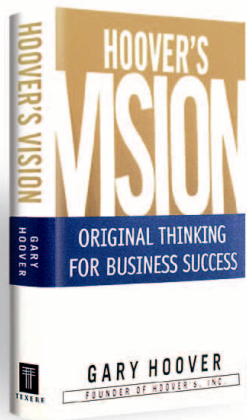


SOUNDVIEW Executive Book Summaries®

FILE: SMALL BUSINESS/
ENTREPRENEURSHIP

By Gary Hoover

Original Thinking for Business Success

HOOVER'S VISION

THE SUMMARY IN BRIEF

Great businesses succeed because of their leaders' ability to see things that others do not see. These leaders ask questions that others do not ask, then chart their own course, combining insights and strategies into the blueprint for a uniquely focused enterprise. We've seen this leadership in entrepreneurs like Sam Walton, Michael Dell and others who do not follow a formula, yet find a way to succeed. They listen to their customers and, most importantly, they follow their own visions of success.

Gary Hoover (founder of BOOKSTOP, Inc. and Hoover's, Inc.) is another of these leaders; what's more, he is also a student of great leadership. In Hoover's Vision, he lays out a plan you, too, can follow to make your enterprise a success, and turn your dreams into reality.

CONTENTS

The Open, Absorbent, Ready Mind

Page 2

Complexity, Gathering Information...

Page 3

The Expected World and The Role of Serendipity

Page 3

Seeing What Others Do Not

Pages 3, 4

Why Does History Matter?

Page 4

The Baby Boom Generation

Pages 4, 5

Learning from History

Page 5

What Is Vision?

Page 5

What Vision Does

Pages 5, 6

Successful Visions

Pages 6, 7

The Attitudes and Values Of Great Entrepreneurs

Pages 7,8

What You'll Learn In This Summary

✓ **You must be curious and creative.** The world is full of messages and inputs that may be vital to the existence and forward motion of your enterprise. You must address these inputs with an open and absorbent mind, making the attempt to view them in a manner that is completely different from the ways in which others view them.

✓ **You must grasp history and trends.** Often, businesspeople fail to recognize the importance of history, the trends inherent therein, and how those trends can and will affect their enterprises, both now and in the future.

✓ **You must understand the Baby Boom.** The largest single bulge in population in US history is still having a profound affect on businesses, and will continue to do so, even as those in the Boom generation grow older.

✓ **You must create and feed your vision.** The vision you create for your business becomes its *raison d'être* and, as such, it should possess clarity, consistency, uniqueness and a central focus on service.

✓ **You must recognize what it takes to succeed.** Find the essential qualities of entrepreneurial leadership in yourself, and use them to the ultimate benefit of your enterprise.

HOOVER'S VISION

by Gary Hoover

— THE COMPLETE SUMMARY

CURIOSITY: THE FOUNDATION OF CREATIVITY

The leader of a successful enterprise is, above all, curious. He or she lives for knowledge, for an understanding of the world around us and how it works. That world includes everything from the lines at the supermarket to the aging of the Baby Boom, from the power of the Internet to the rise of China, from the latest fad in teenage clothing to the newest technology for creating signs.

Information about the world and its people is all around us, flooding our senses each day from a thousand directions. The key is to have some idea of how to make sense of all those inputs. The ways in which the most innovative, successful people do this include:

- **Possessing an open, absorbent, ready mind.**
- **Understanding complexity, gathering information and asking questions.**
- **Understanding the expected and the serendipitous.**
- **Seeing what others do not.** ■

The Open, Absorbent, Ready Mind

In the daily heat of business, we often say, “Plan the work and work the plan.” The overall enterprise — in fact, life itself — is no different. In every building process, in every construction of a great thing, we must study before we begin our work.

The most fundamental skill of the curious person is the ability to look, to observe. Though we all need to read and absorb books and magazines, the greatest source of our knowledge is our own eyes and ears in the real world. Even after we begin to build toward our goal, we need to keep scanning the world around us, observing and learning.

To begin to explore and understand the world around us, we must do the following:

Exercise the mind. We spend enormous amounts of time, money and energy on making our bodies look good, but how much time do we spend exercising our eyes or minds? Like our muscles, the eye and the mind can be exercised and made stronger with practice.

Exercising the eye and the mind may, in fact, help us live longer.

Regain a sense of wonder. Nothing escapes the attention of a child. They become absorbed in the things adults consider commonplace — the world is a landscape without limits, full of wonderful sights, sounds and ideas. We must regain our childlike sense of wonder, the willingness to be amazed, in order to recognize the opportunities that lie all around us.

Ponder first, act later. After opening (or reopening) our minds to wonder, we must then allow ourselves to ponder — to think before we speak, act or (most importantly) conclude. We must cultivate the skills of contemplation, and not confuse contemplation with indecision: There is a time to think and a time to act.

Get into the information flow. We are at our best when information flows through us, enabling our minds to really get around a subject. If your ideas flow — through your pen to a page, out your mouth over the phone or in conversation — they will become more vivid, more practiced, more tested.

The more we think about our ideas, communicate them to others and receive feedback on them, the stronger those ideas become. Information is a unique commodity — we can give it away and not only still possess it, but actually come out ahead. We are at our strongest when we are always learning and, simultaneously, sharing what we know. ■

For more information on exercising the mind to live longer, go to:
<http://my.summary.com>

The author: Gary Hoover was a retail security analyst on Wall Street and manager of strategic planning for May Department Stores before founding BOOKSTOP, now part of Barnes and Noble. Hoover is also the founder of Hoover's Inc., the company behind Hoover's Online.

Copyright© 2001 by Gary E. Hoover. Summarized by permission of the publisher, Texere, 55 East 52nd Street, New York, NY 10055. 348 pages. \$26.95. 1-58799-059-8.

For more information on the author, go to:
<http://my.summary.com>

Published by Soundview Executive Book Summaries (ISSN 0747-2196), 10 LaCrue Avenue, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Publisher, George Y. Clement. V. P. Publications, Maureen L. Solon. Editor-in-Chief, Christopher G. Murray. Published monthly. Subscriptions: \$195 per year in U.S., Canada & Mexico, and \$275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, 10 LaCrue Avenue, Concordville, PA 19331. Copyright © 2002 by Soundview Executive Book Summaries.

Available formats: Summaries are available in print, audio and electronic formats. To subscribe, call us at 1-800-521-1227 (1-610-558-9495 outside U.S. & Canada), or order on the Internet at www.summary.com. Multiple-subscription discounts and Corporate Site Licenses are also available.

Complexity, Gathering Information, and Asking Questions

Once our mind is open and ready to receive, we can begin to absorb information. Sometimes, however, the world is difficult to figure out, and we tend to accept simple explanations for things that are actually quite complex. The first task of a thinking person is to separate what is meaningful from what is meaningless.

What You Should Know

Many people are scared of the prospect of information overload; they have trouble keeping an avalanche of information from crashing their brains. They forget that knowing everything is not the key; the key is to:

1. **Know what matters.** Rise above the clutter.
2. **Know how it ties together.** Create a structure on which you can hang new information and link it to information you already have.
3. **Know where to look for information — how to research and learn more.**
4. **Know how to analyze information.**
5. **Know how this information relates to your job, project or personal goals.**

Of course, there's no better way to draw information into our minds than to ask questions, starting with the good, old-fashioned "who," "what," "where," "when," "why," and "how." Asking questions enables you to establish your context in the world; the more you understand your context, the more successful you'll be. ■

The Expected World and the Role of Serendipity

In order to creatively explore the world around us and the opportunities it holds, we must first open our eyes and minds to those opportunities; we must ditch our expectations and see what others do not see.

Even the most creative people get stuck in a rut, following a comfortable routine so closely they stop being creative in the broadest sense of the word. If, however, we occasionally take a step sideways, if we take the path less traveled five percent of the time, if we at least glance around us as we make our way through life, then we have a dramatically improved shot at making breakthroughs, discovering great things, turning dreams into reality.

In your search for answers, the answer is almost never where you expect it to be, or where you are looking for it. History books and company profiles are full of stories of accidental discoveries that gave rise to great innovations. In the early 1950s, for example, George de

"You Never Get Anywhere Going the Obvious Way"

Charles Kettering, the noted engineer and inventor, started a company called Dayton Engineering Laboratories Company (DELCO) in his hometown of Dayton, Ohio, then sold it to General Motors. His new boss, Alfred Sloan, made him head of science at GM and wanted him to move to an office in Detroit. Kettering wouldn't move, so every week he drove US Highway 25 between Dayton and Detroit. Others who drove the same stretch marveled at how Kettering made the trip hours faster than they did.

When asked how he did it, Kettering admitted that he detoured around small towns. He spent most of his time on country roads, not the main road. "You never get anywhere going the obvious way," he noted.

Mestral went for a walk in the Swiss woods and came home with burrs in his socks. He invented Velcro. Pierre Omidyar's fiancée collected and traded Pez candy dispensers; this led him to start a Web site called Auction Web, which eventually morphed into eBay.

Today's automated dictionaries let us look up a word like scone without wasting time on other words. But flipping pages in a traditional dictionary might also lead us to discover the meanings of *sclaff* (to strike the ground with a golf club before hitting the ball) or *sconce* (a decorative wall bracket for candles). If we allow our minds to operate on cruise control all the time, there is much around us that we will miss. ■

For a story on how the author looked for the unexpected, go to: <http://my.summary.com>

Seeing What Others Do Not

As we consume information, we must cultivate a healthy skepticism, refusing to trust or believe something simply because it is documented in a newspaper, magazine or book. Take a few seconds to compare what you hear with what you know; look behind the headlines to determine how much of a story is spin, opinion, conjecture and/or hard fact. We cannot delegate our responsibility to understand — even to the finest and most accurate journalists, interpreters, commentators or experts.

It's not enough to simply look behind the headlines — you need to look where there are no headlines, where other people aren't looking. Headlines, whether on target or off, direct your attention to what everybody else is thinking

(continued on page 4)

Seeing What Others Do Not

(continued from page 3)

about. To gain a broader perspective of the world, spend time looking at things no one else seems concerned with, thinking in ways other people are not thinking.

Break Out of Familiar Patterns

Indeed, unconventional thinking should be applied to every area of your business. Find lessons in other industries that you can transplant to your own. Break out of your own familiar patterns in order to gain fresh insights.

If you've budgeted 6.9 percent of sales for customer service for the past five years, it's not hard to imagine going to 6.6 percent or 7.2 percent (a phenomenon Jack

Welch of General Electric calls "pushing the peanut"). Would you ever consider the impact to your business of slashing service spending to 3 percent, or pumping it up to 12 percent? Really good ruts are so powerful, we don't even know we're in them.

Even people with opposing points of view are often locked into the same perspective. General Motors and Ford might have better management techniques, but DaimlerChrysler makes better-looking cars. IBM and Unisys battled for years over the large mainframe market, while Bill Gates and Steve Jobs were talking another language. If you can get out of the channel everyone else is in and look at things from a different angle, you can often gain fresh insights. ■

HISTORY AND TRENDS: THE STUDY OF CHANGE THROUGH TIME

Why Does History Matter?

Once our curiosity is in place, how do we use it? What do we pay attention to?

While we tend to focus our attention on the here and now, we often fail to ask ourselves what came before, or how things change through time. One of the most common causes of failure is the inability of leaders to see the most important underlying trends — trends that emerge from the past to create the present and shape the future.

Whether a trend is large and slow moving (like the introduction of women into the workforce, which happened at an almost glacial pace) or more localized and fast-paced (such as business trends contained within a specific market), missing the onset and impact of trends can spell the end of your enterprise. Alert observers, on the other hand, create new fortunes by seeing where things are going, by recognizing trends at work more quickly than the competition.

The great leader watches trends to see things that others do not, to seize opportunities where others only see confusion. ■

The Biggest Trend: The Baby Boom Generation

The single most important trend for most of us, particularly in the United States, is the aging of the Baby Boom generation.

The years in which the members of the Baby Boom — the largest single bulge in population in US history, consisting of roughly 107.5 million people — will reach particular stages in life are precisely predictable. And history shows that people do many important things at predictable points in their lives (see box next page). In the trends that emerge from these predictable actions lie

major opportunities for enterprises both old and new, both for-profit and non-profit.

Non-demographic Factors to Consider

For most enterprises, there is no single factor as important as the demographics of the customer and how they are changing over time. There are, however, other factors at work, and to ignore them would be a mistake. For the Baby Boom generation, those factors include the following:

The aging of the Baby Boom is not a single-point trend. The fact that the Baby Boom is not a one-year or localized phenomenon means you must interpret its influence with care, even though that influence is enormous. Trends that in prior generations might have occurred in a more compact period of time (first-time marriages, for instance) will likely be elongated, due to the extended length of time of the Baby Boom bulge.

Age-related trends do not necessarily correspond with generational trends. For every age-related trend, you must determine to what degree the trend reflects temporary shifts in need or taste, as opposed to patterns in consumption that will stay with the generation for the remainder of their lives.

Historical age-related consumption patterns can change. The shape of demand for products and services historically shifts as the consumers of those products and services get older. The sheer size of the aging Baby Boom generation may change some of our basic assumptions about these trends — they will be healthier and live longer; demand education later in life; and maintain more varied interests than senior citizens of prior generations. You will likely have to adjust your enterprise's assumptions about this aging group to meet these new trends.

The aging of the Baby Boom is a phenomenon of the

(continued on page 5)

What Changes as We Age?

While any individual might not fit the particular mold, here are some general conclusions that hold true when you aggregate a large number of people, like the 107.5 million that comprise the Baby Boom generation:

- ✓ **They complete formal schooling in their teens and twenties.**
- ✓ **They get their first jobs in their teens and twenties.**
- ✓ **They get married and have their first child in their twenties and thirties.**
- ✓ **They spend heavily on consumer items in their thirties and forties.**
- ✓ **They steadily increase their skills and job productivity until their fifties.**
- ✓ **They achieve their greatest wealth in their fifties and sixties.**
- ✓ **They begin to retire in their fifties, peaking in their sixties.**
- ✓ **They give away more money in their sixties and beyond.**
- ✓ **They gradually increase political participation (especially voting) from a very low level in their twenties to a peak in their seventies and eighties.**
- ✓ **They die in their seventies and eighties, supporting enterprises even until their last breath.**

The Biggest Trend: The Baby Boom Generation

(continued from page 4)

developed world. While the post-World War II population bulge can be seen in the US, Japan, Canada, Australia and other locations, it cannot be seen in many countries around the world. As business becomes increasingly global, you must know the population and age structure of any nation in which you do business, and you must think about how that structure will change, and how your business must change with it. ■

For further reading on the impact of the baby boom, go to:
<http://my.summary.com>

Learning from History

Here are some practical things you can do to use history and trends to better your enterprise:

- Look around in your organization or industry for the person who knows its history. Get as much information from them as you can, using them as a resource for your own growth.
- Look at old copies of Fortune magazine, scouring each issue for at least one great but forgotten business idea. Figure out how this idea can be recycled in a new form for today's business world.
- Find out which companies were the largest in your industry thirty years ago, and compare them with the largest companies in the industry today. What happened to those that faded? How did the new leaders rise to prominence? Are there lessons that can be learned from the leaders of the past? ■

ESSENCE: THE POWER OF VISION

What Is Vision?

When you have vision, you have an informed and forward-thinking statement of purpose that guides you in all you do. Your vision tells you why an enterprise exists; without a clear purpose, an enterprise is a ship without a rudder, a train without a track.

A vision should also be informed, fed by your understanding of the world, reflecting the trends at work in your environment. Hand-in-hand with being informed comes "forward thinking," reflecting what you expect and hope your organization will become — a statement of ambition that informs everyone of the direction of the enterprise. All priorities flow from a clear vision.

There is no "standard" or formula for creating a vision — it should be highly customized, something that could only come from your enterprise. It also should reflect your core values, in the very broadest

sense of the term. A good example of this is the Cross Pen Company. Cross does not compete with Bic and Papermate for the ballpoint writing instrument business; it competes with briefcases and paperweights for the corporate gift business. Regardless of whether Cross wrote this down in fancy mission statements, the company has a real story, a distinct message that defines its enterprise and sets it apart. Every great enterprise has such a message. ■

What Vision Does

Some might argue about the importance of vision, not realizing that their companies are guided by vision even though it might not be an overt part of their corporate strategy or philosophy. Regardless of whether you "do vision" consciously, here are the reasons it is so useful in achieving your organization's goals:

What Vision Does

(continued from page 5)

● **A vision bonds.** Diversity is a much-sought-after commodity in business, particularly in larger companies. You can bring together people of diverse races, religions, ages and lifestyles for a common, shared purpose: the vision that guides your enterprise.

● **A vision inspires.** People are more motivated if they believe they are doing something worthwhile, if they believe that they can — through participation in the enterprise — accomplish something that is worthy of their time and energy. A clear vision offers a sense of purpose that can be a continual motivator and force of inspiration in even the largest of organizations.

● **A vision is an anchor in hard times of change.** Those organizations that understand themselves, that have a clear vision and are true to it, have much more confidence and far fewer doubts than an organization without such a rudder.

● **A vision is a potent competitive tool.** You can use your vision to differentiate your enterprise from your competitors, and even to trounce them, particularly if they do not have a clear and consistent definition of themselves.

● **A vision builds community.** Once you have articulated your vision and are confident in it, it is important that it reaches and motivates not only your employees but everyone who touches the enterprise — including customers, auditors, ad agencies, and so forth. A great vision turns your enterprise's acquaintances into advocates. ■

Characteristics of Successful Vision

There are four primary attributes or dimensions in successful enterprise visions — in essence, four pillars on which the enterprise is built. While some companies succeed with only two or three of these in place, truly great enterprises must have visions that are **clear, consistent, unique** and **servicing**.

The Clear Vision

It is impossible to overvalue the contribution of a clear, simple vision, articulated in terms that are free of corporate doublespeak (no mention of "rightsizing," "reengineering," "paradigm shifts," and the like) and industry jargon or acronyms (no mention of "ISO," "TQM," "RFPs," and so forth). When we are scared or uncertain, when we think we have to impress someone, we often resort to "uncertainty." Such endeavors are often just confusing, and can be counterproductive.

In many fast-growing companies, as many as half the

Southwest Airlines — Clarity and a "Third Grade Vision"

Much has been written about Southwest Airlines and its unique style of doing business, but what is possibly most impressive is the simplicity and crystal clarity of the company's message. Since the company's founding 30 years ago, Southwest has held to a handful of key beliefs.

First, it flies one type of aircraft (the Boeing 737), so that all its crews are trained on the entire fleet, and to reduce the organization's investment in spare parts.

It maintains an efficient, no-frills operation — the flight lands, the first people to arrive receive the first (classless) seats on the plane, passengers get peanuts instead of a meal, and the plane takes off.

Finally, Southwest has a unique culture that stresses fun as an important corporate quality.

These simple ideas — expressed openly in terms that any third-grader could understand, not to mention every flight attendant, baggage handler, marketer and executive as well — have contributed to the airline's success as the most consistently profitable company in its industry.

organization's employees may be new hires. If a growing company indoctrinates its people in an entirely new language, the newcomers either must go around asking what all these strange words mean, or simply stay in the dark and feel stupid. A wall is built between the newcomers and the old-timers. This is no way to bond together an organization.

The English language is beautiful and powerful. While it is hard to keep from using buzzwords and jargon, it is worth the perpetual struggle to keep our words — and our mind — free from such things, for the good of the enterprise and our vision.

The Consistent Vision

In this era of rapid, even accelerating change, it can be difficult to know which way to head. Different factions, including venture capitalists, Wall Street, stockholders and even your own Board of Directors, will give you conflicting views, particularly when success is uncertain.

If you study great, lasting enterprises, however, the evidence overwhelmingly supports staying the course. If your course is based on a sound idea and your direction reflects what you know about people, trends and geography, that course should serve you well over time. Your confidence in your vision comes from knowing what matters — knowing what you are good at and what is

(continued on page 7)

Characteristics of Successful Vision

(continued from page 6)

important to you, and sticking to your vision through bad and good periods.

After Walt Disney and his brother Roy (the deal-maker and bean-counter in the family) both died, the Walt Disney company began to slide. The reason: The focus of the organization's leadership shifted from being the world's greatest maker of family entertainment to simply being a company that turned a profit. It wasn't until leadership changed (and two visionaries — Michael Eisner and Frank Wells — were put in charge) that Disney refocused its energies on its core values. Once they did, the company went from making bombs like *Tron*, to turning out successful nouveau classics like *The Lion King* and *Toy Story*, recovering their audience and profits as a result.

The Unique Vision

The successful vision is a unique vision; if you try to accomplish the exact same goal as another organization, it is not likely that both companies will be successful. If you are starting a new company, it is critical that you find your own space or niche in the world. The most successful enterprises do one thing, and do it very well.

Part of the reason enterprises must have a unique vision is that they will be most successful if they strive to be the best at something, or the best or biggest in some regard. Some ways to differentiate your enterprise include the following:

- **Finding gaps in a competitor.** For years, Toys “R” Us never had a successful toy store competitor, although chain after chain tried to copy them. It occurred to the author that someone could build a chain, if they simply got the business of everyone that Toys “R” Us has upset. It is not that Toys “R” Us is a bad or customer-unfriendly company, but every company has an Achilles

heel, a weakness that competitors can exploit to find their own success.

- **Pursuing “Class B” ideas.** Sometimes, an idea that is not completely sound (a “Class B” idea), but which is executed with passion and intensity, will beat out a great idea (a “Class A”) that is executed half-heartedly. Of course, it's hard to beat a Class A idea pursued with total intensity (Microsoft, for example).

- **Seeing the world in a different way.** Volvo has never in its history sold a car; instead, it sells durability and safety. It built its own uniquely defined niche, setting it apart from the Fords and Toyotas, and maximizing the potential of its brand.

A Vision Built to Serve

Saying an enterprise exists to make a profit is like saying automobiles exist to get good gas mileage. The only valid reason to the existence of any enterprise — for profit or nonprofit — is to provide products or services to people. Enterprises that forget this will perish; those that remember that fact and put it into practice every day have a chance at long-term survival, even prosperity.

It is virtually impossible to overstate the power of the customer. The US Post Office long held a monopoly on home deliveries and, on many occasions, made such deliveries difficult for customers (forcing them to go to the post office to pick up packages, or insisting customers be home at exactly the right time, etc.). The customer was not being well served, and Federal Express and UPS filled that gap. The only rule is that customers always get what they want; it's just a matter of who gives it to them and when.

“Service First” means “Other Things Second.” While nearly every company gives lip service to the importance of the customer, most companies make their decisions based solely on accounting terms. The enterprises that survive and prosper the longest, however, always start by asking, “What is best for our customers?” ■

THE RIGHT STUFF: WHAT IT TAKES TO SUCCEED

The Attitude and Values Of Great Entrepreneurs

What does it take to create and sustain a successful enterprise? Consider your role, as well as the roles that others have played in past enterprises. You'll find that the attitudes and values shared by entrepreneurs who build great enterprises include the following:

- **Passion.** One of the greatest tragedies in our world is all the people who hate their work, or merely tolerate it. If you don't love what you do, you'll never go the extra mile, work the extra hour, or dream up the new

idea. If you are doing something you love — if you have your heart in it — you will have a chance to excel. Whether you're planning the course of your life or planning what merchandise to display at your corner store, there is always a winning place for passion.

- **Persistence.** From passion flows other qualities, all of which lend strength to your enterprise and increase its chances for success. Persistence — the endurance to continue the journey — is one of these qualities. Most enterprises begin with one person starting out alone; eventually, that person will find another who believes in

(continued on page 8)

The Attitude and Values of Great Entrepreneurs

(continued from page 6)

the vision of the enterprise, then another, then another. If you are persistent enough, eventually the whole world will believe in your vision. It's a long road to get to that level, and there are many obstacles to overcome, but the ability to persevere and overcome those obstacles is one of the most common patterns you see in the building of great enterprises.

● **Energy.** Truly successful entrepreneurs are an intense group of people, with a high level of energy and a fire burning inside them to succeed.

● **Self-confidence.** Many parents tell their kids, "You can do anything you put your mind to." Entrepreneurs are the kids who believed them. Self-confidence is not, however, a simple quality; it refers to a combination of courage, optimism, self-esteem and self-reliance. Entrepreneurs must also be hopeful — about themselves, their enterprises, and the industries in which they exist. They must not be blind to problems around them; rather, they must see those problems as opportunities for innovation.

Profiles in Persistence

Accomplishing anything worth accomplishing takes enormous endurance. Consider the following:

As of the end of 1998, Wayne Newton had given 26,000 live performances in Las Vegas, not counting TV appearances and concert tours. He had also made 142 albums. Regardless of what you think of his music, you must recognize his energy and endurance.

When Steve Case took AOL public in the early 1990s, his own stock was worth less than \$1 million, and he had been working at it for seven years. Most "experts" thought that AOL would perish, that its business model was not sustainable. Years later, Case might have been the only person on earth who wasn't shocked when his company acquired Time Warner.

When Carnival Cruise Lines first started, the company couldn't afford a new ship, so they bought an old, slow, beat-up one; their cruises, consequently, took longer than their competitors' to reach the same destinations. Instead of giving up, Carnival added discos and other amenities to keep their passengers entertained while on board. By doing so, the company reinvented and reinvigorated the cruise industry, and today it holds a market share in excess of 50 percent.

What Entrepreneurs Believe

Entrepreneurs and leaders who think like entrepreneurs believe the following:

- ✓ **We can do anything.**
- ✓ **We can learn anything.**
- ✓ **We can make this world a better place.**
- ✓ **We can make a difference.**
- ✓ **We can figure it out.**
- ✓ **We can lick the toughest problem.**
- ✓ **Few things (if any) are outside of our control.**
- ✓ **No competitor scares us.**
- ✓ **We will focus on what matters.**

When pundits and so-called "experts" try to give you direction that runs counter to your vision and the expectations of your ultimate bosses (those who buy your products and services), don't listen to them. Listen to yourself and your customers.

● **Action orientation.** The most successful entrepreneurs are passionate, visionary, driven people who are never content to merely sit around. They want to do things, to learn, to experiment. If they fail, that's fine — failure is an expected part of the process. Rather than sitting around waiting for or planning a giant effort, they are willing to move ahead, step by small step, making constant progress. The only thing they can't stand is inaction.

● **Individuality.** Entrepreneurs are, above all else, true to themselves; they are also as individually unique as any group of people you could meet. They all have their own underlying personal goals, and each entrepreneur is unique in his or her breadth of vision; whether that vision is broad or narrow is dependent upon the particular outlook of the entrepreneur in question.

● **Entrepreneurial leadership.** Entrepreneurial passion is translated throughout the entire enterprise through one quality: leadership.

Do not confuse leadership with management, although both are needed by any lasting enterprise. Management is a world of budgets, of hiring and firing, of dealmakers, lawyers and accountants. Leadership, by contrast, is a world of passion and vision, of seeing what needs to be done and having the courage to do it.

Management is about knowing how to fit together the details to make the vision real. The leader is the one who shows the way, who holds up the torch to the future so it is clear for all to see. From the leader's passion, the whole organization draws strength. ■