final email to them was:

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To: xxxxx
From: paul@barndance.co.uk
cc:
Subject: Hurst GW36269
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Dear Yxxxxxx

Please advise Brittany Ferries that, regardless of the legal small print, we expect them to take responsibility for their actions.

If they want to work to such a low standard of customer service and hide behind legalistic excuses then fine, but please advise them not to be surprised if we yell as loud as possible to as many travel organisations, web 'blogs' and newsgroups as possible.

It said that a satisfied customer will tell seven other contacts, a dissatisfied one twenty. Please be assured that we will be able to manage considerably more than that!

And I do like to keep my promises.

Always get feedback

Us Brits tend to be bad at complaining, but it is hard to improve the quality of your product or service without knowing what customers really think about their experience of having dealt with you. Always ask afterwards if you are able to, and send some form of 'thank you' whenever possible and at every opportunity. If you have a response form with check boxes use an even number so there is no easy middle option to fill in. If you use more open questions, try and

ask about the same points, but slanted from different directions — here are a few examples, together with my notes.

To help us improve our service, please could you answer the questions below:

Why did you book through 'Barn Dance to Banquet'?

Do I need to thank anyone for the booking, or did the enquiry come from an ad — which one?

What is your opinion of the service and the performance?

Unlikely to get anything rude here. Could be a good quote though.

What were you most satisfied with / what did you enjoy the most?

What should we keep using in the routine?

How could we have improved our service or the performance for you?

The stiff upper lip will relax a bit here. Pay serious attention, because now any problems will come out.

How can we be of service to you or any of your friends in the future?

Can we have more work please?

Thank you very much for your help.

My mum taught me to always say 'please' and 'thank you'.

Don't carry forward the sins of previous clients

Have you ever seen the case of someone getting increasingly wound up by different people doing the same thing? I'm thinking of, say, a householder being constantly annoyed by not being able to park outside their home and venting their accumulated bile on the latest transgressor as if it had been them all along. There can also be a temptation to carry the sins of a previous client on to everyone else, and completely over-react if the same problem comes up time and time again with each fresh customer. In the contract, I mention about guests congregating in the doorway at the end of every evening because that's what usually happens. You can be staggering towards the door struggling with a huge bass speaker and developing a new set of hernias, but guests will just stand there watching you, still chatting away. It will be necessary to politely ask people to move every time you go through. There is absolutely no point in me getting in a tizzy about it and cultivating an ulcer — if another exit is available then great! If not,

well ho hum just get on with it. The contract note helps a bit, but it remains a regular part of our evenings. Perhaps one day if a grant is available I'll do some research.

Over-Deliver to Create Raving Fans

I noticed a while ago that some of the sharper clients (who often ran their own companies,) although haggling quite hard before the event, were perfect hosts on the night and made sure that the band were properly looked after with drinks, refreshments and so on. At first, I thought it was just good manners, but then I noticed that on those nights we worked harder, made more effort and generally put ourselves out more. There was a noticeable difference to the gigs where we were treated badly — the band still did their job, but just that and nothing else.

Later, when reading the book *"Influence, Science and Practice"* by the American professor of psychology Robert B. Cialdini (Arizona State University) all became clear. He describes how humans are hard wired to respond to a gift — feeling obliged to in turn give something back. Someone has to start the cycle, so now we include lots of little extras and freebies on the night — little things we can do for free without a problem — piping in a birthday cake (I play English medieval bagpipes,) a bit of close-up magic round the tables if guests are not too keen on dancing all night, free use of a CD player at the end of the evening and so-on. The aim is to over-deliver, to provide an evening that the clients will remember and talk about to friends — and it does seem to work rather well.

Your focus should be on looking for ways to provide a better service for your client. One of the reasons for our success as a band is that we use actors, rather than folkies to 'call' the dances (telling the audience the steps and moves). Some (not all) of the latter tend to focus on how the dances are being performed. They can act like petulant primary school teachers, blowing whistles, clapping hands and shouting comments like *"No! Go back to your places, you're all doing it wrong!"* and *"Come on, come on, this is your heritage that we are teaching you."*

The actors treat the whole evening as a show, and are concerned primarily with how the audience are enjoying themselves. They assume that the dancers do not come as experts, and certainly don't want to leave as such — that they just want to have a fun evening.

From the first enquiry to the departure of the last guest, we are

looking for opportunities to over-deliver and convert customers into Raving Fans.

Think

“How long is a piece of string?”

This saying does wind me up a bit! This is just an excuse to be lazy. A piece of string has a measurable, definable length, so go and measure it! If you are selling, you should know what lengths you have, and then help the customer choose the right piece.

A correct answer to a customer would be ‘How long would you like?’ A better answer would be ‘We can offer you a special deal on more than one piece’ and for an A+ mark, you will have worked out that the customer is not able, or would rather not do the measuring themselves — go for ‘we offer a measuring package — attend, measure, supply, fit and guarantee.’ All, of course, for a price. Never be afraid, or ashamed, to ask for money to provide a service — just make sure you are the best service you can.

Another example

Imagine, if you will, that you have retired to Italy, and are now running a small village taverna. The evening has begun, and you are sitting enjoying a quiet glass of wine, basking in the cool sunset. You have one couple in so far, tourists who you have not seen before (and probably won’t see again). They have ordered a bottle of wine an hour or so ago, but have only had a large glass each from it. As you watch them, wondering who they are, you see the bottle and ask yourself the age-old question. Is it half full, or half empty?

Simple — the answer could be either, and until you get up of your plump derriere, go over and talk with them, you won’t know. You are, after all running the taverna, so it is up to you to find out if the bottle is half full because they are not enjoying the wine (solution: change it,) or half empty because they are waiting to order some food (solution: take their order).

And whilst on the subject, there are more questions that need asking. Here are four I can think of at once, and I’m sure you can come up with more.

Do the couple want to be left alone?

Or would they like to have a chat? Don’t be intrusive, but if they

want someone to talk to this should all be part of the service. Make sure they stay as long as possible, and are singing your praises when they do go. They may well come on holiday again, or tell their friends about you.

Why did they come here?

Do you owe anyone any form of ‘thank you’ for the referral, or was there something else that appealed?

How can you expand your services?

What else would they like that you don’t (yet) provide? Do they need any local services — can you recommend a vineyard / local shop / taxi service (who in turn will return the favour with their clients) and so on. Do you have something to give away? How about a free map with local walks and useful information (and sponsored ads for local services!?).

Only one couple of tourists in so far tonight?

So where is everyone else? What about the locals? Why are there not more tourists in?

The list goes on, and like most business ‘secrets’ it is not complicated — just requiring a bit of work. If you care about what you do, you’ll want to provide the very best service to your clients. Talk to them, understand them and their wants and needs. Deliver in abundance and not only will they become loyal customers, they’ll tell others, and that is your best ever source of advertising — free, and very powerful. I don’t mean that you should do any of the above in a cold and calculating way, but if you really have a passion for what you do, then that should mean you’ll want to offer the best service you possibly can.

Actively find out what your customers want, then think of as many ways as possible to go just that bit further.

Chapter 9

Marketing

There are many excellent books already covering marketing and advertising, some are mentioned at the end of this book. I don't have space here to go through the subject fully, and cannot cover the topic as well as these expert specialists have. Please, please do get hold of these books and study them intensely — marketing will almost certainly play a vital part in your success.

Here are a few tips and examples from my own experience to be going on with however.

In general, remember to focus on the things that you know are relevant to your customers. Avoid the kind of advertising that seems to be intended to flatter the ego of the advertiser but instead focus on clearly explaining the benefits that your potential clients would enjoy from your product or service. How many ads have you seen that are largely 'We' focused — we have been trading for xx years, we can do this, and so on? Remember to tell others how they will gain. Inform and educate your readers, intrigue them so they are keen to discover more. Offer a clear benefit or value.

Help them to relate to you, we like doing business with people like ourselves. In mail order experiments, even something as simple as the sender having a similar name to the recipient increased response. If you have time, look up Henri Tajfel and his 'minimal group' experiments.

Marketing a New Business

The problem with marketing when you first start is that perhaps the best options are not available to you. When I started as a musician

it was pretty hard going, but over the years, the 'Three 'R's' started to bring in good, solid and keen enquires. As soon as a decent 'track record' was established, we had calls about **Repeat** bookings, **Referrals** from other musicians who were already booked and **Recommendations** from both venues and clients.

All these enquires were free, and the call no longer started with "How much?" but "Are you available?" It's a catch 22 position — you need to get work first in order to have the chance to earn more through these methods. The first thing to do is catch potential client's attention as quickly and efficiently as possible. Target your advertising towards likely markets, rather than just relying on simple numbers with more generalised ads.

Your circumstances will be different, but here are the methods I tried, and the results achieved.

Yellow Pages

Perhaps the obvious first choice and a way of reaching pretty much nearly every household in your area. It was also my least favourite however (but not the least successful). It would have been easier had I been a plumber, with only one section to target. But as a performer, which should I advertise in?

'Weddings —	Music & Entertainment'
'Weddings —	Civil Ceremonies 'Entertainers'
'Entertainment Agencies'	
'Entertainers'	
'Musicians	
'Bands -	Music'

Unlike some forms of advertising, it was not possible to quickly test the responses to find out which was the best for me.

There was quite a long delay between placing the first ads and getting a response. It was also pretty expensive. From Dec 02 to May 05 I paid out over £9167.67. Their accounts system and department were pretty rotten to deal with as well. But the big problem was that it made me a sitting duck target for any salesperson that wanted a free source of potential customers — and my 0800 number was a bit of a magnet for those wanting to call at my expense to offer me 'exciting new opportunities' regarding life assurance, photocopiers and medical cover.

MARKETING

Although it did produce work, many of the calls started off with *“how much are you?”* We never set out to be the cheapest, and it does take a bit of time to explain why we cost more than part-time hobby musicians. Callers tended to be in a hurry as well — I had to be at home all the time, or run the risk of losing a booking. As well as responding to every answer phone message, I would also use ‘caller display’ and ring back anyone who had not left a message — often to be told *“sorry mate, we’ve booked someone already now.”*

Magazines

Again, not a good one for me, probably because my niche market was so specialised. Very expensive in terms of results, and they took a lot of time to plan and lay out designs. It was necessary to check carefully and find out exactly how and where the magazines were distributed. No point in paying to have ads run in 20,000 copies of a magazine, if many of them will never be distributed.

Mail shots

Absolutely terrible results when I tried direct mailings to newly engaged couples — possibly again because of the niche aspect, or else they were fed up with being bombarded with similar mailings — but more successful when contacting venues. By the way, it is quite common for venues to expect a commission on bookings, or even an advance payment in exchange for adding me to their ‘preferred suppliers’ list, and for handing out my sales literature. It has also been known (but very rarely) for staff to expect to ‘wet their beak’ with the odd back-hander for giving a recommendation.

Cold calling

Have always hated the idea of this, but must admit that it does work. I arrange to call at different wedding venues, discuss what we can offer their clients, and ask if we can be included on their suppliers lists. A couple of very good working relationships have come this way.

Web site

Web sites have transformed my businesses probably more than anything else. It's like having extra members of staff who are available 24 hours a day, 7 days a week to take enquiries, provide answers to questions and help assure potential clients that they will be more

than satisfied if they do business with us.

My first web site for the music business was truly appalling though – it was set up through an internet provider's domain and was simply a one page leaflet at a really hard to remember address and was, frankly a waste of time. As mentioned in the 'swapsies' section though, I managed to get a great site set up for very little cost.

Now this was much more like it! I just love the way that potential clients are looking for me, rather than the other way round. So long as I can offer them lots of tips, information and advice when they find my site, it is possible to quickly demonstrate that we know what we are doing. Having a few hundred comments from happy customers does help as well, and it is possible to easily explain just why we may not be the cheapest option available.

It also saves me so much time. Many of the frequent questions are already covered on the site. When there was only a 'phone number as a contact, callers expected someone available all the time. Now, with at least half of the enquiries coming in by email, I can run a day job as well.

But the problem was that the new site had been set up by someone else. Although I can still edit the pages using my own software and upload the revised pages via FTP (File Transfer Protocol), I cannot easily change the layout or structure of the site.

So when setting up the 'New Business Doctor' web site, I was determined to use the best possible option right from the start. I would set up the site myself, but this time with as much help as needed from experts, and with every stage laid out clearly – right from choosing the best domain name. The system would have to let me access all of the website from any computer and make changes without using any specialist software, It was also essential that I would be able to quickly add, re-order or delete pages, and that changes were submitted immediately to the main search engines.

It does take a bit of time and effort to work through the stages, but help is available all along the way, and the result has been well worth it for me. I'd strongly suggest that you take the time to think just how a clear and focused site could benefit your new venture, and at least have a glance the system used to create this site. In no way am I a 'techie', the the new site was planned, researched and built – complete with graphics, downloads, 'contact' us' and 'Share' buttons – using the excellent package described as described at <http://www.new-business-doctor.com/web-sites.html>

There are also examples of how other companies have set up web-based businesses, and a natty little video for you to watch.

Google Ad words

Brilliant! At last I had a form of advertising that could be turned on and off instantly, like a tap. I could tweak and test individual ads until the best wording was found. And because I was trading in such a narrow niche the cost per click wasn't too bad.

I was even able to forward on enquiries for events outside our area to friends who were nearer, and who paid me a commission on any gigs they were given, a real win-win-win for all three of us.

EBooks

Another spin-off from the web site. I wrote two eBooks (available as free downloads on the website BarnDance.co.uk). The aim was to answer common questions, solve a problem (see the 'Charity' book) and provide something hopefully of worth that brides could circulate between themselves, with built in links back to my site. The jury is still out on this one, but I do know that the skills and software picked up to make these are about to become very handy. I'm currently putting together a lot of free business information in a series of eBooks — details later on. I don't mind giving these away as free downloads, as the cost to me is pretty minimal.

Be Yourself — Reflect Your Passion

Let your passion spill out of your words and off the page; make it infectious. Leave it to your 9 to 5 competitors who are just doing a job to adopt a grey, corporate mentality of conventional writing. Tell potential clients about the wonderful things you can do for them — better yet, pass on comments from happy clients. Make them look forward to doing business with you. When working in the jewellers, we had sales reps calling on us who were dull, bored or depressed, and those who always were excited that they had something different or new to show us. Guess which were greeted like old friends, and which told 'nothing needed today, thanks?'

Make it Interesting

We spent a whole year of my Open University course studying the biology of the brain and central nervous system, with a medical doctor as our tutor. Often, there was not much option available to us in the way we could write our essays. All we could do was list a string of names, functions, reactions and so on. Whilst this was really boring for us, it must have been sheer murder to mark almost identical essay after essay.

In an effort to liven things up, I once wrote the whole of an answer (on how connections between neurons succeed or fail in the early stages of development) using musical metaphors. The facts were all still there, but I'm sure that the resulting mark (95%) was more of a 'thank you' for style, rather than content. Don't 'force' your writing style, but aim to reward your reader with *interesting* facts and perhaps a little humour as they go along. Sales literature is often just plain boring. When you think how much time and money goes into getting those words in front of your potential client, this is just stupidity.

By the way, do you want to know about the time I delivered a collapsible igloo to a Chinese Elvis impersonator? If so, read the story on my website www.new-business-doctor.com, in the Odds & Ends section.

Remember to Follow up Enquiries

There may be some small thing that is holding back a sale, some niggling doubt that is stopping the customer from placing an order. Taking the time for a quick follow up call could well resolve the matter. Even if you have already lost the sale, by making contact you can at least find out why. It is expensive to get enquiries, so make the most of every opportunity you have to gather information.

Find as Many Relevant Customers as Possible

It's no good having a new business if no one knows about it. Try as many different ways to reach targeted potential customers as you can — don't forget to give free talks, send out press releases and use every opportunity to show what a wonderful job you do. Shouting

from the top of a hill is more effective than whispering at the bottom of a well.

Always Target Your Marketing

Don't waste your time, money and resources with blanket advertising. Aim to get tightly focused messages in front of your ideal potential customers. Fortunately, if you are following the advice about finding a niche this becomes a lot easier and cheaper.

Let me put it this way. What is easier – to advertise your skills as a general plumber using the normal media, or as a expert in 'green', environmentally friendly systems in specialist publications with a targeted and defined readership?

Always be Ready to Sell Your Services

In other words take every opportunity to promote yourself. Every time we turn up at a village hall, I'm straight off to the notice board to put up some publicity postcards. My 'music' email signature has links to my three main sites – www.barndance.co.uk, www.Medieval-Jesters.co.uk and www.howtoreadtarotcards.co.uk . You never know who may pick up on one of them when reading a message (or, indeed, a book!).

I don't mean that you should become a glassy-eyed evangelical fanatic, like some of the people plugging their wares at business meetings, just never waste a single opportunity to gently let people know what you do, and provide a way they can contact you if they want to.

One children's entertainer has a T-shirt with details about his services, and chooses to do his shopping slowly and frequently at supermarkets when there are lots of parents about. This works very well for him. Another magician always starts casually playing about with sleights of hand tricks at the start of a long train journey. Enquiries follow, and by the end of the trip he will have a large audience and probably a solid enquiry or two. Accident? Of course not. He sets out that day fully 'loaded' and ready to perform. He also aims to give away souvenirs with contact details as well – bent coins in branded boxes and 'melted' wineglasses. A waste of time? Hardly - one of these resulted in three bookings for the Queen!

Can you come up with something similar? A plumber could give away valve keys attached to a key fob with your contact details. Could

you have plastic business cards printed – complete with a conversion chart or reference table on the back? Something that would be so useful potential clients would always keep it close to hand? Think beyond mugs and mouse mats.

Chapter 10

Staff, 'Subbies' And Suppliers

I am surprised why those starting up companies often equate their new job with the old one, expecting their new responsibilities to exactly fit the previous fixed 9 to 5 working day. Part of your planning should have been an overview of the time needed to run each part of your venture, including sales and marketing, purchasing, logistics, admin and accounts, customer services and strategic planning. It is pretty likely you will need some help doing all of this. Also, as I said earlier, it should be your responsibility to concentrate on the running of the business, delegating to others where possible.

Again with the WII FM

You should make as much effort to find and retain the right help as you do with your customers. Again, follow the theory of mind. Understand the 'What's In It For Me' that motivates others, and aim to slot people into jobs that they will relish and shine at. This applies to not just your staff, but sub-contractors and suppliers as well.

From my own experience, although a competent musician can usually get away with playing in several different styles, I know that by matching performers to the best event for them it is possible to lift an event from being merely ok to becoming an absolutely fantastic one that leaves me with not only happy clients, but performers who enjoy working with me, and want to do so again. Once again, win / win / win.

Lead From The Front

Ok, so it's a pretty old-fashioned idea, but to my mind, none the worse for that. How on earth can you expect others to take an interest

in your venture if you don't seem particularly fussed yourself? Go home early, come in late and you are setting the example for everyone else to follow. You cannot demand respect, only earn it. Explain your plans to those who you work with and make it clear how your achievements will be a group activity — tell them how their input fits into the wider scheme of things.

Let your own passion shine through to encourage those you have chosen to work **with** you. Your dream may be to sit in a big comfy leather chair with your feet up on your desk, behind a big solid door with the word 'Boss' painted on it and having a snooze while your minions scurry about faithfully and devotedly carrying out your Imperial Decrees. If so, take a few moments to study the them and us mentality of the past, especially in companies like British Leyland. If this is how you would like your business to run, then please stop reading now — we are on rather different wavelengths.

Have a look at the truly appalling cars that resulted from the polarised management versus workers conflict, with neither caring in the slightest about their products. I once owned a Morris Marina. It would be impossible to fully communicate in writing my extreme hatred of it in a book shorter than War and Peace and without creating a dictionary full of new obscenities. Few current ones could allow me to adequately express the depth and range of my loathing for it.

And, by the way, never accept the double standard 'do as I say, don't do as I do.' It cannot be one rule for you, and a different one for everyone else.

Remember that when you go 'over the top' brandishing your revolver and blowing away on your little whistle, it is essential you are leading a group activity. It is not a good time for your comrades-in-arms to be having thoughts along the lines "*There goes the daft old sod, what's he up to this time?*" or "*We off then? In a minute, time for a fag first...*"

Worst of all would be to have motivated the sentiment "*Go on. Lob a grenade after him.*" In the Vietnam War, the preferred method used by troops to dispose of unpopular officers was known as 'fragging.' This verb describes the act of tossing a live fragmentation grenade into a senior officer's tent at night. Sometimes after the subtle hint of a smoke grenade, and then the less than subtle warning of a stun grenade had been ignored.

Always be aware when staff do not totally share your enthusiasm with a project. Unless you fulfil the twin criteria of having a particu-

larly abrasive management style and running a munitions factory it is very unlikely you will be presented with an early retirement present as described above, but it is possible for staff to express displeasure in less flamboyant ways. It wouldn't even need an 'accidental' spanner dropped into the works to scupper your plans either — just a few key personnel deciding that it was time to move on to pastures new.

Be passionate, share and infect others with your dreams and plans for the future.

Sub Contactors And Outsourcing

There is a whole bundle of legislation just waiting to drop on your head the moment you go through the door marked employer. From the moment that the first member of staff comes on board, this is another job which will fall squarely on your shoulders, until you are in a position to take on someone to cover human resources.

For as long as possible, and especially whilst you are setting up, don't rush to take on staff until you have a clear picture who you actually need, and how they can constructively fill each day. Choosing staff is not something to be taken lightly. It is best to wait until you know clearly who the ideal person for each job would be, rather than having to fit existing employees into new posts.

When you look at the total due to the government for their cut of tax and National Insurance deducted from wages, you may be surprised to find that often the latter is more than the former. This is because there are two types of N.I. contribution; Employee's (EE) from your staff, and Employer's (ER) which is a further chunk on top of the staff salaries that you have to pay for the privilege of being an employer.

Don't forget this extra cost when calculating the financial implications of taking on staff! Also, there will be 'Employer's Liability' insurance (based on gross salaries) — to say nothing of the extra costs for furniture, office space, heating and lighting, wages paid during holidays and sick leave, etc. Don't underestimate the true cost of becoming an employer. It's not cheap, even down at 'minimal wage' levels. But intelligently selected, hard working, loyal, well motivated and effective staff will be the only way to build a larger sized successful and sustainable enterprise.

I aim to sub out as much niche work as possible. All my book keeping clients now use a specialist payroll company rather than doing

this in house, or have me covering it. A specialist will be quicker, better informed of the latest developments and able to employ economies of scale by using software, equipment, training or knowledge more efficiently.

Staff — Getting And Keeping The Best People — Who to Avoid

Take your time to get the right people

Think of it like a marriage. You will be spending a lot of time with these people, and any mistakes could be very costly indeed. One wrong choice may sour the whole working atmosphere, or a word out of place from one employee to a customer could negate all the hard work done up to that point by the rest of the team.

Hire attitude, teach ability

It is quite possible to take someone who is willing, and then train them to achieve far more than they think they can. Drop an inexperienced, but willing musician into a heavyweight line-up, and you can improve how they think of themselves, and their understanding of their abilities — they'll learn from the more experienced players, and greatly increase their self confidence. Keep telling someone that they can do something, and that will probably become the case. Unfortunately, the reverse is also true.

Recent research with children suggests that is much more important to praise the effort they are making, rather than telling them how bright they are. This may be because internal conflict could occur if a child is told they are very clever, but then fail tests. Whatever the cause, I'll follow any test results with interest.

Choosing the right womb is not enough.

Just because someone has had sense enough to make sure they have chosen the right parents, it does not follow that they are automatically the best candidate for the job.

The renowned ad man David Ogilvy cautioned against employing family, friends and children of clients. Please don't kid yourself about it not causing any resentment. Unless you are scrupulous in making sure that they are paid a bit less, work a bit harder and in general treated a little bit worse than your other staff, then there will be friction. Guaranteed. You may not see it, but it will be there. And if you

do pay them less, etc, then they *will* be unhappy.

The very first time it becomes clear that they know something the rest of the staff don't, then expect resentment. It doesn't matter if they were told it, picked up on a passing comment or overheard it in a conversation, it still highlights the fact that they are special. And it can do little for their self-esteem to think that they are only able to get a job by nature of birth — even if they were indeed the best candidate.

I have however seen one very effective team where a couple worked together, but both were excellent business people in their own right, with each very skilled at different jobs. When they sold off one of their companies for oodles of dosh, none of the 'suits' still had a working pen after the first few inches down a huge pile of paperwork had been signed. Carol produced a cheap biro with a flourish, getting the rather snide comment "*and I suppose you know exactly how much you paid for it.*" Yes, of course she did, and had almost certainly made sure that it was a good deal as well! You don't get to build up a business to that size without keeping an eye on costs.

Match passions

Just as you should be following your own passion, look for others doing the same. Slot employees into positions you know that they will enjoy.

'I don't pay you to think'

Probably the most expensive thing ever said to me. It became a mantra that I would chant whilst standing idly by without taking action whenever I could see something going wrong, or that was going to cause problems in the future — after all, I wasn't paid to think. The cause of the dispute (do you tell building workers to enter a room that has a risk of asbestos pollution, without checking first and wearing specialist gear?) was not something I was ever going to change my opinion on. Find good people and trust them. If you can't let them use their own judgment, replace them. But do make sure that everyone is fully on board.

Help others to move on

Don't expect to keep hold of the high flyers forever. Help them on their way as much as possible. There have been several excellent musicians I've had the pleasure of working with — enjoying every minute of each performance, but their talents were such that the rest of the

band always hoped that they would be able to move on to bigger and better things. We still get to do the odd gig together when they are not on tour, and feel privileged to do so. Take pleasure in the success and happiness of others.

One entertainer I know seems to harbour nothing but resentment towards those who have made it in our particular art with an unkind word for anyone who has made a name for themselves. It is doing him no good at all to harbour these feelings of jealousy. If you really want to also enjoy the success others have, simply find out how they achieved this and follow the same route. Negative sniping helps no one but will hurt both your reputation and peace of mind. Others will pick up on this bad vibe and doors will tend to close for you, rather than open.

It's not just the money

Aim to make your working environment as pleasant as possible. Sometimes it costs little or nothing to make large differences. If you know what motivates those who work for you, make sure you focus on what they want, rather than what you do. At one client, all the company cars were mini saloons simply because the director liked them so much. A little investigation on his part would have revealed exactly what his employees thought about this forced choice. For the same money, he could have had a much happier staff.

For some, the goal will be to have more spare time, or more flexible working hours. Be prepared to bin the old working patterns. Things move on. Start with your aims and work back from there. The saying 'if it ain't broke, break it' is an excellent counter to 'but we've always done it that way.' So long as the customer is happy and things run smoothly, why does everyone have to start at 9.00am sharp?

Work should fit in with life, not dominate it. If you can, enable your staff to miss the rush hour / spend more time with their families or achieve whatever it is that enables them to improve their lives.

Results matter, not rigid structures. The father of a friend worked as the assistant manager of a large London branch of Lloyd's bank. He applied for a mortgage to buy and re-build a very pretty lodge house. It was a good purchase price, and all the figures stacked up for the works so he was pretty surprised when his application was rejected. Before sorting out a deal through a friend in a different bank, he asked what was causing concern — after all, the figures had been worked out carefully and were sound nor was the sum excessive.

The problem was one of status. He was an *assistant* manager, and the house was deemed to be beyond his station — “*It’s a manager’s house.*” I had a similar problem with Nat West when working for them. Asking for a loan to buy a motorbike, it was made quite clear that a bank clerk of my humble grade was expected to have a small car. A mini would have been acceptable apparently, or perhaps ‘an eleven hundred’ if I felt the need to be sporty. Again, I got the hump and simply arranged finance for my Triumph 750cc triple elsewhere. The days of dictating your employee’s lifestyle are, I hope, long passed.

Little things matter

Earlier, I mentioned the BBC documentary “*Over the moon with the Cavalier.*” At one point, a rep was given a car he despised (a really basic Maestro), rather than the car he was expecting. His colleagues knew this in advance, and found the whole thing really funny. His comments, “*I felt really sick,*” “*what had I done wrong?*” “*I physically cried*” showed just how damaging the whole episode was to him psychologically. Just what kind of work did his bosses think they would get out of someone who felt like this, and who was so ashamed of this status symbol between reps that he would hide it out of sight whenever possible? Why go to the trouble and cost of getting a sales representative in front of customers if you are going to such lengths to make him feel so miserable and dejected? I can only assume that they were trying to get him to resign.

If you would like to find out more about getting your own ‘Superstar Staff’ check out the full details of this book. I’ve arranged a fantastic deal with some great bonuses here:
www.superstar-staff-training.com/ph.html

Suppliers — Building up Mutually Profitable Relationships

Aim to develop a long term relationship with your suppliers. Always leave something on the table in a deal — enough to keep them interested. If you try and shave the price down too much, don’t be surprised if your job goes to the back of the queue. Help them to make money whenever you can; if you see an opportunity for them, pass on any leads or information. You’ll probably find that they will return the favour at some time.

Always be clear and precise with your order — avoid reams of

legal small print, terms and conditions, but do be quite sure there is no room for doubt. Place every order in writing, especially if dealing with suppliers in another country. The story goes that the Mitsubishi 'Star-ion' was so called because the Japanese head office gave the name 'Stallion' over the phone to their advertising agency 'Stateside!'

If you think a supplier has made a mistake with their quote, size of delivery or invoice, do check it with them regardless of whose favour it is in. As I said, the aim is to create a trading partnership that will grow over time. Gaining a temporary advantage through an error of theirs will sour your relationship rather than establishing mutual trust and respect. And it may be you in the muck next time, calling on them for a favour.

Chapter 11

Problem Solving And Attitude

As humans, we are by nature pattern seeking animals. Often we'll start off with a theory, and then just count the occurrences that support our view, disregarding the misses — that's how mediums and psychics get away with it.

Please don't be afraid that I'm now going to endorse some kind of Positive Attitude blind-faith system. I don't mean jumping up and down a lot and yelling catchy phrases like a demented ferret on steroids — that's just hype. In fact, one of the most dangerous combinations I've ever seen is inexperience and lack of knowledge coupled with blind enthusiasm and unfounded confidence.

If you want to get through a mine field, running into it with just a blind Positive Attitude will certainly see you go up in the world, but perhaps in more pieces than you would ideally like.

Aim to develop the quiet and determined faith that comes from learning, day by day experience and self-belief. Build up your skills as your business evolves — there are plenty of footsteps from the experienced to follow in, and lots of help available.

Confidence should be like running water. It will always seek to run downhill, regardless of what you do. Put out your hand and you may stop it for a bit, but it won't fight you — just find another way round. Move your hand and it carries on naturally and relentlessly, just as it did before. There is no high pressure or conflict involved. This is the kind of positive attitude that gets results.

Start with the knowledge that there *are* solutions to every problem (probably more than one), and opportunities on every corner — you just have to recognise them. There is no 'fail and give up' option. The

successful person's only response is 'well, that didn't work, what shall we try next?'

With a positive attitude you'll get more out of everything in life business and life. Not only will you find the solutions to virtually every challenge that presents itself, you'll be a more upbeat and pleasant person to be with. When I was working as an agent, who do you think I booked? The happy and pleasant performer who I knew would sort out any problems at a gig or the technically stronger one liable to give up and go home if something went wrong? You know the answer.

Start with a negative attitude or, just as bad, an apathetic one 'Well, I'll try it, but I can't promise anything' and you are simply pre-justifying an eventual failure.

There are those who spend all their efforts thinking why something won't work, either to provide an excuse for inaction or because of fear of (in their minds) probable failure. Just do the research and test an idea on a small scale first. Keep the risks to a minimum, but if you never try out new ideas and possibilities how can you possibly evolve, innovate and grow both your business and yourself? It is only the positively thinking person who can achieve their goals.

Try to avoid negative feedback from others. Your morale will be greatly improved if you join local, regional or national trade and business organisations with those who are already successful rather than just hanging out with others who have tried and failed, or given up — and there will a ready queue of those willing to tell you of all the problems.

Those who care about you may be worried about you getting hurt, but to be blunt, there will also be those who will simply be jealous of any success you have. Do not be surprised if you pick up any negative 'flak' from family (although I've not personally experienced any) and friends (no comment) as you improve your circumstances, your bank accounts become fatter and your successes pile up.

Take The Initiative

You can help influence whether or not a situation becomes a problem by your own actions. In 2008, we were performing for a series of medieval banquets for staff parties. It was in December, and groups of wet, cold and tired punters arrived by car and coach at the venue. Looking at their faces we could see exactly what mood most of them were in, and realised that we were in for a long, hard night's work.

And then they were met by a brightly coloured ‘Sod the Jester’ grinning madly and brandishing a carrot on a stick (for the dreaded ‘Ordeal by Root Vegetable!’). He involved them in a bit of light bantering and off we went — they perked up, wanting to join in with the fun and much merriment ensued. Audiences often make an early judgment as to if they are impressed or not, and will stay rooted to that viewpoint unless something major happens.

At a local gig, one musician was doing a fairly good impersonation of Private Frazier from ‘Dad’s Army’ before we even started (“*I’ve got a bad feeling about this one...*” “*we’re all doomed*” and so on).

Sure enough, problems arose — there were no lights to see to get the equipment in, one person got lost, a bit of kit had to be taken apart. For a good twenty minutes or so I was stuck fishing out torches (three), Swiss Army penknives, a mobile and PDA (electronic address book) until all the problems had been sorted and we could get on and have a fun evening. Having all the back up bits of equipment was vital, but if we had all decided that the event was not going to go well then that would probably have been the case, a self-fulfilling prophecy.

For the times when an immediate solution is not possible, offer a genuine apology, explanation and offer of compensation. Most people will accept that problems will happen, and will be satisfied if you do your best, be genuinely interested in giving the best possible service and address cock-ups when they occur. You will probably even gain a better reputation and more recommendations by establishing your trustworthiness.

Don’t try and fudge your way out with weak excuses and explanations; our house rule n^o. 1 is:

“Don’t tap dance on quicksand!”

Turn a Problem Into an Opportunity

Some time ago one guy had a bit of a disaster at a gig he was running for me. Ok, these things happen to all of us, me included. Rather than just passing it on to me to sort out as the agent, he settled matters directly with the client — even though it cost the full value of his performance that night.

Did I think ‘he’s the kind of chap who has problems at events’ or ‘that’s someone I can trust in future?’ (Just had a quick look — in the last nine months he’s earned £9,400 from me. It may not sound a lot, but from one band leader, and for a part-time job it’s not too shabby).

Offer to put things right, be reasonable and you can probably not only reach a compromise, but also establish your reputation as someone who can be trusted to do the right thing. Start by defending your position aggressively, and your customer will become 'the other side' and fight back. It is up to you as the expert and professional to be on the look out for potential problems.

Just like most people, I can be charmed by a supplier who actively takes responsibility for a problem of their making and will probably use them again. I also tend to punish those who seek to get out of their obligations or who just don't seem to care. The skills and techniques picked up during three years of working in County Courts have enabled me to successfully sue three companies. I've just let another off the hook though. It was a very clear cut case and I had them bang to rights but they made a small offer and sent a charming letter of apology. That was enough.

So yes, things will probably go wrong, but it can happen to anyone — just do the best you can and keep thinking and planning ahead.

Always look for the opportunities

In fact, you should be looking all the time for new ways to improve your position. At our village (more of a hamlet, really) pub, it became a standing joke that I'd always be coming up with ways to turn something into a profit. The teasing continued right up to the day we arrived in the brand new, hand-built English sports car which had been paid for by some of those ideas. It's been rather more subdued since then.

Quitting — Why This is Not an Option

The difference between average people and achieving people is their perception of and response to failure.... No matter how difficult your problems are, the key to overcoming them doesn't lie in changing your circumstances. It's in changing yourself. That in itself is a process, and it begins with a desire to be teachable.

Dr John Maxwell

"Many of life's failures are people who did not realize how close they were to success when they gave up."

Thomas Edison

PROBLEM SOLVING AND ATTITUDE

"Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time."

Thomas Edison

"Great works are performed, not by strength, but by perseverance."

Samuel Johnson

When solving problems for both myself and clients, I've found that the moment of the most frustration, the greatest temptation to quit, comes about half an hour to an hour before the solution arrives. Just hang in there.

Kiss those frogs

Fear not! I'm not talking about abandoning all of our deep seated notions about how we should behave in polite society, and engage with our neighbours across the channel in an orgy of bonding and public display.

As the saying goes,

"you've got to kiss a lot of frogs before you find your prince!"

Perseverance is essential. There are just so many excuses to give up and do something else and we can often reach the 'sod this for a game of soldiers' stage just before a solution appears.

One South American tribe was noted for the power of their rain dance. Every time they danced, it rained. So what magical secrets did they use? Simple. They took turns and didn't stop dancing until the rain started falling, even if it took days, or weeks or even a month.

There is an often misquoted saying of Churchill's about never giving up; it seems that the original version came from a speech given at Harrow School. Here is an extract taken from what appeared to be the full, original speech:-

Never give in. Never give in. Never, never, never, never--in nothing, great or small, large or petty--never give in, except to convictions of honour and good sense. Never yield to force. Never yield to the apparently overwhelming might of the enemy.

Or, as Commander Peter Quincy Taggart, Captain of the NSEA 'Protector' said rather more succinctly;

“Never give up; never surrender!”

Take a break

If you are feeling a bit depressed or downhearted, then give yourself a bit of a rest. We had gone out to change a dodgy distributor on our friend Dave’s Fiesta car. Everything had been done by the book but, to use technical speak, ‘it still no go put-put’ and after a couple of hours we were starting to despair. Eventually, he suggested we adjourned to the pub for lunch. About a pint later and suitably refreshed, we looked again at the Haynes manual. *“What would happen if we turned the distributor through 180 degrees?”* Dave asked. We tried it. Vroom vroom.

Try a different angle

If you are stuck with a problem, instead of just quitting try approaching it from a different direction. Alternative, ‘lateral’ thinking has always fascinated me, and will be the subject of a later book. A simple change of focus, perspective or ‘mental filter’ can work wonders!

Lousy Days, And How to Brighten Things up Again

So what do you do when it’s been a lousy day? If, like me, you work directly with customers, it is essential that you don’t show it in your face or voice — if you look or sound glum, they’ll pick up on the mood, and things will go down hill from there.

We can all usually spot when others genuinely have our interests at heart and are treating us like friends. When retailers tell staff to smile at customers this is a start, but not the real solution. Psychologists call the real thing a ‘Duchenne’ smile and the muscles round the eyes join in wrinkling into crow’s feet in the corners. In the false smile, only the mouth is moved. The result is a bit creepy and will not usually fool someone paying attention.

How can you learn to ‘smile from the inside out?’

Here are two methods: Imagine it is your oldest school friends that you are meeting after a long break. Alternatively, think of all the good things made possible by previous clients, and all the things you’ll be able to do in the future.

Tip

If you have trouble making telephone calls — feeling awkward and/or embarrassed — try standing up to talk instead of sitting down. The changes in your posture will be reflected in your attitude and you will feel more confident, more in control. It has also been suggested that during an impasse in a negotiation, the first person who talks, loses. I'm not convinced by this, but my experiments have led to some pretty funny extended silences when my opponent is obviously trying the same tactic!

**Conflict — How to Avoid it if You Can,
What to do if You Can't**

Does there have to be a battle?

Avoid any temptation to be drawn into a pointless dispute. I have seen men get drawn into futile power struggles in companies, and women locked into expensive bidding wars at auctions. Always stay focused on your targets, and don't waste a single shred of effort or resources on incidental issues. Use the theory of mind to understand the position of your potential adversary. Use this insight not just to avoid potentially damaging conflict, but to actively seek opportunities where you can work together in a joint venture.

Your mindset should always be on improving your own potential. Ignore negative forces that try to divert you. If you frequent user groups online, you may well have encountered 'trolls.' These are often juveniles posing as adults, who post hostile messages hoping to wind up the regular forum members; the solution is just to ignore them.

Once I managed to pull off a deal on a plot of land, but the vendor rather got the hump when he realised exactly how big the site was after it had been cleared. One of his heavies later tried to verbally wind me up presumably hoping that I would pick a fight. He was totally wasting his time. I had no respect for him whatsoever, and was therefore hardly going to take a blind bit of notice of a single thing he said. Any conflict would have been a pointless distraction.

Make every attempt to avoid future hostilities or stirring up needless aggravation. When a musician friend had a heart attack (fortunately he survived) I contacted a rival agency just in case they had not heard. I did not want them to suffer embarrassment and problems from gigs he could not attend. I'm quite happy to compete with them,

head-to-head, but it's more fun with a level playing field.

And don't forget — try not to have fights with customers!

'I need your help'

This is a very effective way of avoiding conflict. Asking for someone's advice as an expert or requesting their help — including a customer — in sorting out a problem is usually preferable to dictating to them. One of my shorter periods of employment was with an advertising agency in Tunbridge Wells. It was a pretty strange place, with a very quick turn over of staff. The junior account executives in particular had a similar life expectancy to World War One pilots.

Apparently none of my predecessors had been able to extract time sheets from the feared 'creatives' in the art department, making it impossible to bill their time to individual advertising campaigns. I adopted a rather different approach and tied a white hankie to the end of a telescopic pointer. Hiding safely behind the door, I waved it around a bit then went in whilst they were still laughing to introduce myself and do a pretty fair impression of Uriah Heep. *"If it was not too much trouble... needed time sheets to make sure company was paid properly...would greatly appreciate it"* and so on. Not only did the time sheets follow very quickly, they came bound up like scrolls with lots of little decorations drawn round the edges.

Make sure that you choose the time and place of any battle

Sometimes, however, conflict is inevitable. Always try to go around a problem if you can, but if that is not an option, make sure you choose the battleground and the agenda. Don't fight if you can avoid it, but when you can't, play for keeps. Concentrate only on the simple core point of the dispute (i.e. the goods were not supplied on time), and avoid getting distracted with trivial side issues. Keep your claim simple and focused, and follow the steps detailed below.

Going into battle

For bigger and more serious issues, involve the professionals right from the start — especially if you belong to a trade organisation. For smaller affrays, assume that you will end up using the small claims County Court procedure if all other attempts at reconciliation fail, and plan accordingly. Right from the start, follow a simple plan. Use letters rather than telephone calls, with copies sent by email where possible and proof of posting or Recorded Delivery. Keep your letters clear and

concise, and score as many points along the way as possible regarding faults, problems and broken promises. A favourite (and unfortunately often needed) phrase of mine is *“the courtesy of a reply has not been extended to my (letter/email/’phone call).”* Your aim is to build up the evidence showing you to be an honest and reasonable person who is making every effort to resolve the problem, but who is being ignored by the other side.

Have a timetable (*“unless I hear from you by...”*), stick to it and always do what you say you are going to do. Explain exactly what problems have been caused, what action you would like taken to rectify this, and what losses you have suffered. Always imagine your letters being read by a third party; think of what conclusions will be drawn from them. Be reasonable, polite but firm.

Rather than go straight into issuing a County Court action, I usually fill in the forms first (making sure to claim all the extra costs incurred regarding lost time, stationery, postage and interest) and then send a copy to the intended defendant together with a letter giving them a set time to pay. By doing so, they can avoid having to pay the Court fees as well, and the sight of the form is often enough to do the trick. A perfect carrot and stick approach.

When to give up

Don't throw good money after bad. *“It's not the money, it's the principle.”* Some of the most expensive words I ever heard when working as an officer of the County Court. I would love to give you examples of cases and stories from the courts but I did sign the official secrets act and will therefore honour my promise.

However, if it is likely that your target has no money, or you do not have enough evidence to back up your claim (the agreement was verbal), then don't waste your time. There are far more productive areas to focus your efforts in and on. Chalk it up to experience and move on. But not before sending the completed form as detailed above, it may just work — all for the cost of one extra stamp.

Chapter 12

Testing

This is the bit that will act as your safety net. You are probably going to make a few mistakes long the way — I made a shed-load. But so long as you test everything first you will be in a position to chalk up the results to experience and move on, ready to fight again another day.

Assume that you want to mail out 10,000 letters. If the 'list' has been compiled properly the results should be pretty standard, so start by mailing out to a selection of the addresses, say 200 to 500 first so you know how well you will probably do before contacting the whole list. If the results are poor you can tweak the mailing or take advice before testing with a different format, and you've avoided wasting a lot of money with the first batch.

It is vital to test for three reasons.

1. Control the risks

By trying out a small-scale test, you will be limiting your expenditure in case of failure. If the test works, you can move on. If it is a failure then at least all your eggs were not in that one particular basket.

2. Have you met your target?

By undertaking the whole process as a test you will be looking for exact results at the end of a set period rather than just starting an open-ended process of spending. Your mentality will be that of the objective scientist. I was particularly guilty of this in the early days. I would take out the advert, spend the money and move on to the next stage

without having a cold, hard look at the actual returns from my investment. Throw a lot of money at something as if it is your final and best option, and you have set yourself up for a pretty depressing mental kicking if it all goes pear-shaped.

"Don't waste energy trying to cover up failure. Learn from your failures and go on to the next challenge. It's okay to fail. If you're not failing, you're not growing."

H. Stanley Judd

3. What should I change?

If a test does not work you have not failed, merely eliminated another possible option, ready to move on to the next. A bad result is not a failure, merely one more step. It took Thomas Edison about 50,000 attempts before finding the correct mix of materials in creating the nickel-iron alkaline battery, and over 2,000 goes before discovering a workable filament for the electric light. He did not regard the early attempts as failures, just possibilities that had been tested and discarded before the next option was tried. Adopt a rational mindset, and focus on results. In particular, Google Adwords offers excellent opportunities to test and tweak away to your heart's content.

"Genius is one per cent inspiration and ninety-nine percent perspiration."

Thomas Edison

"I never did anything by accident, nor did any of my inventions come by accident; they came by work."

Thomas Edison

'Split Testing'

Now we are moving on to the more advanced stuff. This the method of running two or more adverts at the same time, identical apart from one just element (try and test more than a single difference at a time, and you won't know which is affecting the results because of 'confounding variables'). A simple comparison between the two sets of results shows you which advert is the most effective. And you don't finish there — incorporate that change and run two more ads, but this time with a different variable. And so on, always trying to beat the control (the ad which is currently the most profitable).

For a business such as mail order, with tight margins, this really can be the difference between success and failure — and mail order, which relies solely on the written word is such a perfect medium to try out these techniques. The advertising guru, David Ogilvy is clear that, *“in direct mail, testing is the name of the game.”* He is also clear on how effective it can be as a technique in any market, even and especially on a limited budget. It is certainly an approach that you should investigate.

Test Everything You Can First

Never rush into any large expenditure without being fairly sure of the result. Testing part of a mailing first before rolling out to the whole list of available names is an obvious way to prevent a major disaster, but you can apply the same principals to most things in business.

Premises

If at all possible ask to rent a shop or unit for a trial period first before signing up long-term. After all, it's in the landlord's best interest to have a financially viable tenant. Check to make sure everything is right for you. If you will be relying on passing trade then check how busy the location really is. If access is important, make sure that it is adequate, clear and unlikely to be blocked by others. What are the neighbours like? Are the premises comfortable, and will this still be the case when the seasons have changed in six months time.

Some things can be learned by studying carefully in advance. Other problems may only reveal themselves over time.

Equipment

Try before you buy. If you cannot get a demonstrator car or van to evaluate out for a couple of days first, see if you can hire one. If all else fails then talk to anyone who may have experience — especially those who work in the same area as you. Online user-groups and forums can prove invaluable. A quick visit to the forum for Asus notebooks revealed not only the best model to buy, but the surprising fact that the British Army MK VII gas mask case (available via 'E-bay') makes a perfect travel bag for one. If you want to know what it looks like, check out the pouch used in the Indiana Jones films.

Staff

Is there an option to try someone out part-time first before signing them up? Always try them out for a month first. If they pass this period, extend the period for a further three months. After that, extend the period for a further 6 months. Only then, if they have proved themselves to be effective, intelligent, pleasant, hard-working, diligent, loyal, trustworthy should you sign them up as a permanent member of your staff. Hire in haste, repent at leisure.

Stock

Can you get stock on sale or return? The more someone is trying to sell you something, the harder you can bargain for offers, discounts and concessions. Just say you want to test the market first.

Advertising

“A blind pig can sometimes find truffles, but it helps to know that they are found in oak forests.”

David Ogilvy

Not all advertising increases sales, in spite of what the sales people will tell you. I often lead sales callers into a bear trap by asking them to confirm that their publication is very effective for the advertisers, and then springing the trap; *“You tell me that you can get great results for me. Great, my experience so far suggests otherwise, but let’s put that to the test — let’s give it a go, and if it works, I’ll pay for the first ad and sign up for later ones.”* The caller may not be confident enough to put the effectiveness of their service to the test, allowing you to quickly get rid of them — *“well, how can I have faith, if you don’t?”* But if they do agree to this test then you get the free chance to try out for new customers. A win either way.

How do you know if the advert has worked? Simple — test it by tracking! Run a special offer that only relates to that ad, and use a different ‘phone number, reference code or postal address (even simply ‘Department xxx’) — anything which lets you clearly identify which responses have been generated. When the enquiries or orders start coming in (or not!) then you have your results.

Analyse The Results Thoroughly

Don't forget to fully scrutinise any data and/or feedback from testing. If something isn't working, find out why — don't just soldier on blindly. I've seen business clients just stare into the headlights of oncoming disaster, with exactly the same outcome as a rabbit frozen in front of an oncoming HGV. They got flattened. Don't throw good money after bad, and if you need to take action then do so earlier rather than later. Test, research, ask around; find out what the problem is, and if at all possible start small, with limited risk, before going off at full steam.

*“Insanity is doing the same thing again and expecting a different result...
We can't solve problems by using the same kind of thinking
we used when we created them.”
Albert Einstein*

Chapter 13

Doing it!

*"Take time to deliberate, but when the time for action has arrived,
stop thinking and go."
Napoleon Bonaparte*

*"Don't be too timid and squeamish about your actions. All life is an
experiment. The more experiments you make the better."
Ralph Waldo Emerson*

*"The people who get on in this world are the people who get up and look for
the circumstances they want, and, if they can't find them, make them."
George Bernard Shaw"*

*"Let us not bankrupt our todays by paying interest on the regrets of
yesterday and by borrowing in advance the
troubles of tomorrow."
- Ralph W. Sockman*

In life, we regret things we don't do, rather than the things we do. The simplest way to fail is never to have started. Fail to take the opportunity and you'll regret it. *"Maybe not today, maybe not tomorrow, but soon and for the rest of your life."* (Bogart, H.)

I can rabbit on for hours about theories and ideas (and sometimes do!), but at some point a start must be made, and that means YOU having a cold, hard look at your current position.

If you are NOT a happy bunny (and I think we've established at least the possibility of that) then there will be a reason; some current problem. To look at possible solutions, understand the 'maps' to nav-

igate your way to the Land of the Happy Bunnies you need not only a map, but to know exactly where — how far up the creek you are, and how big a paddle it is that you don't have.

There is no need to rush ahead and try to do everything at once. Start with the small things, set aside time each day for planning, reading and research. Clear a space for the books and files you'll need. Buy or scrounge decent quality pens, a stapler and a hole punch if you don't already have them — start getting into the mentality of being your own boss.

Don't Skimp on The Essentials

It can be really frustrating if everything about your working environment feels cut price and second rate. Conversely, you will probably enjoy yourself a lot more when you are working with decent tools, equipment and surroundings. It may well save you money as well! One client used to buy the cheapest possible office equipment and then hang on to it long after it started playing up (which was pretty quickly). One of my first jobs each month was to un-jam the staplers, re-mount the spindles of the hole punches and generally patch everything up again. All billed at my normal (totally reasonable but not inconsequential) hourly rate. I've been using the same hole punch and stapler since the early 1990's. Both are still working perfectly, and came to me second hand.

Skimp, and you may well damage your health as well. A poor quality and/or badly set up computer monitor will cause eye strain. Chairs should be of the highest quality you can afford, and set up correctly. Once again, an investment in your future, as well as your continued health.

Your workspace does not have to resemble a monastery cell (unless you want it to!). Put in a decent sound system if that helps you work. I sometimes find background music helpful, other times it can be a distraction, it depends on the job in hand. For troublesome accounts problems, when I'm trying to tease out recalcitrant differences, I find Mozart's Requiem played at full bore usually does the trick, whilst Purcell and Russian Orthodox choral music and trad jazz (the type of jazz that actually has a tune) are great when more gentle concentration is needed. At other times, complete silence is best. Experiment. See what works for you.

Staying Focused And 'On Target' - Motivation

I do not know what I may appear to the world; but to myself I seem to have been only like a boy playing on the seashore, and diverting myself in now and then finding a smoother pebble or a prettier shell than ordinary, whilst the great ocean of truth lay all undiscovered before me.

Isaac Newton

This is probably where most people come un-stuck. You should have a clear target by now. If not, get one now or you'll remain unable to develop beyond your current circumstances. When you do have a fixed goal to aim for, set targets and deadlines.

It is said that the two great motivators in finance are 'Fear' and 'Greed' — with investors trying to balance the chance of making or losing their money. It could be argued that some religions use exactly the same motivators, obtaining temporal compliance with threats of perpetual damnation or promises of everlasting glory. I'd add a few more to those with regard to running a business.

Fear

In general, this is a negative emotion — fear tends to prevent action rather than inspiring it. Keep it under control through logic. As we've seen with testing, match 'What if's' with 'I know this will work because I've tried it out.'

Money

Have you ever *really* wanted something? Experienced that gnawing in your stomach? That's the kind of drive you'll need. Just simply thinking 'well, that would be quite nice' will only keep you focused on your target for a while. Soon, other distractions will arrive and your dreams wither.

Don't fixate simply on the folding stuff but what you want to achieve *with* it. Know what you want the money for, how the result will improve your life, or the lives of others.

My main targets were always financial security and free time. Now that I've achieved these I've set my sights a bit higher, and a new set of targets has evolved.

Once you have your goals clearly defined, some fairly simple maths will reveal the income required to reach them. If this is beyond the reach of your current circumstances, then you will obviously need to change them. Take steps to increase your current source of income; find and develop new ventures.

Deadlines

It's strange how, with the best will in the world, so many things only get done at the last minute. Most of my Open University essays are submitted on the last day possible, and the same is usually true for tax returns and V.A.T. payments. I usually leave learning scripts for plays, and tunes until far too 'close to the wire' and also had problems in previous attempts to keep writing this book. I've tried spreadsheets, lists, notes and 'To Do' entries galore but all — whether paper or electronic — end up buried under other item or filed away.

However, one natty bit of software changed all that. I get no kick back for recommending them, but have a look at www.timeleft.info. As well as desktop sticky notes and stop watches, this software also lets you set up multiple timers on your PC screen, all counting down to fixed events.

I've currently got nine different ones running. These are not set up in a full "*arrgh! my life is draining away!*" mode with every single passing minute and second shown, but configured in a simpler, more elegant display. Each task is there, together with just the remaining number of days left in which to do it. Each and every time I turn the computer on there they are at the top of the page, silently nagging away. Like Banquo's ghost, the ever-present mute voice of my conscience. Sometimes, the only way I'll get a new skill, song, tune or routine learnt is by accepting a future booking that will require it. This takes away the option of postponing it, even if it can lead to a few late nights.

Annoyance

I tend to be a fairly contented and passive chap most of the time, happy to bumble along doing what I enjoy living in peace with a world that lets me get on with my life. But some of my most productive life-changing moments have come after I've been, quite frankly, pissed off by something or someone.

DOING IT!

My wife and I had our lives transformed in 2004 by one fairly small event. As part of a need to revise our personal circumstances due to a health scare, we tried to move our mortgage. The bank responsible can remain nameless, but a bearded bloke crashing balloons around the world comes to mind...

Anyway, they declined to accept our business. Apparently they were unhappy that my income was seasonal, being higher in the summer, but dipping down quite a bit in the winter. Hmm, musician playing for weddings, mostly in the summer, I wonder why that was? The sum we were looking to borrow was less than 10% of the value of the property, so we were pretty miffed and insulted.

I did two things — firstly checking my national credit score through an independent company. It was very sound (997 out of a possible 1000), so no problems there with identity theft. Secondly I realised just how much other can control our lives through what we owe them. It is said that 'If you think you own your house, just try missing a few payments and see what happens'.

For the next year and a half we concentrated on paying off every single debt. A much better and totally flexible deal was found for the mortgage, some odd shares (that we didn't really understand) were sold off as well as unused assets, cut backs were made on spending, the current cars kept for longer instead of being traded in for newer ones and so on.

At the end, we not only came out with no debts, but with savings as well. The motivation that got everything started was getting the hump with being turned down for a loan, the target focused on was simple and clear — to know that we owned everything we have outright, 'free and clear' as the Yanks say. And having achieved it, I really would strongly recommend that experience to anyone.

In general — keep on form and active

Keep yourself at maximum efficiency with regular exercise, breaks and non alcoholic drinks (I'm not a teetotaler, but know all too well the temptation of a quick snooze after a drink or two, and how much a quick tittle will affect my working abilities!).

Very little remains exactly the same in life — inflation means that money left in a bank is either going up or down in real value, depending on the rate of interest earned; it does not remain at exactly the same level. A house and garden need maintenance and attention to keep them in good order, or else they will start to look shabby and

unkempt. A bit of preventative maintenance now will prevent a much bigger problem later on.

Don't drift into a rut of just getting by. Always aim to stay active rather than passive.

Other Resources

Lessons from history

Not much in human nature is new in life — just read translations from the Greeks. Shakespeare's plays still provide a rich source of plots and ideas for modern plays, books and films; every new generation thinks that it has discovered sex!

As a close-up magician some of my best illusions have come not from expensive DVDs or with modern rigged equipment, but from old books. There is one great 'tavern' trick which still works very well today. The only props needed are two borrowed coins, and of course the old, out of date information from "*The Discoverie of Witchcraft*," first published in 1584. Some ideas are just waiting to be re-discovered; others are so universal that they will come up time and time again. Taking the time to go through older books can really pay dividends.

For those on a tighter budget, and with less time available, I've found some of the great classics from the past and converted them to .pdf (Portable Document File) format as eBooks — ready to read on any computer. Although the writing style is very old world and can take a bit of effort to read, there are some pretty stunning ideas in them. Help yourself to copies when you sign up for 'Priority Updates' free of charge at www.new-business-doctor.com.

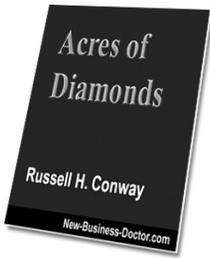
Here are details of the first three, and more will follow — check out the site to discover the full current range.

Information, 'How To' and 'Self-Help' products



As A Man Thinketh by James Allen

DOING IT!



Acres of Diamonds by Russell
H. Conwell



The Art of Money Getting by
P.T. Barnum

My obituary will probably say something along the lines of ‘crushed to death in an avalanche of falling books’. The shelves above my desk groan under an ever increasing weight of paperbacks, hardbacks, tapes, courses, DVDs and videos.

Although some cost pennies — the result of a lot of lunchtime trawling of charity shops in my younger, poorer PAYE employment days, others were quite expensive to buy; a full course can cost several hundred pounds. But remember that the cost is not as important as what the information is worth to you. The course mentioned earlier by Dec Cluskey was mainly about rock and pop music, but two ideas from it more than paid for the course in the first year alone. One idea from a simple paperback is still a significant reason why clients will book my band, rather than others.

Although I’m always happy to risk a few pounds on books, greater care has to be taken with the more expensive manuals, courses seminars and mentoring schemes. Don’t be frightened about investing capital if it will bring you a significant gain — just so long as you check a few points first. And the higher the cost, obviously the greater the care you’ll need to take.

Never agree to sign up, or buy on the spot. Setting a tight time limit for an offer is a standard, and quite effective, sales tool. Fine, but you must have time to read the small print do some research and think deeply about how the product matches your needs. Have you been lured by all the promises about wealth and riches, or will you learn something that will help with your passion, and to achieve your aims?

I will not personally buy, or sign up for anything expensive unless

it has a clear and definable full and no-quibble guarantee for a refund. This may be a 'return within (x) days' for a book or tape, or a promise that you can leave part way through a course or seminar and get a full refund if you are not happy in any way. Some require you to be able to prove the steps you have taken. Make sure that you fully understand what your obligations are, and be quite certain that you will stay the course! Also, please remember that it is up to you to do the hard work; your mentor is a guide, not an employee. A driving instructor will teach you how to drive a car yourself, for the rest of your life. They are not a single journey taxi service, with you as the passenger.

Be wary of buying books and tapes, only for them to languish unread or un-played. Although I devoured everything hungrily when starting out, in my later (and less cash-starved) years I've been guilty of buying stuff that looked interesting, promising myself to get round to it later but then failing to do so. Perhaps next year...

Further education

The health scare mentioned above also triggered the kind of deep Life, the Universe and Everything soul searching we should all perhaps undertake every year or so. Having gone straight from school to work, I've often wondered about the missed experience of going to university and gaining a degree. At the time nothing seemed to appeal that much, but having developed a fascination with psychology over the years I'm now half way through a six years BSc (hons) course in the subject through the Open University. I've taken a break for a bit to finish this book, but can go back whenever time allows — my current results (modesty forbids disclosure) are safely banked.

Should have done it years ago. Forget the cheap pub jibes about TV Open University presenters in past decades. The OU is highly respected (it was rated in the top ten of UK universities last time I looked). You can choose from a fantastic range of courses at many different levels, in a huge range of subjects.

Yes, it's hard and sometimes frustrating work, but very rewarding, and an excellent way to keep your brain working and stimulated, especially for those of us now past the first (and indeed second) flush of youth. Use it or lose it. Local councils offer courses as well. If you've always wanted to learn a new skill, then go and do it now; tomorrow may be too late. Also, don't overlook you local library service.

Groups

It is good to be able to talk with others who share similar dreams and problems as yourself, let alone having the opportunity for a bit of networking. Look for local groups, or even start your own with other like minded newbies. Sign up to your local Business link and check out the range of free advice and help they can offer you. Use your own discretion; reports vary as to their effectiveness.

I've mentioned the Federation of Small Businesses (FSB) already as being a handy big brother to sort out potential government bullies and they may well be able to help with other problems you may encounter. To find out how the FSB can help you, contact Alan Hughes by email at alan.hughes@fsb.org.uk. Like Business Link, they also arrange meetings and events — we even went on a trip with them to the Houses of Parliament. I also belong to the Kent Wedding Network an organisation for suppliers to the weddings industry in our county. It has some great members and the meetings provide us with a good forum to swap experiences. We can combine together with advertising and to run wedding fairs, as well as recommending each other or develop joint packages.

Consultants and mentors

Each December holiday there is break for me, with little work on. It is an opportunity to have a bit of a review and planning phase. For at least six years the result was always the same. Lots of grand plans and impressive new projects, all of which faded quietly into the distance when the year started in earnest, and the day to day concerns of my existing enterprises came to the fore.

Two outwardly similar letters arrived early one December. Each offered the chance to work closely with an established and highly successful business partner. One could be quickly dismissed; there was no guarantee, far too much text in blue capital letters and a considerable amount of yellow highlighter. There were lots of vague promises of untold wealth and pretty pictures, but these seemed to boil down to the usual 'buy the rights to these CDs and DVD's from me, and then sell them yourself for oodles of dosh.' No thank you.

But the other was rather different. It was from someone whose advice I could respect because it had already helped me earn money. We had been in contact several times over the years, and shared similar views about business. His offer was not for a one off session, but a continual, stage by stage development over the course of a full year.

Better yet, he had a proven track record in exactly the area I wanted to cover. There was a clear and defined money back guarantee so my initial outlay was secure, one way or the other. At the very worst, I'd have the benefit of a considerable amount of specialist tutorial free of charge!

The weekly sessions kept everything focused and on course. Within five months I had this book finished (over fifty-five thousand words) and plans for two more to follow. A clear path that I could follow had been laid out for me by someone who had already been down that same route.

Should you consider doing the same? Most certainly, provided you can find someone who you trust, who will help you in exactly the areas you want and where you have agreed a rock-solid guarantee on how you will benefit. You must also be **absolutely** sure that you will stay the course, however. Do not sign up to an agreement without taking a few days to think it all through. You must be following a passion, not a vague interest or simply chasing after money in a 'get rich' scheme.

Stay Flexible (Including an Axe-Wielding Maniac And my Time as a Get-Away Driver!)

It was while standing ankle deep in freezing water at Ashford International Station that it became crystal clear that Civil Engineering was not really my ideal choice for continuing employment. The station was still under construction, and I was in a partly flooded underpass between two platforms. Some joker had swapped one of the blocks which were serving as stepping stones with a thin bit of plywood which was floating on the surface. As the cold, oily water and floating scum seeped gently into my shoes, I took the opportunity to reappraise my life and consider possible alternatives. All of which centered round nice, warm offices complete with clean toilets and full tea and coffee making facilities close to hand. 'suppose I'm a bit of a 'woose' really. Don't get bored or jaded. You are in control of your own life now, and there is no one else to blame. If you are unhappy with something, change it

Avoid the temptation to change just to suit others though. One 'sound and lighting' guy was happy with his single Transit van and two employees but bowed to pressure from his wife and bank manager to do the proper business thing and expand, taking on more staff

DOING IT!

and buying extra vans. After a full year, his turnover had indeed shot up. Unfortunately, so had his costs — leaving him with a net profit of pretty much where he had started from. And the year had been a nightmare of extra hassles and responsibilities. He went back to the original set up and previous contentment. Remember, *“turnover is vanity, profit is sanity.”*

Never under-estimate the power of ‘alternative’ or ‘lateral’ thinking

Pete, an old school chum and the best man at our wedding, worked as a photographer for the local ‘Rag.’ He was instructed to get a picture of the accused in the trial of an axe-wielding racist skinhead. Pete thought it unlikely that a friendly portrait sitting would be on the cards. Following some careful research however, he discovered that the thug had also had some small success as a darts player and had won a minor trophy. A quick telephone call, and it was arranged to take some pictures of the darts hero posing complete with ‘arrow.’ A little bit of careful cropping later, and the picture was ready. The wide ‘cheesy’ smile was a real bonus!

Actually, Pete was always pretty inventive and resourceful. Once, he asked me to take him for *“a quiet drive in the country,”* forgetting to explain that he needed some shots of a local unauthorised traveller’s camp. On a previous visit to take the pictures it was politely suggested that he should go away unless he wanted to swiftly ‘share and enjoy’ the same intimate relationship with his camera that a turkey does with sage and onion stuffing. He went.

When we arrived at the site, he told me very firmly to keep the engine running, steadied the camera on the roof of the van and started snapping away. His presence was quickly noted and several rather large gentlemen started lumbering purposefully towards us. Leaping back in the Reliant, he shouted something along the lines of *“drive like the wind”* and we took off unleashing every throbbing ounce of power the knackered 700cc engine could give — pottering away gently down the road in a haze of Duckhams 20-50. Although his choice of get-away vehicle was perhaps a tad flawed, he did get the job done and left with camera safely packed away in the correct receptacle.

Stay in Control — an Incident With ‘The Law’

By remaining as the person who is controlling a situation, you set the agenda and steer the progress in the way you want. One Saturday

night the brakes on the Reliant locked fully on in the middle of Tunbridge Wells, bringing the 'Plastic Pig' to a dead stop in the middle of the crossroads right outside the Town Hall and Police Station. Bugger! Rather like wasps to a jam jar left outside in summer, it was not long before we attracted the attention of a fair number of bobbies.

Before they could work out all the things they wanted to do me for, I converted their mentality from one of 'name and address sonny' to that of helpful public servants. *"I've got the number with me for a mechanic who can sort this out very quickly. Can you give me a hand to get the van out of the way and let me use your telephone?"* Four large coppers easily bounced the van to the front of the Town Hall. A call to my tame mechanic (who loved every opportunity for an excuse to get away from the wife, fix the van and shoot off to his girlfriend) got the problem sorted and I was off on my way as rapidly as possible avoiding both fines and penalty points.

Tip

Read up on the anthropologist Desmond Morris's (*"The Naked Ape"*) suggestions on the correct attitude and actions to take when stopped by the Old Bill. Certainly works for me!

Stay Aware

Remember, you are working on your business, not in it. Part of that involves keeping an eye on the radar for possible hostiles heading in your direction. Do you have contingency plans in place, and have you run through likely 'what if' scenarios? What little bundles of joy are the legislators hatching up for you?

Chapter 14

How to Make a Right Muck up of a Business

As a musician, I've noticed how many attendees at parties and weddings assume they know how to play drums. Whilst not dreaming of tackling anything as complicated as the bagpipes, or a concertina, they see our side drum and ask if they can join in (or just barge through and start hammering away). Leaving aside all the jokes ("*What do you call someone who hangs around with musicians?*" "*A drummer*"), it really does require ability and practice to play percussion in a way that adds anything to our general racket. Enthusiasm is most definitely not enough. In fact it probably makes things worse.

The same is true of running a business — many seem to regard the skills required as being somehow innately ingrained in their DNA and think that all they need to add is enthusiasm. This most definitely *does* make things worse! I was guilty as sin of this in the early days. As promised in the introduction, here are all the gory details of how I managed to screw up my first limited company — 'Harlequin Castings Ltd.' It really was a triumph of enthusiasm over ability.

A bad idea

I had worked in a jewellery shop, and my friend Dave was a highly talented sculptor also able to cast all sorts of interesting and unique designs in metal as ear rings and pendants. Eureka! Let's work together and make lots of money. Looking back, we may have had some success with limited runs of unique and carefully chosen figurines in sterling silver. The idea of heavy, hand painted items intended for the general market was wrong on so many levels.

No research

Rather than make up a selection of the range first, take them out

and ask the public what they thought, I just came up with the ideas that I 'knew' would go down well and we went with those. We then carried out our research the hard way — finding out what didn't sell once the whole range was on offer.

Poor planning

Even a few basic calculations would have revealed the whole idea to be a dead duck. More extensive investigation may have revealed other possibilities, but I missed that opportunity. It wasn't just the finances and money side, I had failed to consider the logistics of distribution and how we were going to cope if the products took off in a big way. I doomed us from the start.

A bad original structure

The format of two people going into business jointly seems to be loved by soap operas, but carries problems with it. At least it was a limited company, rather than a partnership! Even so, it would have been better for me to have looked for the opportunities, commissioned original 'master' models from Dave with rights to reproduce from them, and taken things on from there. This would have helped me focus far more clearly on what was needed, and put the onus on me right from the start.

Why Other Companies Have Gone 'Belly-up'!

I've just taken the time to go through why other companies I've worked at, or for, have failed. Often, it is for a combination of reasons, but here are some common threads.

They were in the wrong business

Sometimes they were just ambivalent about it — 'okay really, it's a job' or in a few cases the dream had now gone sour leaving them trapped in a living nightmare. Either way, if it ain't fun, don't do it. Life is too short.

The company was bled dry

Sometimes a company is regarded as a never ending piggy bank to be dipped into whenever private demands require. In one, rivalry between directors (all related through birth or marriage) meant that as soon as one had a new car, so did all the others. And they changed

their cars a lot, always for something expensive. A potentially very profitable golden goose was murdered because of short term greed and keeping up appearances. The situation is made worse when compounded by nepotism. One idiot relative managed to prang three company vehicles in a single day.

Profit margin too low

It is never enough to settle for just making a small profit, happily just ticking along and aiming simply to get by. This may be fine in the good times, but the moment this get a bit bleaker and markets contract, you will be left exposed.

“When the economic tide goes out, you find out who is swimming naked!”
Robert L Clarke.

Aim to grow your company **and ensure you are earning a healthy net profit!** A low margin will leave you standing publicly in the buff during a downturn.

Overheads

A real killer. Fine when things are tootling along nicely, but liable to turn pretty nasty in a slump. You may have to make a calculated risk when committing to buy needed capital expenditure, but it is totally unacceptable to take out loans for vanity rather than productive purchases.

Poor reserves

Yes, I know, again with the repetition, but it is essential to have funds in hand not just to seize opportunities but also to tide you through any rough patches. It is said that as an individual, you should aim to have enough money saved to survive a year should you lose your job. How much a company has in hand would depend on your circumstances. For me, an acceptable security blanket is to have about three months cover at the very least for each of my companies.

Poor planning, poor ‘radar’

This also covers outside influences. As I know to my cost government legislation can kill a business stone-dead, but there is no excuse not to see it coming. A client may go bust, but it is possible to take out insurance to cover this, or shield your assets through limited compa-

nies. Keeping an eye on the world in general and your markets in particular will reveal both risk and opportunity.

Chapter 15

Some 'Freebie' Extras For You

Thanks for sticking with me to the end. As a bonus, here are three extra sections which should be of practical help, and possibly of interest as well.

Recommended Books

There are a great many books written by back seat experts, as well as those from people who have been handed on a ready made company by accident of birth. Here are five authors who have made it on their own though hard work, and who all have something relevant to say. I'd like to recommend others, but this is quite enough to start with and will provide a solid foundation for your library.

Reading them, you may notice how some ideas come up time and time again. This is good! It took me several readings of the same concepts, but from different perceptions, before they finally sunk in. I've listed the books in suggested order of reading, but it is much more important that you go through them all rather than sticking to a particular sequence.

Although sorely tempted, I've avoided pinching examples from the books below. As much as I would have loved to, it would hardly have been cricket. Trust me, there are some cracking nuggets of advice just waiting to be picked up by you.

'Go It Alone' Geoff Burch

www.amazon.co.uk. Go for the bundle offer of his books if you can, all worth reading.

Geoff is not exactly what you would call a conventional guru. He

has a style of writing which makes it easy to read his books, and he throws in a lot of funny anecdotes along the way whilst nailing a lot of very important facts bang in the middle. This book really is an absolute must for anyone thinking of starting out. A decent chap, as well.

‘How To Out-Sell, Out-Market,” Out-Promote, Out-Advertise Everyone Else You Compete Against...before They Even Know What Hit Them’ Paul Gorman

www.paulgorman.com

Full of sales, marketing and advertising tips, one of which alone gave a struggling business of mine a very healthy kick up the backside. Written in a clear, focused and factual style, absolutely bursting with effective ideas. An essential read, my copy is heavily marked with highlighter. Another decent chap.

‘The Money Making Magic of a Funfair Goldfish’ and ‘How to Stop Working and Make a Million Pounds Instead’ John Harrison

enquiries@streetwisepublications.co.uk

John has made his money through the direct selling of information products, so knows a fair bit about capturing attention and keeping it. Once again, these books are stuffed full of gems of insight and perception. I’ve not met John in person yet, but he does have good taste in cars!

‘Influence Science and Practice’ Robert B. Cialdini

www.amazon.co.uk

Cialdini is Regents’ Professor of Psychology at Arizona State University. Again, a book that is both entertaining and informative and which makes the psychology of sales easy to understand for lay people. Successful business people rely on a solid background knowledge from many different areas. Not reading this book could leave you with a big gap in your skills.

‘Ogilvy on Advertising’ David Ogilvy

www.amazon.co.uk

Includes great examples of successful ads (I bought a second-hand, hard back copy with colour examples) are enlightening, as well as some great ideas and advice.

Tip

You can do worse when starting out than taking the layout of an advert that has already worked some time ago in the past, then adapting it for yourself. Just remember to split test though.

Scams, Cons, Tricks And Bad Investments

By now, you probably know all about 'phishing' and 'Nigerian 419' scams. If you don't, go and have a quick Google. Now. At once!

But as well as these well known outright scams there are also legal, or semi-legal ways for others to fleece you. As a magician, once I know the methods used in an illusion it is possible to use them in a different routine. Study the methods used in these examples — watch out for them being used on you in different scenarios.

If you get the chance, watch "*The Real Hustle*" on BBC 3 TV (constant repeats) then try to work out what the sting will be, and how it will take place before the 'reveal.' This may also help you improve your lateral thinking skills.

Cash

My training as a bank cashier has proved pretty useful over the years. It is an ingrained habit to turn all notes round in the same direction, and sort them by value. Although my friends accuse me of being very 'anal' in doing this, there are two good reasons. Firstly, it is easier to spot poor quality counterfeit notes as they will stand out more clearly in contrast to the real ones next to them. Secondly, one common trick is to fold one over, so you count both ends. By making sure all the notes face the same way, the folded back is quickly spotted. When someone tried this with me, I reversed the bundle so he came up short instead by one note.

One dealer in the jewellery trade told me that when he was being paid, he always counted out the notes on a table, but left the last note there before adding back the rest and picking up the whole bundle. Why? Well, you know that you have the right amount at the very least, and there may be another note underneath. If you deal in cash, get one of the security marker pens that reveal dodgy notes, and use it all the time.

Now you see it, now you don't

I won't give away any trade secrets, but a lot of magic relies on misdirection. Those scantily clad, pert and nubile assistants are not there just for ornamentation. The tricky part of many illusions actually occur during the 'look at this' bit of the routine, with all the striking of dramatic poses going on. The dove (or other 'load') is safely stuffed up a sleeve long before the 'here we go' wand-waving bit comes along. Misdirection works because we can only process so many pieces of information at one time. For an example, look up the 'Gorillas in our Midst' experiment where participants are asked to count the number of times a ball is passed between teams. Whilst this is going on, someone in a gorilla suit walks through the game — waving, or even moon-walking! Few notice this whilst concentrating on the assigned task.

Every time you lose control of cash, count it again — especially if there has been confusion over the change. Keep any note out on display until the change is given to avoid any claims such as 'but I gave you a £20.' In fact, every time something important goes out of sight, even (especially) for a moment, check it again! Many scams and tricks rely on switching boxes, cases, envelopes or bags. You may find that the expensive piece of electrical equipment has now turned into a house brick, or a bottle of water.

Cheques

Take the time to make sure these are properly signed, and that the words & figures agree. If giving a refund, do make sure that the cheque has fully cleared first. I hope the banks have it sorted out now, but one previous scam involved branches on far-flung Scottish islands. Cheques from accounts based there took longer than three days to bounce — often long after the money had been returned, or goods collected.

Cards

Modern cards now have a three digit security number on the back, to the right of the signature. Avoid giving your card to someone in advance as security, say at a restaurant. Some blaggard may be working there as a temp in order to harvest the cards numbers complete with codes. Small portable mobile card scanners are just as much use to the bad guys as to us. You'd be amazed at how easy it is to quickly swipe a card through a concealed scanner.

Telephones

One scam involved a 'lost' delivery driver asking to call head office. The actual number called would be a premium rate '09' one. If you do decide to let someone call from your telephone (who does not have a mobile nowadays?), check the prefix and then make the call for them yourself. Watch out for messages asking you call back for the same reason.

Signing

Check everything before you sign, obviously. Get advice if you don't understand all the small print in a contract and *never ever* sign one on the spot; always ask for time to get a contract checked. The more they insist that you must sign now, the more suspicious you should be. Want a quick way to spot the dodgy parts in their contract? Ask a salesperson from a rival of theirs to check it over.

One scam involves temporary staff turning up unexpectedly. When told that they were neither asked for nor required, they ask for a signature on an innocent looking form to confirm this, so their agency will at least still pay them for the day. Being a good Samaritan would prove expensive though — unfold the form and you'll find little things, like the heading saying 'Invoice' which have been carefully tucked out of sight.

Invoices

Always check all the details. As well as genuine errors, you may well receive ones from people you have never actually dealt with. One scam I saw involved combining the invoice with a statement. Outstanding balances from the previous months were carried forward, the new net sum added and then VAT whacked on to the whole total. I would be very surprised if anyone actually fell for it, but they obviously thought it was worth a punt. HM Revenue and Customs were very likely not amused though. I do hope so.

Advertising

With magazines, especially free ones, how many copies will actually make it to their intended targets? I've seen bundles of cheap and free publications simply dumped rather than distributed properly. And some publications don't even get that far. There are some outright scams where the ad won't even make it to print.

Charities

Our want to help others is hard wired into us, and the naughty people know this. If approached by someone who is collecting for a charity, or offering to publish an ad in something (probably a diary) to support a good cause then please set your suspicion meter to eleven! *“All of our profits go to charity”* they may say. Indeed, but what are the overheads? After the fat salaries, company cars and plump benefits package have all been paid, little may remain as profit. Many an inventor or ‘creative’ has been spit roasted on the wrong end of a share of profits deal.

One group approached us for sponsorship supporting a children’s charity. I went through the small print with a fine tooth comb (hey, you already know that I’m cynical, nit-picking and anally retentive, but that’s a good thing in a book keeper). It transpired that 5% of our payment went to the charity and 95% to them, so I used one of my little bear traps. *“I’m glad that people like you are making the effort to help children, and I’m sure you want them to receive as much of the money as possible. You do? Good — then we’ll just pay all the money directly to the charity instead....”* The sound of teeth grating could be heard clearly over our end of the telephone.

Have an annual budget for charities, then ask anyone who calls to write in should they wish to be considered as a possible recipient. As always, keep it simple. It is usually a lot easier and safer to avoid any kind of charity/trade mix. Go to the best and most appropriate suppliers, regardless of their stated aims to do good deeds, and make simple 100% donations to charities without strings attached. Don’t mix the two.

Don’t fall for a uniform and a form

Don’t assume that guys in white overalls with a van are legit. The manager at a Tunbridge Wells store went to congratulate his staff on the sale after the biggest, best and most expensive carpet in the place had been picked up for the client. Problem was, no one had actually sold it! Often the bigger and more audacious the scam, the greater the chance it has for success. I have been told about Customs officials pouring over the double-decker bus which was part of a rock tour. They were looking for drugs, contraband or anything that was hooky. In fact, they missed the one thing that was being smuggled — the bus itself!

Your Invisible Message Pad

I tend to have my best ideas either in bed or out walking, but it was a right pain having to cart around a notepad all the time. Now, there is no need to do this. At the same time as studying how memory worked with the Open University, I was also working out how to add a 'mentalism' routine to my magic act. Far from having a bad memory, it quickly became apparent that it was just badly trained.

Soon after, it was possible to do all sorts of memory tricks including my favourite — the 'Knight's Move.' In chess, the knight has a pretty random move — two squares in a straight line, then one to the side (or one to the side and then two forward). Imagine being able to cover the whole chess board, starting from any position, and landing on every square only once. It's quite impressive, and there is no trick or gimmick, just a structured memory and a bit of learning.

All the memory methods tend to start off with a simple mental notepad system used to store ideas for at least a day or so and sometimes even a lot longer. A client asked me to remember the name of a guest at a booking in Tunbridge Wells so we could announce them later on. Five years later, I can still remember it.

Whatever you want to remember, it is much easier to 'encode' and recover memories if they are made interesting and built into a larger memory. Link different items together in rude or unusual combinations, and it becomes a real doddle.

For your own mental notepad, start by choosing objects to link to numbers one to ten, giving each number a symbol that recalls the shape. I use:

- 1 = pen
- 2 = swan
- 3 = a seagull (think of a 3 on its side, or you can use a pair of breasts, or a bum if that appeals!)
- 4 = sail boat (think of a sail above a hull, with a keel beneath)
- 5 = hook
- 6 = snail (again, with the number on its side)
- 7 = axe
- 8 = snowman
- 9 = balloon
- 10 = knife and plate

Make up your own if you want to, but use things that remind you of the number represented. All you have to do then is match the object to the thing you want to remember. Here's a tip — the more vivid, violent and lewd you make the image, the better you'll remember it!

Here are ten examples of a memorised 'to-do' list

1. An evil looking vampire, with blood dripping from its fangs and laughing manically whilst impaling my cheque book with a pen = first thing to do, write a cheque to the tax office.

2. A swan attacking the roof of our house and flying off with a tile in its beak = we heard a bump last night, go and check the tiles in case one has come adrift.

3. A flock of seagulls, all carrying away contracts = catch up with the contracts to be sent out.

4. My laptop on the deck of a yacht, weakly fighting off a green monster = charge the battery, update the anti virus protection.

5. A book impaled on a sharp hook = a book that I need to either read or work on

6. A snail, coming out of the Post Office with a bundle of bank notes in its mouth = draw out cash for the week.

7. An axe embedded in our 'mixing desk' = sort out a bit of faulty equipment.

8. A snowman, talking on the telephone whilst holding an electricity bill = pass on meter reading.

9. A balloon, floating up but tied to the car keys = time to book a service for the car

10. A sheep with custard-filled Wellington boots and a French maid with an egg whisk, goggles and stick of celery = mind your own business, that's private!

Even *More* Extras For You....

We have different preferred way of learning things. Whilst some prefer seeing details, whether in books or videos, others prefer hearing them.

For this reason, an archive of MP3 snippets of information has been set up in the 'Library' section of the website www.New-Business-Doctor.com. Ranging from a frank review of how I set up my own website, to insider secrets about different trades and professions. Want to know how to grow a diamond, what a 'Harlequin' set is and why hallmarks on precious metals may not tell you the truth about an object? All these subjects are covered.

Sign up to **immediately receive the 'access all areas' password**. We'll also send you the report 'Business Success in Four Words' with our compliments, and advise you of updates. No fee, no obligation, no catches. And, of course, your details will not be passed on to anyone else. So, go on, sign up now, www.New-Business-Doctor.com.

Chapter 16

A Final Thought

If, after all this pleading and haranguing you are still unhappy about the idea of going it alone may I suggest that you follow the route I did and let your hobby turn itself into a part time business? Here are eight good reasons why it will work.

1. It is where your passion lies.
2. You will have some, if not all, of the skills, knowledge and equipment required as well as a list of contacts.
3. There is no pressure to make an immediate profit; just covering some of the costs would be a great start! Later you will be able to buy bigger/better/newer/shinier toys or top up the holiday fund.
4. It is a fairly painless and pretty foolproof way to get into business. It is an ideal opportunity to carry out research and test the market. When things do take off you will have an established track record.
5. It lets you do more of your favourite activity, possibly at a higher level.
6. It will improve your self esteem and self confidence — especially if you hate the day job, which brings me to...
7. It never hurts to have a safety net — a life raft in case of problems with the day job.

8. The way things are going, we may all need a bit of a boost to our incomes in retirement.

The End, or a Beginning?

All successful people are people of purpose They hold fast to an idea, a project, a plan, and will not let it go; they cherish it, brood upon it, tend and develop it; and when assailed by difficulties, they refuse to be beguiled into surrender; indeed, the intensity of the purpose increases with the growing magnitude of the obstacles encountered.

James Allen

That's it really; I sincerely hope that you have found something of genuine use or interest, and some practical wisdom and advice, in amongst the rants, witterings and ramblings.

It really is up to you now — your turn to achieve your dreams. Start now!

"In my experience, 99 per cent of people who embark on a business project and fail, do so for just two reasons. They either don't get started at all, or give up at the first hurdle... real or perceived."

John Harrison

Wishing you all the best

Paul Hurst

PS

Please do let me know how useful this book has been for you, how it is helping you create your own profitable new business (or even pep-up an existing one) and if you have managed to turn your hobby into a business. And as I said at the start, every effort has been made not to miss out a single part of the business success plan and method, but if there is anything you are unsure about, you are always welcome to send me, personally, an email to let me know of anything that you think is missing. I'll let you know my thoughts on the subject, and consider adding a section to the next edition of the book (with a copy sent to you with my compliments).

A FINAL THOUGHT

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My Thanks

In order of acquaintance, to;

Steve 'The Hat' Winter
For the cartoon.

Carol Amans and Gilbert Goodchild
For the 'apprenticeship', practical help and continuing friendship.

Paul Retout
For a shed-load of work, and the advanced tuition.

Dec Cluskey
Who helped me turn a hobby into a business.

Geoff Burch
For entertaining while educating.

Paul Gorman
Who 'flooded' me with vital tips and ideas, and made sure this book was finished at last!

John Harrison
For the books, 'rants,' advice and discussions on cars.

Anna-Marina Dearsley
The photographer who provided the 'mug shot' on the back cover.
For other examples of her work, go to
www.amdphotography.co.uk .

Alexa Whitten
Who converted my ramblings into a more lucid and readable format ready for publication (interested in publishing your own book?) Talk to alexa@thebookrefinery.com.

Chapter 16³/₄

So, This Web Site Then...? A Sneak Peek

What, you say, even more free stuff? Well, when a book is printed, the pages have to come in blocks of sixteen. Having finished the main text, I find that there are still a few left over. So there are three options open to me. They can be simply be left blank (allowing me to wander off down the road for a well-earned pint), filled with a load of waffle or advertising, or I can give you something else that may be of interest and/or of use. I hope that you know me and my methods well enough by now to expect the last.

That's right, too mean to miss out on the chance to fill up every page possible!

Great though a book is for portability and convenience, Sod's Law dictates that the very moment it is printed, a whole bundle of thoughts and ideas will spring to mind. Plus the fact that eagle-eyed readers may well pick up every typo, 'minging' bit of grammar and blatant cock-up. So I've added a special page for this book to the 'Library' section of the web site. Do have a look here, and I'll pick up on any queries, mistakes and alterations as necessary. If you email me about the book, I'll post any responses to queries, requests for clarification and death threats there.

As I said, I really do want this book to be the complete guide to enable you to create your own prosperous and thriving business. If anything is not clear, if you want further advice – or even a quick appraisal on a possible venture – let me know, and I'll use the web site as an extension of the book. To be honest, because of the excellent system I'm using for the web site (see 'Links' page), it really is quite easy to provide this extra service, and I'll be a lot happier knowing that as many loose ends as possible can be tied up.

As well as the above, and all obvious downloadable .pdf reports, copies of books and recordings mentioned earlier, the web site www.New-Business-Doctor.com also contains some articles and musings tucked away in the 'Odds & Ends' section. Written from a very personal perspective, the extract below is my attempt to answer a question I've been asked more than once. The aim was to get across the need to think ahead, think as creatively as possible, take control wherever you can and understand as much as you can about the situation you are in. It isn't perfect, but hopefully is not as dry and dusty as some conventional business manuals.



The **New Business Doctor**

Running a business

What exactly is it like setting up and running a new business?

I've struggled for years to come up with a way to explain why running your own business is different to being an employee. My Open University tutors seemed to get pretty excited when we used metaphors to explain things, so here goes! The following will hopefully convey the mindset you will need, and is also a bit of a quiz for you – an opportunity to test your powers of lateral thinking.

The Challenge

In a week's time, you will be taken into a pitch-black room. You can bring 100 pounds, face value, of coins. Somewhere in the room there is a steel bucket. You are invited to toss the coins wherever you want into the room. The actual value of every coin that lands in the bucket will be paid to you, multiplied by 20.

Take some time now to plan out any strategies you can use on the day to increase your chances of success, and think what you will need to bring with you.

On the day

From experience, most business 'newbies' will turn up with their bag of bright shiny one pound coins and follow one of three strategies. Some, so confident that they know exactly where the bucket is, simply lob the whole bag of coins in one go. Brilliant if they can score a hole in one, but that is very unlikely. Game over.

Others, also sure they know where the bucket is, take the coins out of the bag and scatter them in a general direction. They know some will miss, but they have more chance of a hit. Unfortunately, the odds are still stacked against them. Game over.

The last group have thought about possible solutions, and don't want to risk all of the money at once, and so toss the coins, one at a time, in different directions. If they hear a clunk, they know where the bucket is, and can concentrate the rest of the coins in that direction. Better, and possibly successful, but there are alternatives.

There is no such thing as a free lunch

Long before the day you should have found out why was this offer made to you in the first place. Is it some kind of scam so you can be mugged for the coins (and your empty house is broken into at the same time!)? If not, you still need to know what the ground rules are first before planning a strategy. Is this a fairground style game, with the odds stacked against you from the start, is it a new reality game show? Sorry if I seem very suspicious, but please believe me, there are plenty of predators waiting for you out there! If you don't understand what is going on, then don't take part.

Once you have established what the rules are, go over them thoroughly. Ok, so the room is pitch black, but can you bring a torch? If torches are banned, what about matches and a candle? Or a digital camera with a flash (or even a camera 'phone)? If the rules are not clear, DON'T ring up for clarification – I'll explain why later.

Prepare by bringing any equipment you can think of that has not specifically been banned. A magnet on a piece of string comes to mind, for example.

When you turn up on the day you will have stacked the odds in your favour as much as possible.

Once in the room, and as long as it has not been banned, use the torch to search for the bucket. If you get an anguished 'Oi' from the organisers explain that the rules do not forbid you to use one. In business, you will find the Government and large customers will often dictate the rules to you, let us assume that this is the case here, and you are told that torches are now banned.

Always meet an offer with a counter-offer; if they want to change the rules now, agree only on the condition that no other alterations will be made. That still leaves you the matches and the candle!

If they either don't agree to this, or do but still change the rules again, use the camera as quickly as possible – by the time they cotton on to that particular wheeze and forbid it, hopefully you'll already have a picture showing the location. If they want to ban that as well, offer to include the mobile as well, on the strict understanding that this will indeed be the vary last change. If you give something to a person, they tend to be conditioned to want to repay you ('reciprocity'). Worth a try, anyway.

Now have a go with the magnet. If you can make this work, and it is not banned, you only have to drag the bucket towards you and drop in all the coins. If once again you are thwarted you are still in

exactly the same position as if you had not tried. Nothing has been lost, but there was a chance for an instant result.

Let's assume that all your bright ideas have been prevented, and the bucket moved to a new location (did you see which end of the room the operator came back from, did you hear where the bucket was put down?).

Did you think of using luminescent paint on the coins? It would help if they glow in the dark!

Start with your coins. Keep the pound coins safe for now, and start with the pennies – you didn't just bring pound coins did you? Why? The rules didn't say they all had to be pounds did they? You need to test to see where the bucket is now, and it is much cheaper to throw pennies to establish this!

Skim them one at a time at low level – yes, there is no chance of getting one in, but we just want to establish location at this point. At some point you will hear a 'clang' revealing that the bucket is along a particular line, and giving a rough idea for distance.

Now you can range in, sticking with the pennies until you have a good idea of location. Bring into play the skills you've been practicing all week - you have been practicing all week, haven't you, and didn't just turn up on the day without bothering to do any work first?

Switch to the big coins now, I'd probably go for two pound pieces as they should have a better range. Try to keep back some of the low value coins, just in case the rules change again once you start winning big time. What do you mean, they won't change the rules?! Just watch them!

What do you do when you run out of coins? Check the rules again! Even if the coins in the bucket are forfeit (they may not be – it is usual to get your stake money back) the missed ones on floor may still be in circulation.

Assume nothing, always test to find out exactly where the rules are. What will you do, put them back in your pocket? NOT YET! The promise was a result on every coin in the bucket – can you keep trying until all of them are in? And while we're about it, do the rules say you can't bring more than 100 pounds?

So why did I suggest that you didn't ring up in advance for clarification of the rules? Because it is much easier to spot any anomalies whilst in the comfortable and familiar surroundings of one's own

office, with the luxury of time and access to the views of others. Query things in advance, and they'll have the chance to go through everything with a fine tooth comb. On the day, it will be much easier to wrong foot whoever is running the game. They may be on their own, and with other pressures whilst you will have come prepared with all the copies of forms, printouts and other ammunition you may need. Take control right from the start, and aim to have things run, as much as possible, to your agenda.

So there we are, the odds are that you are well up on the day. At worst, you spent a few pounds flinging pennies about, couldn't find the bucket (was it even there?) and decided to cut your losses before using any of the pounds. Check the rules again – can you go and collect the coins, or are they forfeit?

But let's assume you really thought about the challenge.

The details were very clear. You can bring 100 pounds **face value** of coins. The **actual value** of every coin that lands in the bucket will be paid to you, multiplied by 20. Did you spot this?

What if you turned up with a bag of gold five pound coins? Each has a face value of five pounds, so you could bring, say, eighteen of them with the balance in pennies.

The initial investment would be huge – currently about seven hundred pounds a coin, but the return based on value multiplied by twenty would be equally massive - fourteen thousand pounds each!

This situation seems far fetched, and it is. But my point is, **what if it worked the other way round?** What if you found yourself being on the wrong end of an agreement like that? If you don't check and fully understand the exact position, it may well bite you on the bum later on.

Both god and the devil are in the details – just ask my old boss who quoted on a large civil engineering project without fully understanding all the details on the plans. There is a considerable difference between breaking out non-reinforced, and heavily reinforced concrete!

If you learn to think laterally it is possible to spot the bear traps as well as the pots of gold!

So to recap

Always understand exactly what is going on, and what the rules are.

A healthy level of cynicism is an excellent trait for survival.

Always assume the most favourable position for you – let the other side object if they feel they have to, but take control of the situation as much as possible.

Do your homework, and practice any required skills thoroughly. Have a plan, preferably a cunning one – think about as many solutions as possible.

Have back-up plans, and options available.

Have as much of an idea as you possibly can as to where your target is.

Obeys the rules, but only the ones that actually exist - not ones that you have assumed. Read the small print. Don't just accept things blindly, challenge anything where there may be an advantage to you. Be polite, but firm. Be as pro-active as you can – keep pushing, testing, probing and experimenting.

Always test first, hold back the bulk of your investment until you can be sure of a good result.

Never take anything for granted.

Don't give up on a winning streak, keep going for as long as you can!

Please let me be clear on one thing – this test is my attempt to convey how it feels to run a business in the widest possible sense – about finding your market, dealing with all the legislation and rules and so on. It is NOT about dealing with customers.

Once you find a market, then treat your customers with absolute respect. Always deliver (preferably over-deliver) what you promise, and aim to provide the highest possible standard of service in a totally ethical way.

Oooh! I feel another metaphor coming on...!

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Lateral Thinking Page

For solutions, see the section about revisions to the book, which is hosted at the 'Library' page of the web site. Please let me know if you come up with any alternative solutions!

1.

	A	B	C	D	E
1					
2					
3					
4					
5					

Across

- 1** A tar-like substance
- 2** To throw or lob
- 3** A sales speech
- 4** To erect a tent
- 5** Frequency of a note

Down

- A** Vegetables, not to be eaten with a knife
- B** They have it, should go to the right
- C** High, afternoon, or even a river
- D** Also high – seven of them
- E** Sometimes dropped

2. If you call its tail a leg, how many legs does a cat have?

3. You need to empty a bath. You have a sieve, a roll of cling film and a plastic bucket – explain how you would proceed.

4. You have been challenged to drink from a bottle of champagne. But you cannot;
- remove the wire over the cork

- remove or drill the cork
- crack, drill or damage the glass in any way

Again, how would you proceed?

5. You are alone in a two-seat car, driving down the road on a dank, dark and dismal night. Ahead, you see three people waiting at a bus stop:

- An old lady who is looking cold and bedraggled
- A friend, to whom you owe an enormous favour
- Someone you have long fancied from afar, but never had the chance to meet

You know that the next bus will not be along for about an hour, what action do you take?

6. There has been a power cut at night. You have a candle, a hurricane lamp and some kindling and firewood but only one match. Which do you light first?

7. A cowboy rides into town on Friday. He spends one night there and leaves the next day, on Friday. How is this possible?

8. On holiday, you bump into a friend (an airline pilot) in a bar. They are wearing a skimpy dress and high heels. What do you do?

9. You are required to measure the height of a building, using a barometer as part of the equipment involved - how many ways can you think of to do this?

10. An irresistible force meets an immovable object. What happens?