

MENTORS

Issue 4

Magazine

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Edition 4

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RISK - How to Leverage It to Scale Your Business & Grow by Leaps and Bounds

By Steve Anderson

Businesses face risks every day. They risk a customer coming into their shop and slipping on water left on the floor. They risk a

“14 principles ‘hidden in plain sight’ that Bezos used to grow Amazon from a startup company”

new competitor with a better product or service, taking away their customers.

Many believe entrepreneurs are, by nature, risk-takers. But based on the success rate of new businesses over five years, it certainly appears that most take too many, or the wrong kinds of risks that put them out of business.

Technology is being developed faster today than ever. Consumers' expectations are

changing just as quickly. As a result, businesses don't have the time they had in the past to evaluate these changes and figure out how to adapt.

Could it be that the biggest risk a business faces is actually not taking enough risk?

Amazon provides a good case study for how risk-taking can be used strategically to grow your business. I have analyzed the 21 Letters to Shareowners Jeff Bezos wrote to Amazon shareholders to reverse engineer the success of the company and what every business can learn from Amazon's success.

After studying the 21 letters to shareholders that Jeff Bezos wrote starting in 1997, I discovered 14 principles “hidden in plain sight” that Bezos used to grow Amazon from a startup company to one of the larg-

est and most valuable companies in the world.

Can these principles be applied to any business of any size? I think they can. I believe Jeff Bezos is the Master of Risk and has learned how to use risk strategically to grow.

The Biggest Risk Successful Business Face

Even successful businesses face risks. The biggest risk a successful company faces is being successful.

You see, when a business is successful, the mindset of management and employees starts to change from invention to protection. And when they start thinking about how to protect their success, they stop experimenting, testing new ideas, and inventing on behalf of their customers.

Bezos address this problem in the 2015 Letter. “As organizations get larger, there seems to be a tendency to use the heavy-weight Type 1 decision-making process on most decisions, including many Type 2 decisions. The end result of this is slowness,

unthoughtful risk aversion, failure to experiment sufficiently, and consequently diminished invention. We’ll have to figure out how to fight that tendency.”

I created the Anderson Risk and Growth framework to help any business owner better understand how they can apply the growth principles to their organization. The framework has four cycles — Test, Build, Accelerate, and Scale — with the 14 growth principles grouped within each cycle.

There is an essential link between risk and business growth that many people overlook. From this vantage point, risk can be framed in a very positive light. That’s why you can look at the growth of Amazon from a slightly different perspective— through the lens of risk.

Yes, every business takes risks, but reckless risk-taking is like rolling the dice. You never know what’s going to come up. But Bezos takes risks with intentionality, which most businesses, if aware, can also harness to achieve greater results.

What has fueled Amazon’s growth comes



Encourage Successful Failure

down to Jeff Bezos' unique approach to taking and leveraging risk and his commitment to creating a culture for experimentation and invention. And it's all based on his views on success and, actually, failure.

How did Bezos build an online bookstore into a trillion-dollar company during a period that saw countless other technology companies and

bookstores collapse?

What would you give to have Bezos, himself, explain the secrets that took Amazon to a trillion-

dollar company and

him to become the wealthiest person in the world?

Fortunately, Bezos didn't operate behind a curtain, hiding his mechanisms and strategies like the Wizard of Oz. That's where the Shareholder Letters come in. They reveal his thinking and his approach from the beginning of Amazon to the present.

Bezos was extremely savvy when it came to growing Amazon: he knew there was an exquisite tension between risk and growth. You don't grow if you're not willing to take risks.

But here's where Bezos does what I consider to be incredibly astute: he chooses to play the game differently by always assessing his "return on risk."

"Return on Risk"

"Return on Risk," or ROR, is a term I use to refer to the relationship between the cost of risk and its return (which isn't always financial). It's similar to how you would think of a "Return on Investment" or ROI.

From the owner to the receptionist, everyone in the business understands that everything we do has a cost and a benefit.

Every dollar we spend to advertise, pay salaries, buy materials, deliver goods, build a website, and anything

else we do should create more than a dollar in return. Every minute we spend working on something should similarly generate an income worthy of the time spent.

Although most everyone in business views money spent on the business through an investment framework, virtually no one thinks about business risk as an investment—with the possible exception of Jeff Bezos.

Although most everyone in business views money spent on the business through an investment framework, virtually no one thinks about business risk as an investment—with the possible exception of Jeff Bezos.

Cycle Test – Principle #1 Encourage Successful Failure

Risk is not something to be taken lightly, and Bezos doesn't take risks lightly.

But the process of failure and learning from failure is when the most profound



learning takes place.

From what he's written in the Shareholder Letters and elsewhere, Bezos believes in the concept of "successful failure." The learning process is so essential that he intentionally builds failure into his business model.

If he tries something and it works, that's great. But if he tries something and it doesn't work, he looks for ways not only to make it work but to make it worth it.

In a December 2014 interview with Henry Blodget, co-founder, and publisher of Business Insider, Bezos talked about the role of failure in Amazon. He told Blodget, "...one of my jobs is to encourage people to be bold. It's incredibly hard. Experiments are, by their very nature, prone to failure. A few big successes compensate for dozens and dozens of things that didn't work."

In other words, he builds "experimenting" into his business model, knowing from the start that many of them will fail. Bezos also believes that risk and failure are essential to business growth. In his words:

"What really matters is, companies that don't continue to experiment, companies that don't embrace failure, they eventually get in a desperate position where the only thing they can do is a Hail Mary bet at the very end of their corporate existence. Whereas companies that are making bets

all along, even big bets, but not bet-the-company bets, prevail. I don't believe in bet-the-company bets. That's when you're desperate. That's the last thing you can do. —2014 Business Insider IGNITION conference."

Too many companies only stay afloat when everything goes well. If something goes wrong, cash flow slows down, money gets tight, and sacrifices must be made. To the point where if some businesses even experience a "hiccup," they can be out of business almost just that fast.

Again, Amazon builds "failure" into its budgets to give it the flexibility to allocate resources to many things they know will fail. Not only will the few successes overcome the multiple failures, but Amazon learns from, and builds upon, its failures to make other endeavors successful.

Successful Failure as a Mindset for Success

To be clear, failure isn't about incompetence or laziness. Amazon has an "intolerance for incompetence." In Amazon's case, failure is expected when new ideas or ways are tried. But Amazon will not tolerate anything less than giving your very best.

Given a 600,000-plus staff that's "competent" and an environment that's safe to try new things without fear, who

knows?

Bezos talked about failure in 8 different Letters (1997, 2005, 2008, 2013, 2015, 2016, 2017, and 2018), which provides some insights regarding the importance he places on creating an environment within Amazon that supports “successful failure.”

In the 2013 Letter, he says, “Failure comes part and parcel with invention. It’s not optional. We understand that and believe in failing early and iterating until we get it right. When this process works, it means our failures are relatively small in size (most experiments can start small), and when we hit on something that is really working for customers, we double-down on it with hopes to turn it into an even bigger success. However, it’s not always as clean as that. Inventing is messy, and over time, it’s certain that we’ll fail at some big bets too.”

He continues in the 2015 letter, “One area where I think we are especially distinctive is failure. I believe we are the best place in the world to fail (we have plenty of practice!), and failure and invention are inseparable twins. To invent you have to experiment, and if you know in advance that it’s going to work, it’s not an experiment. Most large organizations embrace the idea of in-

vention but are not willing to suffer the string of failed experiments necessary to get there.

And finally, in the 2018 Letter, he talks about how failures need to scale as your

company grows saying, “As a company grows, everything needs to scale, including the size of your failed experiments. If the size of your failures isn’t grow-

ing, you’re not going to be inventing at a size that can actually move the needle. Amazon will be experimenting at the right scale for a company of our size if we occasionally have multibillion-dollar failures. Of course, we won’t undertake such experiments cavalierly. We will work hard to make them good bets, but not all good bets will ultimately pay out. This kind of large-scale risk taking is part of the service we as a large company can provide to our customers and to society. The good news for shareowners is that a single big winning bet can more than cover the cost of many losers. (Bezos 2018 Letter)

Is your business experimenting and inventing at the right scale? Does your organization support a culture that encourages “Successful Failure”?

The question remains: Is the bigger risk not taking any risk at all?

“we are the best place in the world to fail (we have plenty of practice!), and failure and invention are inseparable twins. “



MEET THE STEVE ANDERSON

Steve Anderson, MA, is a trusted authority on risk, technology, productivity, and innovation. He is the author of the Wall Street Journal, USA Today, and international bestselling book *The Bezos Letters: 14 Principles to Grow Your Business Like Amazon*. He was recruited to be one of the original 150 LinkedIn Influencers and has over 340,000 followers. Steve and his wife, Karen, have two married daughters and seven young grandchildren. For more information, please consult: www.thebezosletters.com

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Develop the Success Mindset

by Brad Sugars, CEO & FOUNDER ActionCOACH

The biggest obstacles to growth and success faced by business owners don't come from the boardroom, factory floor or in the backrooms of their companies. The most limiting impediments to massive growth lurk in each owners' minds. That's right, sometimes we are our own worst enemy.

Business owners limit their success because they begin to allow fear, peer pressure and critical commentary to seep into their mindset.

Instead of a "how can I" approach, it becomes a "what if I" thought process. Those doubts, begin to stifle confidence and constrain behavior. Suddenly, that entrepreneurial spirit that propelled you toward success, starts stopping you from achieving even marginal change because you no longer possess a Mindset of Success.

It's true that business dreams are a realization of hard work, planning, strategy and luck. But the key ingredient is having the right frame of mind to get out of your own

way. Here are four ways to help you snap back into the mindset that once again, moves you forward, upward and onward.

Here are four approaches to changing your mindset;

1. **Become more objective.** When you are too close to your business for too long, you

can become blinded to situations, personnel or processes that are holding it back.

You have to focus on working

ON your business not

just working IN your business. Separate yourself from the daily business activities and carved out time to work on the foundational aspects of your business strategy, help you plan and develop objectivity. It's a universal problem I have encountered among the thousands of business owners I have coached. Business owners inevitably find themselves doing work in their business, and they never get the chance to see the business from the customer's perspective. They develop short-cuts and time-

"Business owners limit their success because they begin to allow fear, peer pressure and critical commentary to seep into their mindset."



savers that actually work against them and limit their success. Many business owners, feel they have “do it all myself” attitude and never develop a team, or expertise within their organization to handle the day-to-day activities. These owners therefore can’t develop their business’ full potential, they all have really done is “bought themselves a job”.

Step away from the day-to-day and objectively

evaluate all aspects of your business from your customer’s point of view. That will help you see opportunities that you might have been missing.

2. Become accountable. Taking full responsibility in your business and your personal life is a game changer. Remember the buck starts and stops with you. It is no one else’s responsibility for your success. It’s yours. Start taking full ownership and stop the blame game.

If you are in a denial or living “below the point of power” you are likely focusing on finding excuses and looking for others to take the fall. You need to personally grow to ensure that your business grows. While

you don’t have to do all the work in your business, if you begin to live the philosophy that “if it is to be, it’s up to me” you will make the changes, and adjustments needed to find a new spark. Assume responsibility, and you’ll be amazed at how

suddenly you start making progress towards achieving your dreams.

3. Learn to embrace failure. Realize that the “biggest risk you take is doing nothing at all.”

Sitting and waiting for someone to hand you a solution isn’t what real entrepreneurs do. True mavericks discover new ways and new paths to succeed often from the results of the failures they encounter along the way. But they don’t sit and dwell on it, they learn, adapt and try again. Letting yourself learn from failures and your willingness to risk failure is the sign of true leaders and trailblazers.

Failure is something we all have a hard time accepting because it has been drilled into us since we were in grade school. Failing is a mark of shame. In business however, it is a mark of progress and evolution. Most really ground breaking discoveries



come from the trial and error process. They come from testing and measuring and applying what we learned when something didn't go quite as planned. If you strive for perfection, you will likely be very unhappy. Perfection is exhausting as well as futile because it is an unattainable goal. If you strive for excellence however, give your best every day and you will find that success comes much easier and quicker.

4. Know a little about a lot. Focus your energy on actually becoming a 'jack of all trades' instead of just being a specialist. Become a generalist.

Henry Ford knew one of the common sense secrets to entrepreneurial success. "When I need to know about finance, I call in my finance manager and ask him all the questions I need to have answered. The same goes for any other subject," Ford said. Ford understood that when you need an expert you employ one or hire one. As an effective leader you have enough personal knowledge to know when to call in reinforcements.

As a true entrepreneur your focus is to make more money and build wealth rather than income. Your role is not to develop the secret formula of new product and cre-

ate the distribution infrastructure to get it to market and then conceive a marketing campaign to gain awareness. You need to be able to know enough about each component to ensure you seek the best resources and expertise available.

Keep in mind that being the best hairstylists doesn't make you the best salon owner. Being the best mechanic doesn't make you the best Auto Shop owner and just because you are a world-class chef doesn't mean you know the first thing about what

"As a true entrepreneur your focus is to make more money and build wealth rather than income. "

it really takes to run a successful restaurant or chain of restaurants. Knowing too much about one thing often keeps

you from being able to see the blind spots. You are so focused on packaging, (because you have a design background), and you don't put any effort on building a really engaging customer experience. Ultimately, that pretty package will stay on the shelf and you will soon be out of business.

How do you make mindset change stick?

Changing a mindset is harder than it sounds because over time we become programmed and as uncertainty creeps in we become more conservative and less apt to risk. Sometimes we need a push. Often business owners wait for a catastrophic in-

cident before they make real change. But realize that your business is limited by your personal growth. You must begin to understand how vital continuous investment in yourself means you continue to invest in your business.

The best advice to any entrepreneur or business owner came from my first mentor, Jim Rohn. He said, "Don't wish things to be better, wish you were better." Taking full control of your destiny means the willing-

ness to recognize that the goal is to create the habit of constant improvement. As a business owner, getting a coach or mentor has

been the best money I have ever spent. Not only was it a way to get out of my comfort zone, but I learned how to ask and absorb feedback.

I have worked with many mentors and coaches and when I realized that there were thousands of others who needed the same, I started ActionCOACH. Now the world's leader in business coaching, ActionCOACH has nearly 1,000 coaches working with businesses in more than 70 countries. The reason is simple. We help owners be objective, hold them accountable, teach them how to use failure as a means toward

success and provide them the insight to realize it is more important for them to understand the components of their business, than to be the one pulling all the levers.

Professional golfers have a swing coach. Great opera singers have vocal coaches. Why shouldn't a serious business person have a business coach? If professionals in all walks of life from sports to medicine employ coaches, it is logical that business-

es do the same.

Why? Because a coach will tell you what you need to hear, not always what you want to hear. A coach will give you

insight and challenge you to move forward. A coach will be there to console you, inspire you and celebrate with you when everyone else has gone home for the night.

Employing a coach is a sign of strength not a weakness, because as a true leader, a true entrepreneur you know there is no limit to what you can learn. You are open to possibilities; you adapt and you grow.

But hiring a coach doesn't mean success. You have to implement, respond and take the field and perform to reach new heights. You wouldn't always win, but with

"Employing a coach is a sign of strength not a weakness, because as a true leader, a true entrepreneur you know there is no limit to what you can learn. "

continual improvement and focus you will likely outrun, out live and outperform your competition. Success doesn't come without scraps, bruises and setbacks. It's about how you bounce back and learn from them. Having a coach there to keep you focused on the end-game is critical.

My definition of a successful business is "a profitable, commercial enterprise that works without you". As a business leader I ensure that the processes, procedures, values, mission and vision of the company are solidly entrenched. I need to employ the best people and available resources to en-

sure the systems and strategies are sound and continue to improve over time. Without a mindset of success none of this is possible. Changing the trajectory of a business isn't easy and neither is changing a mindset. It takes time and investment. It involves radically altering the way you think and perceive the world. It is not an exercise to do lightly or on your own. Seek counsel, guidance and expertise to help you get on track to new horizons. It's your business, take hold. Your success will treat you to a great ride!



MEET BRAD SUGARS

Best-selling author, entrepreneur, and investor Brad Sugars is a self-made multi-millionaire who came from humble beginnings in Australia. He started ActionCOACH in 1993 when business coaching was not mainstream and awarded his first business coaching franchise in 1997. Sugars almost single-handedly launched an industry that is estimated to exceed \$2 billion in the next year. Sugars is an active and engaged CEO and leads ActionCOACH after more than 25 years of successful expansion and growth. Sugars continues to educate business owners world-wide with his Master Class Series, \$100 Million Dollar Strategy Week and soon, he will unveil his new business, wealth and life program

called 30X. He is a thought-leader and industry maven whose 'no-nonsense' approach makes him a sought-after keynote speaker globally. A father of five, Sugars lives in Las Vegas, Nevada where ActionCOACH is headquartered.

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Does Your Corporate Social Responsibility Program Include In-Kind Donations? It Should!

By Gary C. Smith, President & CEO, NAEIR

It's no secret that corporate social responsibility (CSR) programs are good for business as well as communities. They improve employee engage-

ment, increase customer loyalty and elevate corporate brands. But while most companies build their CSR programs around monetary donations

and employee volunteerism, there is another form of giving that many overlook—namely, making in-kind product donations.

In-kind giving is ideal for offloading overstocks, obsolete merchandise, discontinued products—even returns. Just because some inventory no longer benefits your business, it can still be very useful to those in need, and there are ways to optimize the donations you make.

The Business Benefits of In-Kind Giving

In addition to adding another facet to your CSR program, donating excess inventory offers a number of tangible benefits, including:

It's an Easy Way to Move Unwanted Stock

Whether you currently discount, liquidate or auction your non-selling merchandise, it undoubtedly takes a certain amount of time and labor, while yielding a poor ROI. Done right, making in-kind donations can be fast and easy (no negotiating with liquidators, no creating online auctions) and it makes better financial sense, too.

It's Tax Deductible, Times Two!

Product donations are tax deductible. Better yet, if your company is a C Corp, you're eligible for a tax deduction up to twice the cost of the merchandise you donate. According to a little-known section of tax code, IRC Section 170(e) (3), C Corp tax deductions equal the cost of donated inventory, plus half the difference between the cost and fair market-selling price, not to exceed twice the cost.

For example, if your product cost \$10 and you sell it for \$30, the difference is \$20. Half of \$20 is \$10. \$10 (product cost) + \$10 (half the difference) = a

\$20 tax deduction. \$20 does not exceed twice the product cost, so it's allowed.

It Keeps Your Warehouse Up-to-date

Every square foot of wasted warehouse space costs you money, every day. According to studies, the real cost of holding onto stale inventory exceeds its cost value. Each time you donate outdated stock, you free-up valuable warehouse space for more profitable products.

It Protects Your Brand Value

Discounting and liquidating your products lessen their value and detracts from your brand. But with a smart gift-in-kind organizations will use a careful allocation system to ensure products are distributed thinly across a tightly-closed market. Your products retain their value, while your brand receives CSR recognition. It's a win/win.

How to Find a Non-profit Partner

Businesses can always seek out local non-profits to partner with, but finding the right fit—a group or groups that can use all you have to offer—can be a full-time job in itself.

An easier approach is to join a gifts-in-kind organization. These groups are licensed 501c3 non-profits that collect all types of unwanted merchandise from member corporations, then redistribute it to member non-profits—i.e., charities, churches and schools—that request it. Some of the most in-demand products are office and school supplies, cleaning products, personal care items, electronics, clothing and toys.

How do you choose a quality gifts-in-kind organization? Look for one that:

◇ Does not charge corporations membership or

donation fees.

- ◇ Accepts donations of nearly any kind at nearly any time.
- ◇ Provides proper tax documentation of every donation for your records.
- ◇ Shares annual results publicly, so you know how much merchandise was accepted and redistributed.

How Gifts-in-Kind Programs Work

After you choose a gifts-in-kind organization to work with, you need to become a corporate member. Ideally, that should be as easy as making a phone call or sending an email to the organization.

Once you're accepted, you should be able to make donations at any time. You may decide to donate quarterly, between seasons or whenever your warehouse demands it.

Each time you wish to donate, you first provide

the organization with an inventory list. Once it's approved, you simply ship it to a designated location, where it will be sorted, cataloged and made available to member non-profits.

You'll receive tax documentation for your records. Eventually, you'll also learn what charities received your goods—a gratifying experience for the whole company. This makes terrific content for your company newsletter and adds another dimension to your CSR program.

Giving Is the Right Thing to Do

Beyond benefiting your CSR program, in-kind giving allows you to put your merchandise into the hands of needy people who can genuinely use it, while helping worthy non-profits deliver on their mission. You care enough to develop a CSR program...why not do even more good with your unwanted goods?

MEET GARY C. SMITH



Gary C. Smith is President and CEO of NAEIR (National Association for the Exchange of Industrial Resources), America's largest and oldest gifts-in-kind organization. He has passionately advocated for product philanthropy for nearly 25 years. Under his leadership, NAEIR has collected and redistributed more than \$3 billion in donated merchandise to qualified nonprofits and schools. He is also actively involved in his community's economic development and served as Mayor of the city of Galesburg, Illinois.

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Find Your Inner Compass

By Mike Kitko



For 43 years, I settled. I separated life and work. I thought there was work time and off time. Work time meant that I would leave the place I wanted to be, and those I wanted to be around, to go a place I didn't want to be to do something I didn't want to do. After I was done being where I didn't want to be, I would leave there and go back to the place I wanted to be. Work paid the bills and provided for my family and my role in their lives was doing things I hated – for their benefit. No matter how miserable I felt in this miserable cycle, my

duty was to suck it up and carry out my miserable responsibility.

I was like the executive Joe six-pack. I accepted roles that paid the bills, felt like I was punching a salaried timeclock, and felt a sense of joy when I left work to come home. To add to that chaos, my home life was in disarray because my wife and kids were in the same miserable state. My home life was a reflection of my own misery, sacrifice, and turmoil. There wasn't a

whole lot of peace and harmony that was created from my duty. My home was a war zone of physical, mental, and emotional abuse – but I felt the nice house, cars, savings account, and frequent vacations made it all worth it.

No looking back

And then everything collapsed. My relationship with my wife fell into a state of pain and seemingly disrepair, my kids needed counseling, my health failed from physical neglect and alcoholism, and I lost two executive positions in 20 months because of my life's chaos. Life and work were not separate and distinct. As my life crumbled, so did my ability to perform in my executive roles. It all fell apart at the same time, and I was suicidal. I was doubting everything I ever thought I knew about life. I had no idea who I was, what to do, and what life even meant. My entire world view was in jeopardy and doubt.

Looking back, it was the worst of times. But it was also the best of times. Since I had nothing, I got to revalue everything. Sure, I tried to retreat back into my familiar yet uncomfortable life of sacrificing myself for income, but that didn't work either. I was unemployable and couldn't find a job. No one would have me, and I didn't blame them. I wouldn't have hired me either.

I remember vividly reaching a point when I realized that I couldn't go back to the life I knew. I reached a point where I figured out that I had nothing figured out. Everything I

had learned about life got me to a suicidal state with nothing but a bunch of material possessions. In essence, I had nothing to lose. I was learning what I hadn't learned up to that point: life is not about sacrificing myself for blocks of time followed by small segments of time waiting for the next block of sacrificial time. I decided to cast aside everything I had ever learned and begin living a life in line with my desires – my inner compass.

You have what it takes right now

In my book, [*The Imposter In Charge*](#), I detail how our inner compass is our guidance system. We all possess talents, gifts, and an innate desire to serve and show up in life in a certain way. I believe every single individual on our planet of 7.7 billion people has their very own path carved out in their DNA, and most are rejecting or ignoring their own desires until they can't feel them anymore. When they no longer feel a higher calling, they settle for a robotic, artificial life driven by programming, routine, and what they perceive they "should" be doing with their time. They numb their desires and destiny out of doubt and fear, and live in the comfort of a small, unaligned life. My opinion is that most live in a state of delayed happiness, where they feel that peace, love, happiness, and joy will show up later when they have a certain material, relationship, amount of wealth, or even retirement. They have to have that future state to enjoy life.

Your inner compass is your guidance sys-



tem for finding joy in each moment of the day. Your inner compass is telling you what will bring fulfillment now, not later, by helping you understand what experiences *right now* will create happiness in your life. The happiness we seek is never in future outcomes, but in the delicious experiences of life right now. It's in experiences, not outcomes, where the richness of life can be found.

For me, when I was in my executive roles, the only thing I ever enjoyed was developing my people and teams to perform at higher levels, and to empower them to aspire to heights beyond their current perspective. I spent hours in one-on-one conversations with my team members helping them discover the true essence of themselves and helping them align with their

own talents so the business would succeed, and they would be fulfilled.

Designing my path

When I decided to reinvent myself, I cast aside everything else. I literally decided that material wealth was not more important than internal happiness and fulfillment. I went on a quest to determine how I wanted my relationship with my wife and kids to feel, what I wanted my daily schedule to look like, and what I wanted to show up in my health. My inner compass or GPS knew what I wanted, and I decided to accept nothing less. I began the process of eliminating everything else from my life that didn't align. I moved down the path toward what I wanted. It might seem hard to do, but, trust me, it's easier than you might think. You just need to be willing to

lose things that don't align – including who you think you are, and what you believe about life.

Once I decided what I wanted and began moving in that direction with nothing to lose, it all came quickly. Today, my rebuilt marriage is healthier than I ever thought it could be. My kids are healing from years of chaos, I help others find their own internal power, and I have created all of this with not a shred of sacrifice. I never have to do what I don't want to do in order to do what I want to do. Neither do you. Your fear-based mind might convince you otherwise, but that doesn't make it true.

There's more to life than sacrifice and doing things you don't enjoy. You don't need to sacrifice to have what you want, and suffering is never the way to achieve the

wealth, happiness, peace, and love you desire. The key to unlocking all you desire is in your inner guidance, and you just need to be courageous enough to desire your desires much more than the life your mind tells you that you must live.

I invite you to begin the process of evaluating the life you want to live. I've created a [vision document](#) to help you. If you're open to more support, email me at mike@mikekitko.com. I have a variety of ways to support you!

Your inner compass is always pointing due north and holds the key to your life's fulfillment and ease. Which direction you are walking is completely up to you, but it's never too late to get back on the path that will create everything you've ever wanted.



MEET MIKE KITKO

Mike Kitko is a United States Marine Veteran, Fortune 500 Executive Business Leader, and holds an MBA and coaching certification. He lived with imposter syndrome and alcoholism for years, partially fueled by his childhood trauma and self-inflicted neglect. He now helps other executive business leaders avoid collapse in their personal and professional lives. His latest book is *The Imposter in Charge*.

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The 5 Signs You Need to Fire Your Customer

By David Neagle



We have all heard the saying, the customer is always right. But is that always the case?

The short answer is no.

While customers are the lifeblood of your business, a difficult customer doesn't, or at least shouldn't, control your destiny. It's just not worth it in the long run.

Indeed, a troublesome customer can impact trust, which brings down company

morale, damages culture and impacts your overall business.

In an article published by [Harvard Business Review](#), people in high-trust companies are 74 percent less stressed, see 50 percent more productivity, 13 percent less sick days and are 76 percent more engaged than those in low-trust companies.

After [consulting](#) with thousands of entrepreneurs and executives, helping them take their business to the next level, I be-

lieve that to push your business forward, sometimes you have to cut ties with certain business partners or customers.

Below are the signs you need to fire your customer and how to move forward from the fallout.

1. They ask you to compromise your values. When you begin your business, you create a set of values to build the foundation to shape your mission. If a client does not respect these beliefs or tries to sway you to go against them, you are not being true to what you value.

2. They expect you to always be available to them. I understand being accessible to customers is important in the business relationship -- but to a point. If someone is constantly emailing you, setting up unscheduled calls

or expecting you to meet at the drop of a hat, it may be time to cut ties. This type of behavior creates inefficiencies in your business, stalling progress in other areas.

3. They are morally bankrupt. There are some customers who aren't ethical. If they threaten you, talk behind your back, attempt to steal your clients or take credit for your work, run as fast as you can.

4. They complain about your pricing. Price can always be negotiated, but to a degree. If someone is constantly questioning your pricing model, unhappy with the value they are getting or refuse to make payments on time, the person may not be the customer for you.

5. They don't realize you are there to help. Ever feel like what you are saying is not



translating to action? If a client wants to do everything his or her own way or focus on magical thinking - meaning they want the problem to be magically fixed without doing the work - you just may be wasting your time and resources trying to help the person.

When you have to fire a client, do so in the utmost respect. Clearly explain the reason you are ending the relationship and wish them luck on their future endeavors.

And to avoid having to deal with diffi-

cult customers in the future, determine who your ideal client is and establish criteria. Don't deviate from these guidelines without very careful consideration.

Also, on the other end of the spectrum, have protocols for how to deal with troublesome clients. Determine exactly when a client is too bothersome and needs to be fired. This needs to be communicated with your team, so that everyone feels heard and respected. This allows the company to give the best service to the correct clients.



MEET DAVID NEAGLE

David Neagle is the founder of the multimillion-dollar global coaching company Life Is Now, Inc, helping thousands of entrepreneurs, experts and self-employed professionals gain the confidence and find the right mindset to increase their revenue, turning their endeavors into seven- and eight-figure ventures.

Being in the coaching and mentorship industry for more than 20 years, his clients include many well-known people, including New York Times #1 best-selling author Jen Sincero.

Because of the results his clients have achieved, along with his dedication, David's coaching has expanded to more than 30 countries, and his business expertise has been featured in Inc., CNBC.com, Business Insider, Farnoosh Torabi's "So Money" Podcast, HLN, and much more. He is also the bestselling author of *The Millions Within*, a book focusing on intention, focus and awareness to build your dream business and life.

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How Tall is Your Mountain?

By Luther Bell



Rock climbing is a fun and motivating activity. It takes both physical and mental strength to be able to climb a rock face. First, you need the right gear, a few classes, and a couple of peers and mentors to teach and motivate you. Next, start looking around for some mountains to climb. Choose some easy routes to start out with that give you some quick wins and after you have your technique down, move on to bigger and more challenging ones. As you climb a mountain you will reach little ridges and plateaus where you can rest and plan your next move. Looking up, you see how far you have left to climb until you reach the summit.

It is fairly easy to make the analogy be-

tween climbing a mountain and progressing through your career. For starters, you need to ask yourself if you are even climbing the right mountain. If you are working in a dead-end job, or in a job that is not allowing you to work to your full potential, then you need to find one that you will enjoy doing. Once you are working in a career that you want (job = short term plan, career = long term plan) then you want to start focusing on climbing your mountain, but the question that doesn't get asked is "How tall is your mountain?"

It's pretty easy to get complacent in this life. There are so many routines that we can get lulled into, and we even encourage ourselves to do so. "OK, Monday is Trivia

night at the bar, Tuesday and Thursday is hockey practice for the kids, Wednesday is pork chop night, Friday is board game night at the neighbor's, Saturday is play practice and Sunday is church and volunteering." The trouble is that we get so tied up in our routines that we forget that we're climbing a mountain. Then you wake up one day, realize that five years have passed and

three of your co-workers have gotten promoted past you. The challenge with life is that you are actually climbing a few mountains at once. Your mountains might be named friends, family, personal life and professional life. Trying to spend enough time with your family and friends when you're not working can be hard enough, but there is still the task of growing your professional life. I believe that there is something new for every employee to learn at every stage of their professional career.

Focusing on how you climb your mountain is the key. How fast do you want to go, do you want to take a few more classes before you start, and once again, are you even climbing the right mountain? Life is too short to be working at a job you don't enjoy. Unless you are using that job to accomplish a goal like paying off debt or gaining a skill, get out now. I had a co-worker for a couple of years who had been in the same role for almost 10 years and had a victim mindset toward everything. Co-

workers had come and gone but he was still there, doing the same job. After a year or two in that workplace, I knew that wasn't the right route for me to reach the top of my mountain. Toward the end of those two years I was already reevaluating my career and scoping out new routes so that when I changed, I would be off and climbing.

“if you reach your summit by helping others reach THEIR summits, you will be surrounded by people who will do anything to help you.”

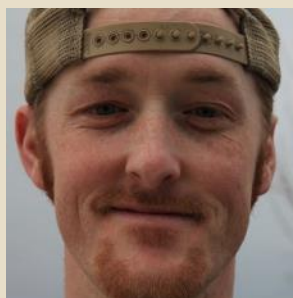
The problem that I have seen with many people is that they start out climbing really well, but after a couple of years, they slow down and eventually stop. They may lack motivation, lack vision, or feel that they just don't have the skill to reach the next level. But then they see their friends and

coworkers getting paid more, working less and traveling. It turns out that they need to keep on climbing. The trick is to not be influenced by a co-worker who is comfortable with their job. If you step back and look at how they act and the words they use, you'll probably see a trend that illustrates their mindset. I don't want this to come across as a "Reach your goals, no matter who you need to step over to get there" plan. I feel that is the wrong way to succeed in life. I agree with Zig Ziglar's view of "You will get all you want in life, if you help enough other people get what they want". You may make it to the top of your mountain by stepping on everyone on the way, but what's to stop them from trying to tear you down too? But if you reach

your summit by helping others reach THEIR summits, you will be surrounded by people who will do anything to help you.

Now I'm not using the summit to symbolize reaching the top of the corporate ladder, it is simply serving as a marker for the point when you are completely happy with where you are in life and work. As you're

climbing, you should be looking at the course ahead of you and planning on how you're going to get to that next goal, that next landmark. Maybe it's a promotion; maybe it's just learning a new skill. The key is to always be looking for that next hand hold to get you closer, that next foot hold to help raise you up to the next level.



MEET LUTHER BELL

Luther Bell has been an independent contractor in the corporate audio/visual industry for the last 20+ years, working events and managing local crews all around the country. This career has allowed him to see a large variety of work ethic from around the country. Luther tries to take lessons he has learned while managing local crews, mix them with management techniques from popular business publications and apply them to improve his industry.

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Regenerative Approach to Mentoring in Business

By Carol Sanford

In 1999 I designed a program for Creative Grandparenting, a new 501c3 in Delaware which was so successful it became a line item budget allocation in Delaware with non-partisan support. It was given the National Governor's Award for innovation and adopted in 16 states within a year. I designed the curriculum and the mentor development process and personally guided the first out of state launch in California. It was overseen by the Dept of Human Services beginning with reforming gang members in Fullerton CA and eventually expanded across the State. It is widely-recognized as having had transformational outcomes with most youth it touched. The 2016 election lead to it being unfunded in most states along political battle lines and the national program died within a year as did many worthy programs.

This program was however documented in terms of number of children who had much better lives in spite of missing, jailed and deceased parents, each youth with a developmentally engaged mentor. It was so

successful that it stayed in place across governors from both parties in California and the same in many states. It was the brainchild of a DuPont Executive, Robert Casey who had been involved in a developmental process for his business for whom I was the design and lead educator for ten years. He knew how profound it was for him, all his leaders and employees and wanted the same principles applied to the design of a new not-for-profit he founded. I agreed to join him for its creation. Here is the key aspect that were foundational to the program for middle school age, high school age, and adults (including young adults who were deeply involved in the developmental process for mentors.

Four World View of Development and Mentoring

Before launching the DuPont approach to developing humans we articulate four different worldview we saw educators and consultants offering in programs for adults and youth and the different approaches and outcomes they pursued. We were

	Mentor Role	Toxic Practice	Metaphor	Key focus
Regeneration World View	Resource-return protégé to themselves as source of direction	Mixing & matching lesser world views with regenerative view	Architect-support on building critical thinking skills and mastering self	Essence, 3 Core Human Capacities
Purpose World View	Goal Guide; life coaching	Projection/ Typology;	Peer Coach	Purpose and life direction
Gaps World View	Positive Reinforcement of social norms	External feedback, gold stars	Role Modeling and skill builder	Clear image of strengths and/or weakness
Causal World View	Behavior Correction and modification	Authoritarian, disciplined engagement; tough love	Analyst, trainer	Root Cause elimination

offering the top level, Regenerative, and wanted the differences to be obvious. This article will articulate the reasons.

Level One: Causal World View is based on the idea that there are some underlying problems in a person that must be removed.

The first position is from a *causal* view. That is, that people and places have problems that come from weaknesses in character or shortfall in skill. It requires digging into the causes behind the problems, un-

derstanding them, and then transforming them (adding skills, resources, or motivation) into solved problems for an *equilibrium* outcome. (A Freudian view of humans)

Mentors are often in expert roles and push mentees to their limit, often in outdoor settings. They seek to understand the history and upbringing sometimes, but more often follow a template of placing stress on the individual, letting them have a break through and then building a friendship from which to heal the deep concerns. This is less often used in business but is not un-

heard of. These programs are often without sound guidelines and programmatic support. I could find little documentation of the effects and outcomes.

Level Two: Gaps World View

The second worldview emerges from the idea that there is missing knowledge and experience and that having someone who has walked the same path is helpful. They often serve in roles to provide feedback on how a less experienced person is approaching situations thereby seeking to help the mentee see a successful person in the role they aspire to. It is strongly based in giving guidance based on the mentor's personal experience. The overall idea is to lift up what a professional field and make clear what a discipline or role calls for, by finding the shortfalls and helping filling those gaps. This happens either personally by the mentor or as a curator for skill building, character development or new knowledge applied in structured or unstructured experiences. The goal is to get the mentee on track and able to succeed on ant career or life path.

There is one set of practices in this worldview that is particularly toxic. This worldview seems to have adopted the behavior modification approaches that emerged from behavioral psychology based on the study of rats in labs. I wrote and extensive book on the history and practice as well as the documented toxic effects in [No More Feedback: Cultivate Consciousness at Work](#). There is one story

from Creative Grandparenting in the book's epilogue.

Level Three: Purpose or Goal Seeking World View

The third worldview is a Teleological one. This is the idea that often people are not clear about what they want in terms of goals or purpose and/or they are making bad choices about how to get there. These bad choices are believed to be founded in misguided roots of understanding, that if the persons are educated, and can understand how to pursue goals effectively, they can make better choices leading to achieve goals and realizing purposes. (An Alfred Adler/Pierre de Chardin view). Mentors become persons who help people find their life purpose, career goals, or life plan to achieve goals. Menttium, a San Francisco based program, is an example of this philosophy which uses experienced executives, across companies, to support younger aspirants, particularly women.

The one toxic practice I found repeatedly at this level was the use of typologies to define categories of people. This practice arose from the Human Potential Movement and has shown to be an abstract and artificial approach in many studies. Read *The End of Average* by Todd Rose as a summary.

Level Four: A Regenerative World View

The fourth worldview is represented by a Developmental perspective arising from a

Regenerative world view. The organizing concept here is not causes to be corrected, skill gaps to be filled, or goals and purpose to be more clearly articulated, but to instead pursue understanding of the Essence of a person at their core and to further build capabilities of people to realize and express their unique Essence. Goals emerge in that context if they are needed to engage more fully the Essence expression. And the mentor only works on causes or weakness in the context of what limits Essence Realization—not by digging into the cause, but by putting the power of our developing personality (our learned and socialized selves) to work in support of Essence expression. i.e. to do so with Essence, not personality leading the process. Developmentally, Essence is seen as the primary organizing concept in each situation or with each entity.

Regenerative Worldview on Mentoring:

There are three core characteristics of mentoring that differentiates this worldview. The first characteristic is that of

seeking to support the expression Essence which is innate to a person and not related to the socialization process by which personality is formed. Essence is what a person is that if it were taken away or to be lost, they are no longer themselves. It is a School of Thought found in living systems and indigenous science that speaks to everything alive as having Essence. Nothing alive is every duplicated exactly but is itself. One of One.

The second characteristic is to evolve capacity of a person rather than transmit means, methods and practices of career objectives in the world. The capacity to be developed is based in the direction the person in the discover role is pursuing. The “mentor’s” role is to improving thinking, discernment and self-mastering as a means to playing roles in systems that they seek to affect. The mentees are supported as change-agents in their own lives and the world in which they take action. We created this as a mode of leadership in Dupont, replacing traditional supervisor roles, and



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embedded it in Creative Grandparenting as foundational to the Mentor's role. The adults and young adults in both cases reported this as having redirected how they engaged others in their lives including employees, children in their family and in volunteer roles they played elsewhere.

The particular capacities to be developed are internal locus of control, external considering and personal agency. They take on of *Internal Locus of Control* because of accepting full responsibility for their effects and actions. External locus is when we blame others and feel a victim. Scope of Considering is how much we take others into account in our decisions and actions. Are we thinking 'only about ourselves' or do we have compassion and caring in what we consider matters? Personal agency moves from being sourced by external sources of authority and influence to being activated by higher purposes and aims. These capacities are a focus of development for the Regenerative mentor consistent with the third core idea of *evolving capacity*. For more on the three human capacities and the toxic practices that undermine them, check out [The Regenerative Business](#) and [Corporate Book Clubs](#).



The third characteristic of Regenerative Mentoring is when a mentor moves away from an expert way of engaging into a self-directed experience-based learning for the mentee. The mentor ceases to see themselves as the expert transmitting knowledge or skill but as a resource building capability of a person to do their own assessment of truth and right. The mentor disappears as a metaphor and becomes

a Resource, meaning to return a person to themselves as the source of wisdom, learning and growth. The mentor's job is to build the capability to use critical thinking skills well and to test offered ideas before adopting them. Mentors encourage mentees never to borrow practices unexamined and untested, as Socrates advised. In fact, the mentor's role becomes that of a Socratic figure bringing self-discovered wisdom into the experience and practice of the person in a reimagined role as a mentor. We believe the term "*mentor*" can only be used in quotes at this point and a better label is Resource.

MEET CAROL SANFORD



[Carol Sanford](#) is a consistently recognized thought leader working side by side with Fortune 500 and new economy executives in designing and leading systemic business change and design. Through her university and in-house educational offerings, global speaking platforms, multi-award winning books, and human development work, Carol works with leaders who see the possibility to change the nature of work through developing people and work systems that ignite motivation everywhere and for significant outcomes. For four decades, Carol has worked with great leaders of successful businesses such as Seventh Generation, REBBL, Numi Tea, Google, DuPont, Intel, and P&G, educating them to develop their people and ensure a continuous stream of innovation that continually deliver extraordinary results.

Carol is Senior Fellow of Social Innovation, Babson College; Founder and leader of The Regenerative Business Development Community, with lifetime members of almost 1500 members, meeting in locations around the world and now online with leaders from multiple companies learning together; Annual Regenerative Business Summit; Founder and leader of The Regenerative Change Agent Development community, with member and events in three regions- Americas, EMEA, Deep Pacific with over 50 events a year in person and online with regenerative change agents learning about and creating change together.

Carol's work is deeply rooted in the belief that people can grow and develop beyond what their leaders or anyone sees possible: to be increasingly entrepreneurial, innovative, and responsible in their business and personal actions.

Carol is the author of *The Regenerative Business: Redesign Work, Cultivate Human Potential, Achieve Extraordinary Outcomes*; *The Responsible Entrepreneur*; *Four Game-Changing Archetypes for Founders, Leaders, and Impact Investors*, *The Responsible Business: Reimagining Sustainability and Success*; *The Regenerative Business: Redesign Work, Cultivate Human Potential, Achieve Extraordinary Outcomes*; and *No More Feedback: Cultivate Consciousness at Work*. Her books have won over 15 awards so far and are required reading at leading business and management schools including Harvard, Stanford, Haas Berkeley and MIT. Carol also partners with producing Executive Education through Babson College, Kaospilot in Denmark and University of Washington, Bothell, WA, and The Lewis Institute at Babson.

Among her many recognitions, Carol was recently named Executive in Residence, was honored as Top Conscious Business Leader by Conscious Company Magazine for Global Impact. She was recognized as a Thought Leader Lifetime Achievement Award from Trust Across America-Trust Around the World, and has received the Athena Award for Excellence in Business, Mentorship and Community Service. Carol is often called a visionary offering revolutionary new ideas. But most importantly, Carol offers a pathway to extraordinary results for businesses, and their stakeholders, including financial effectiveness that is enviable, enduring and ethical.

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The Perks of Franchising

By Andy Cagnetta

As chief executive officer of a business brokerage company that's been helping franchise buyers and sellers connect for 40 years, the opportunity to share a bit about franchising is always a welcome one. At Transworld Business Advisors, we represent acquisition-minded corporations or individuals interested in owning their own company or franchise. We specialize in helping buyers and sellers navigate the stages of franchise consulting and franchise development.

Franchising is a business process that's beneficial for the seller and the buyer. Advantages of becoming a franchisee include access to an experienced professional network, joining forces with a recognizable brand, the ability to build on a brand's prior success and a better chance for success than setting out as a new solo

company. A franchisee's success is largely dependent on a close match with their ideal franchise brand based on sharing mutual goals, values and company culture. Transworld Business Advisors work hard to make as close a match as possible by implementing one-on-one collaboration throughout the process.

[Access to an experienced, professional network](#)
When a potential business owner becomes a franchisee, they're instantly part of a dedicated network of like-minded business professionals. They benefit from the combined

knowledge, experience and expertise of those who have already been through the process, but that's not all. The network similarly benefits from a franchisee's success. A crucial part of franchising is to connect with the opportunity to build a com-



munity, to reach out to those who have already walked the walk and for the network to help those just starting. Many valuable resources are exchanged between the kinds of strong business relationships fostered within the franchise model. Professional training and ongoing support take the steps necessary to ensure success for everyone involved.

Teaming up with a recognizable brand

The goal of every new business is to build an instantly recognizable brand. This is no short order and can take years to achieve - if ever. As a franchisee, how-

“The goal of every new business is to build an instantly recognizable brand.”

ever, a potential business owner has the immediate opportunity to team up with an established, recognizable brand. Franchised brands have some of the most powerful brand identities in the world. The franchisee carries out the same day-to-day business and uses the success of the brand name in a way that allows them to work for themselves while benefitting from the support of the brand. Representing more than 300 franchise opportunities in a variety of industries, including top performing brands, is a Transworld advantage for new franchisees. A varied portfolio to choose from heightens the chance of finding that perfect match between franchisee and company.

A base of prior success to build upon

Building a system of processes for a new business from the ground up is no small task. Unforeseen details and obstacles are to blame for countless business opening delays. By becoming a franchisee, potential business owners are investing in a program already built. The use of an established business model with proven, successful systems in place eliminates the risk of attempting to duplication. As an example of this, Transworld business advisors offer the Franchise Development Program as a

service. This program provides a franchisee with everything needed to get a business up and running, including a complete set of op-

erations manuals, a website created especially for each business, as well as marketing and advertising materials. A Transworld professional will even register each trademark and logo with the U.S. Patent and Trademark office. A shorter time to opening as well as a running start once opened are both excellent benefits of becoming a franchisee.

Better chance for success than going it alone

All the moving parts involved when creating a business and making it operational are costly to a potential business owner in time and money. Franchising offers a substantially higher rate of success than a sole proprietorship. An owner will still need all the same startup components as a franchi-

see as they would as if they were going it alone. Rather than obtaining items like a lease, inventory, tools and insurance indi-

vidually, they get all of the necessary materials through the same franchisor channel for maximum efficiency and profit.



MEET ANDY CAGNETTA

While looking to buy a business, Andy Cagnetta encountered a company named Transworld Business Brokers. He joined the company as an agent and quickly became one of South Florida's top performers. More than thirty-eight years later, Transworld Business Advisors is the number one business brokerage and an international franchisor through a partnership with United Franchise Group. Currently, they have more than 400 business brokers in the organization and more than 3,000 businesses for sale. They also have more than 120 franchisees in the U.S. and several internationally. Cagnetta is a recognized speaker

and trainer in the subject of business sales, valuation and negotiations. He has taught his self-authored negotiations class to associations, construction companies, media sales teams, government agencies, high school and university students..

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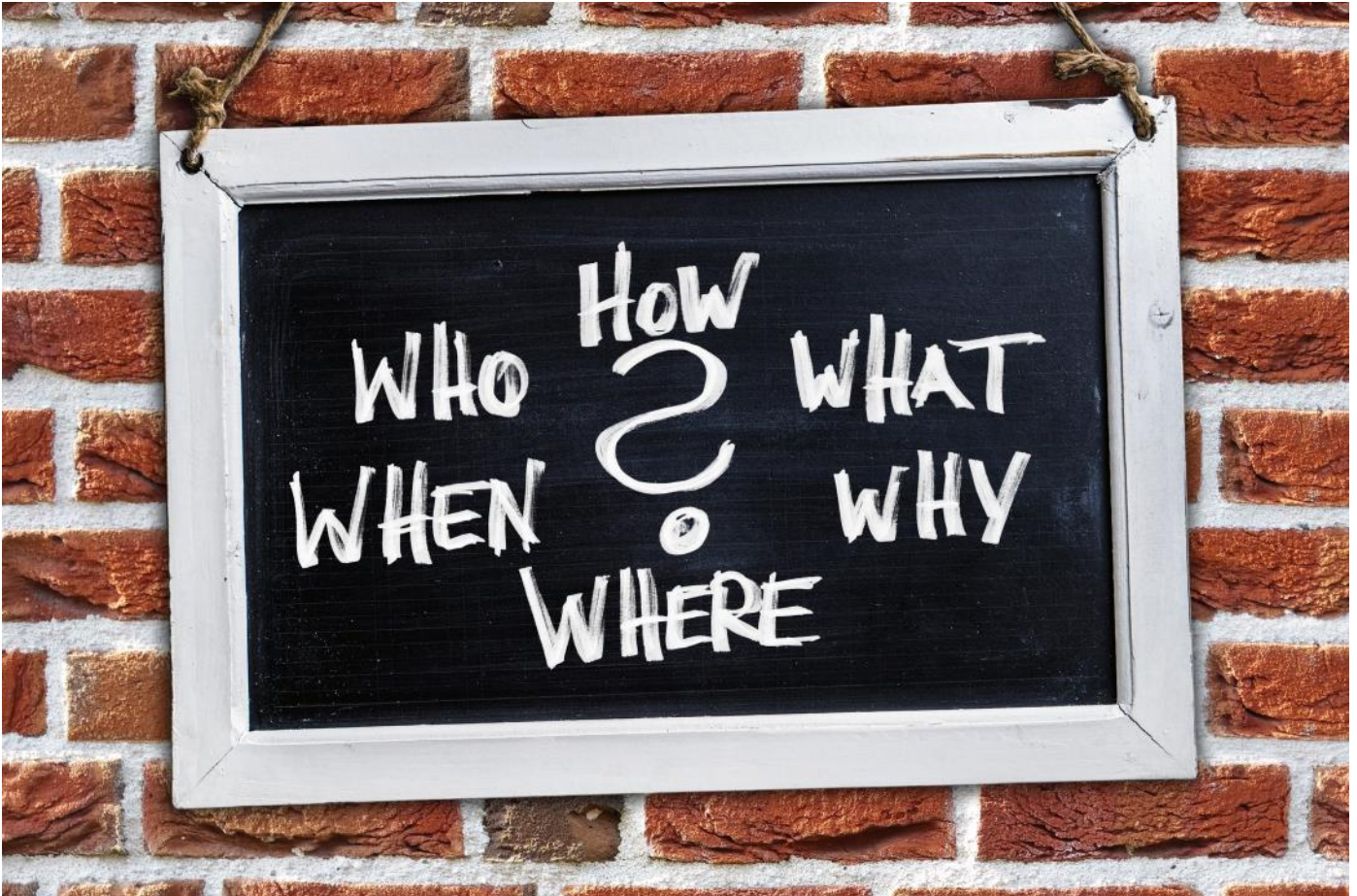
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Not Just Problem Solving, but Problem Resolving

By Linda Sage MA BA Ed(Hons), DTM



Common sense, I am learning may be a commodity of past generations, though to be honest, I did not always have a great deal of it especially when it comes to technology, blooming late into the flowering internet online scene, my first mobile not quite a brick and handbag, but much larger than today's handsets; was bought second-hand from the daughter of my friend. The times I used it in the street I stopped walk-

ing, until my daughter about 7 at the time, asked me what I was doing. Lesson learnt!

Going into business for yourself, is a gamble and one more and more people are making, due to lack of work and personal needs; companies now are dispensing with offices and working from home, that was once seen as a luxury, is now a normal commodity and one that works well with

the ever-spiralling costs of childcare. Unfortunately, because so many people now are reliant on technology, thinking for one's self is being drastically reduced.

Gut or Gizmo

Very recently I was travelling between Leeds and Huddersfield, a journey I have never done before, my use of sat nav is also very restricted, but was told on good authority to rely on it, so, being of the generation I am, I checked my journey on the map before I set off. All went well, until I came off at the Huddersfield motorway exit, the sat nav told me to take the first exit on the roundabout which I did, followed this road through some lovely countryside, tiny lanes and wandering through villages, all the time my brain is saying, "this is not right," but on I go.

I had set out with loads of time to spare, but by now the minutes were ticking away. I felt I was getting further away from my destination, but still, I continued following this metallic voice from the plastic box. I went down one tiny lane until there was no tarmac left and then turned around and went down an adjacent lane, straight into somebody's front gate. On this gate there was a notice, Sat Nav not working, use your brain!

True to form, I edged my way in reverse out of this garden, then followed my nose and instinct to the main road, where I mi-

raculously found a signpost to Huddersfield. Following that road, I headed towards the town, got into a one-way system and instinct told me to park in Lidl's car park. I asked the first person I saw where the college was, and hey presto I was right in front of it, 3 min walk down some stairs and across a road, plus there was 90 mins free parking.

Where did the respect and response go to gut instinct? Are we so untuned to ourselves that technology can replace some of our inner workings? I have great respect for the technological advances and life has been made better in many ways, but losing part of ourselves is sad.

Common Sense on the Wane

I see many examples of young people today unable and unaware of how to problem solve, even in an exam paper; if they have a question they do not know, they stop and ponder over it, rather than moving on and coming back to it, or multiple choice, they do not deduce the answers by eliminating wrong ones. Even telephone numbers, not that long ago we remembered many phone numbers, now many people do not even know their own.

Time does not need to stop, nor do inventions need to slow down, but surely exercising your own instincts should be important too. Adaptability and changeability are highly sought-after skills in upper and

senior management, so surely, they need encouraging throughout life. Part of believing in yourself and your self-confidence comes from trusting in your judgments, losing this will make a huge difference to people, lives and in the long run the human race. Will people still chase their dreams, stand up against oppressors, and forge new pathways if, the ability of thinking for yourself is obliterated by machines doing it for you?



Opening / developing a business or climbing the corporate ladder all take time and effort, the better the skills and personal attributes you have, the better you can rise.

I am the first to admit that any entrepreneur has infinite possibilities of having a global business in a matter of minutes with the facilities of the World Wide Web, technology has opened portals that business owners could only dream about just a few years ago. It is all very well, getting a shiny, all-singing website up is great and it is becoming easier and easier, so even people like me can operate them!

Top Tips to Soar

However, without the discipline, determination and dedication nothing much else will happen, entrepreneurship is dreamt of by many, as an idyllic life sat on white sand, dipping your toes into warm, azure blue water, while you tap away on the latest gizmo for a few hours and earn millions.

However, the reality is a spare bedroom, kitchen/dining room table or even garage, with outmoded technology, working 18-20 hrs a day, every day. Combining old traits and new technology, just might give you a break-through, but it is definitely a marathon set of skills, as all the sprinters and hurdlers will run out of puff.

Unfortunately, for many at the present time it is all too easy to get wrapped up in the speed, fast food, supercars, quickie divorces; to name but a few. Opening/developing a business or climbing the corporate ladder all take time and effort, the better the skills and personal attributes you have, the better you can rise. Thinking for yourself, being able to problem-solve, be willing to learn and communicate well, are your rock steady foundations.

Being Comfortable in You

I like a map, for the feeling of security and orientation it gives me; the lovely lady and gentleman of the plastic box, are destined for the glove box, but they come out in city centres, as they are much more convenient than a map, especially when you have to put on/take off glasses too! Combining skills, knowledge and know-how gets you to your chosen destination.



MEET LINDA SAGE

In 2005 Linda threw off her corporate garb at the culmination of her emotional, physical and psychological burnout. As an eminent criminal psychologist, she had been working in most of the famous prisons in the UK with many of the most notorious prisoners in recent history.

In this major burnout, Linda not only left her job, sold her house, burnt her corporate suits, she also moved countries as well. For 6 years she never spoke about her psychology background, needing to take time to repair and rebuild herself.

In 2011 Linda took a 12 week contract in Saudi Arabia, which led to her staying there 6 and a half years. In that time she also started to mentor, train; present key notes and seminars on the importance of emotional resilience, self-care and avoiding burnout.

In 2017 Linda returned to England with a plan to finally launch her own company Successful Mindset Ltd, she published *Caring for the Caregiver*, a proactive book to help people who care about others to learn to care for themselves too. She has been featured in several medical and corporate magazines, CEO Today Magazine and Forbes, as well as becoming a regular broadcaster for ELFM, in Leeds.

Now Linda is an award winning international speaker, trainer, mentor and author. With practical, sustainable systems for enhancing emotional resilience, enabling change and enabling self care. Her mantra “Self-care is not a luxury, it is a necessity.” Her passion now is to share her knowledge, expertise and strategies with as many people as possible to help them avoid the trauma of burnout.

It took Linda 11 years, 6 months and 17 days to walk into a prison again, but since conquering her own demons, she presents to staff and prisoners the importance of self-accountability and self-care.

Linda also lectures for a variety of colleges on their psychology and counselling courses, as well as working with her local McMillan and Carers UK to help individuals learn to value themselves, drop the guilt of self care and empower them to learn to say no. In our fast paced life, everyone is under pressure to be available, but all gadgets do have an off button; unfortunately being human means we have to find our own way of turning off. Website: www.lindasage.com



What Does a Mentor Do?

By Neil Ball

There are many professionals who will volunteer or donate their time to others in need of advice or support, and these people can come from all kinds of backgrounds. This happens between two people, and it is known as a mentoring relationship. It is usually a more experienced person in the same field of work. This relationship can be established informally with someone who is a supervisor, manager or even an employer. This relationship might also happen with a person who is in a senior position or who simply has more experience in a particular field of work.

Organized programs are sometimes created by groups of people who are now more interested in offering assistance to others than to pursuing individual ambitions. One prominent example is the Small Business Administration's program for entrepreneurs and retired business people. This

program allows people to connect with other experts in their field to give all types of support as needed. This may include applying for bank loans, writing a business plan or obtaining financing.

What is a Mentor?

Mentors are people who have accumulated valuable experience and insights in a specific field. These are often business people who share their time helping others who are starting out in their careers. This often requires the mentor to focus more time on helping the person who is starting a career, and this takes time away from other activities that the experienced person could be doing.

The process is meant to primarily benefit the person receiving the guidance. This can easily lead people to wonder why a person

would want to engage in this activity in the first place. Since this valuable time could be used to advance the skilled person's own goals instead, why would she or he choose to donate this time and effort to another person?

People will take on this responsibility for a variety of reasons. It is a unique relationship, and it can be very rewarding on both the personal and professional levels. The person receiving the mentorship often needs assistance. This can include guidance, but it may also include other types of support. For example, the senior person might provide insights that motivate the junior person to continue persevering through adverse conditions.

Different Styles and Techniques of Mentoring

Some mentorship relationships are based on a dynamic that resembles two peers working together on a problem. In the business world, this might involve two co-workers, for example. If one of them has less experience dealing with the specific problem or task, this might become a type of apprenticeship. This is common during the first few weeks on the job when a new hire is still learning how to get around the work site. The relationship might even change later as the person becomes more confident and experienced dealing with the work environment.

Other mentorship programs are more formal, and this can include career mentorships, life coaching and other official programs. These relationships tend to be more

focused towards accomplishing a specific objective. Each style of mentoring is slightly different, yet there are still some common threads between them all. For example, active listening skills will always play a role in any relationship. This is the first step in establishing communication that can later be used to convey success or point out areas for improvement.

What All Great Mentors Do

Each style of mentoring is a little bit different. This can become one of the biggest strengths of the relationship. In fact, each relationship should be treated as a unique opportunity for both sides. Taking the time to examine the type of commitment and communication styles used in the very beginning helps things along when difficulties arise. One of the most basic skills any adviser can develop is the ability to wait for the right time to offer advice.

Timing is incredibly important, and most people will be open to hearing advice if they already feel understood. This is also the reason why actively listening to the junior person's views can help to establish basic trust from the very beginning of the relationship. Thoughtful responses can only happen once a situation is fully understood. Listening to a person and asking occasional questions can be the best way to figure out what is really happening.

Here is a summary of the qualities of a helpful relationship:

1. Actively listen to the person without interrupting or giving advice prematurely.

Emotional intelligence is a skill that takes practice in order to develop. The role often includes acting as a sounding board for the benefit of another person. This requires the senior person to withhold advice until the situation is fully understood.

2. Avoid making assumptions about the person or their situation. Asking appropriate questions is the best way to get information that can lead to more productive conversations. Open-ended questions are usually the most helpful because they give the person an opportunity to express the problem in their own words. In many cases, this also allows the person to think the problem through, and sometimes the solution will become apparent just by having a productive dialogue.

3. Contribute to the conversation only when the person has had an opportunity to describe the problem in detail. Advisers who are able to help the person see their own situation with more clarity tend to have the most positive impact. They are also respected because they avoid trying to lead the conversation into a particular area. It is helpful to phrase questions in a way that assumes that the person is capable of coming up with a solution.

4. Great relationships flourish when the senior person allows room for error. Admitting past mistakes can help to open up the space so that there is room for growth. If the person looking for advice is afraid to make mistakes, the entire relationship can suffer. Instead, mistakes should be handled as learning opportunities.

Handling Difficulties

During the early stages of this relationship, boundaries and expectations will be set. This is good because it often helps to reduce misunderstandings along the way. Handling challenges is a central part of this relationship, so it should be expected that a difficult subject might arise at some point. When this happens, it might seem tempting to fire off a response as a reflex. However, instant reactions are seldom practical to the person who needs the help.

Experienced people will also recognize the need to become capable of demonstrating positive behaviors that can be emulated in the future. Every challenging conversation presents this opportunity because disagreements are inevitable. It is always best to take a break from any conversation that introduces topics that are too difficult or risky to tackle right away. Taking the time to get additional information can provide the space necessary to diffuse a tense situation.

Summary

Mentorships can seem easy until the process gets going. The most important skill a mentor can possess is the ability to listen actively. Many people just need a person to talk to who is able to understand the challenges that they are facing. When a person who is starting out their career takes the time to seek the advice of a more

experienced and skilled adviser, there might be a temptation to provide advice without really listening carefully. This is usually what determines the quality of the relationship. Mentors who have the capaci-

ty to listen actively instead of imposing their own ideas prematurely usually win the respect and trust of the person who is being mentored.



MEET NEIL BALL

Neil Ball has been a serial entrepreneur for over 25 years with businesses in sectors such as Printing, Consumer Electronics, Distribution, Removals, Storage, Mail Order, Property Investing, Publishing and more. He has had his share of failures and successes on his entrepreneurial journey. The most successful of his businesses sold approximately £300 million or \$500 million of products via retail, mail order and ecommerce and was one of the largest independent consumer electronics companies in the UK.

In recent years Neil's passion for entrepreneurship and helping other entrepreneurs has led him to becoming a podcaster on his daily podcast The Entrepreneur Way where he interviews entrepreneurs and business owners on their entrepreneurial journey and their secrets of success. He is also a business coach and helps a small number of one on one clients in his coaching business..

When he isn't working on his business or helping others your will find him spending time with beautiful wife Lorna and his 4 adult kids.

To connect or learn more go to:

www.neilball.com

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Interview with John Warrillow founder of The Value Builder System™

Interview by Neil Ball



Neil Ball: Thanks for coming on the show John.

John Warrillow: Neil, thanks for having me.

Neil Ball: **John, can you provide us with some more insight into your business and personal life, to allow us to get to know more about what you do, and who you are?**

John Warrillow: Oh man I have been studying entrepreneurs, I have had four businesses of my own where there is a common theme which is about entrepreneurship and in particular helping others both understand and become entrepreneurs. The current business I run is called the value builder system where we work with entrepreneurs to help them improve the value of their business. We have had about 20,000 businesses

now use the value builder system and over that time, we have discovered that there is a process by which we can help them improve their value by up to 71%.

So that is what we do, we work with entrepreneurs to improve their value. And yeh I am a proud father of a couple of very active boys who are involved in every possible sport imaginable, I am married and live in Toronto Canada.

Neil Ball: Okay thanks for that, and when you talk about increasing value by 71% what types of things do you do to do that?

John Warrillow: Well we've discovered there were these 8 drivers of company value. Some of them are obvious, things like financial performance, growth potential of your business. Others are a little bit more nuanced, a little more subtle. So, for example, the proportion of your company's revenue that is recurring has a profound impact on the value of your company, because people want to know, once you head off to the golf course or the beach, or wherever you are going to go in retirement, how is this business going to continue without you.

And so, there are again, there are 8 factors and when we have business owners start with us, the first thing we have them do is complete a questionnaire, and it pops out a response or a score on that questionnaire out of 100 and the average business scores around 59. And we know if they are able to get their score up to 80, those businesses go on to get an offer for their business on

average which is 71% higher than when they started the programme.

Neil Ball: And what do you enjoy most about what you do?

John Warrillow: You know, I mean, I love hearing the success stories, I had an email about five minutes before our conversation from a lawyer.

“we've discovered there were these 8 drivers of company value. Some of them are obvious, things like financial performance, growth potential of your business. Others are a little bit more nuanced, a little more subtle.”

Now a lawyer is a business that is very, very difficult to scale, its legal services you know they everybody thinks of law as being something you bill by the hour, if you pay your solicitor, you are probably paying them hourly. And it's a very un-scalable business, very people-dependent business, it's a very difficult business frankly to build any value or sell, which is why law firms are typically just a collection of

partners who pass equity down from one partner to the next, when partner A is ready to retire, they bring up the new recruits and make them partners, but they are never really creating value per se beyond just passing along their business to one another.

And this lawyer emailed me saying 'loved your books, and I put them all to practice and he has built this company called 'trade mark factory' and as you can imagine, the company name suggests, all they do is trade mark companies. And it's an example of productising a service, which is one of the big things that we talk about in built-to-sell is the importance of if you have got a service, don't hang yourself out there as being a generic provider of a service, a generic graphic designer, a ge-

neric lawyer, a generic architect. But instead, brand your service as a product, because that gives you ownership of it, it allows you to control the pricing of it, and other things. So, to answer your question in a very long-winded way, it really is that feedback that we get from business owners who have put our systems in place and seen some great results.

Neil Ball: What a fantastic answer. **What is it that drives you?**

John Warrillow: Well I guess we have this goal to try to create a million sellable companies, by the year 2050. And so that's our big hairy audacious goal to use a Jim Collin's expression, and I guess it comes from a very personal place where I used to run a company that was a quantitative market research business, and I think like a lot of entrepreneurs, my assumption was that that business would trade at a similar multiple to other publicly traded research companies that were on the market place. So, I was able to look up in the FTSE 100 with the stock market indexes and see what companies are worth, and I would say 'ok well big publicly traded research company was trading at 12x EBIDA therefore my company was worth 12x EBIDA.'

And what I was rudely wakened to the fact of was that has really no relation to what your company is worth, the stock market has virtually no relation to what a small business is worth. In part, because small businesses are really taken advantage of quite frankly, by big companies, who prey on their naivety, they prey on the fact that entrepreneurs do not understand what the process of selling a business is, they prey on the fact that they are naive to the drivers of the company. And they basically take businesses from the hands of entrepreneurs for a fraction of what they would be worth,

if the entrepreneurs were informed.

And so, what motivates me is really helping to level the playing field for entrepreneurs and taking the power out of the hands of these large corporate buyers, these large private equity companies, who are again, in my view, somewhat mercenary in their approach to buying companies, and I think the world would be a much better place if entrepreneurs could fight back and had the schools, the education, the tools that they need to frankly get a fair price for their business.

Neil Ball: **That would be a great thing that so, that's what you do effectively is that? Is that what you are doing in your business then you are actually helping to drive that?**

John Warrillow: Yeh that's right, that's what we do in our company and it is something that might perhaps... in previous companies my motivations were maybe somewhat more materialistic, more objective, you know hitting a certain amount of revenue or hitting a certain amount of profit or value, or selling at a certain price. And all those things in the past were important. I think with this business, you know while we have metrics that track our progress, it is a much more mission-based business where I am trying to achieve a certain vision that we have as opposed to... I don't want to understate the importance of having metrics. We have metrics in our business, I am looking at my whiteboard in front of my office right now, and we have three core metrics that we are tracking right now, so we are a very metrics organisation. But it's why I get out of bed in the morning is a little bit deeper.

Neil Ball: **And when you get out of bed in the morning, and you are not working, how do you relax?**

John Warrillow: Well when I am not working, it's

really anything other than business, so I am a big sports kind of fantastic so I like snowboarding, I like skiing, we have a place a couple of hours North of where we live, where our kids are in ski racing and so I ski race with them, and I am a cyclist - a mountain biker, a road rider. So, anything kind of sports and outdoors is sort of how I kind of wind down.

Neil Ball: And do you have any kind of entrepreneurial role models John?

John Warrillow: Oh, for sure, yeh. Yeh no for sure. I have a number... I have come to know them in sort of disparate sort of ways. One was a member of an EO forum that I was involved in, Entrepreneurs Organisation, a peer group of advisors. And he is a dear friend now and I think of him as a mentor, I have a friend out in Seattle, who is a very successful entrepreneur who again I think of as somewhat of a mentor and role model... Another individual in Toronto.

And what I find is that those individuals have a few things in common, number one they are entrepreneurs. I am a big believer that you pay for professional advice, but turning to your professional advisors, for all of the kind of emotional reasons, some of the deeper emotional reasons that you would have challenges in running a company. I mean the people who are going to relate to those issues the best are other entrepreneurs. They are not your lawyer or your accountant, those people should be paid for their time because they have professional service that they are rendering.

But I am a believer that if you are an entrepreneur, you should have a group of other entrepreneurs that you turn to, whether formally through a peer to peer group or in my case, a bit more informally frankly. And like anything, I think if you

are looking for a mentor, it's about finding someone who has done something that you have not yet achieved right? So, if you want to run a marathon sub three hours then by all means, go and find a coach who has done it. Do not read a bunch of magazines or listen to a bunch of theory about how to run a three-hour marathon. You know, get mentored by someone who has actually done it.

Neil Ball: John, can we talk about the time before you were an entrepreneur? What difficulties did you have to overcome when you started your business?

John Warrillow: Oh, you know, I mean all the classic ones, so I was 22, had no money so borrowed some money from my folks, so I had the deep need to pay that back, because I did not want to be a lousy son, so I had that bogey over my head to try to pay that back which I did. Challenges were, I mean everything... the funniest part I can remember, I did not have enough money for office space, so I was in the basement of my parents' house at the time, and I can remember that they did not really have a basement, it was somewhere between a crawl space which is something you have in North America; I am not sure they have them in the UK... But like a crawl space and a full basement, so it was about five feet high, so whenever I got up from my desk, I would slam my head across the top of the ceiling in this little space, so that was a very physical barrier.

But I can remember getting up every morning at 5 am, and not having the results that I wanted, meaning not growing the business as quickly as I wanted, so I figured I had to start working getting up earlier, like 4.30, if I was not able to achieve the results at 5 then I would need to wake up at 4.30 in the morning and you get the results. And so, very determined as a young person but at the

same time horribly ill-informed about what it requires to run a business but I thought, I just need to put more hours into it, and it would work, that was my headspace at the time.

Neil Ball: And did you have any doubts that delayed you starting your business?

John Warrillow: No, I was all full of piss and vinegar in the beginning. It's very easy to sit on the side-lines, I think and you chastise others, criticise others for the way they run their business, say how easy it would be. I can remember, I used to work in radio, my first job out of university. I can remember having, having lunch and having a good laugh with a couple of guys that were also in, working for the company that I worked for and saying how easy it would be to run some of the companies that we had as advertisers at the radio station.

And it was easy because we were looking at it from the point of view of distance, we were not running the company, we did not know what it was like to have to be the guy who clears the snow away from the driveway at 6 in the morning so customers could be there, and the guy that when the internet goes down that you are the person that has to call the internet service provider. Right and when a credit card does not process properly, you are the one that has to get on the phone with the merchant processor to figure out why the guy's credit card... all the muck that goes involved in running a company is sort of disguised from the outside. And so, at the time I thought this looks easy, little did I know how challenging it can be. But it was easy for me to criticise and sort of look at it from 30,000 feet and say 'I'll be hugely successful with this.' Again, the reality was

“I think luck has very little to do with successful entrepreneurship.”

much different.

Neil Ball: I think that's quite a common thing in business isn't it where people who are not actually running the business, often think that they could do it better themselves if only they had that business or that opportunity in some way or other.

John Warrillow: Yeh I mean they sit around the pub and talk about how easy it would be or how lucky the entrepreneur was, they happen to discover this amazing... you know frankly I think that's BS I think luck has very little to do with successful

entrepreneurship. I think if somebody says...you know Mark Zuckerberg was lucky because he thought of the idea of Facebook, they have no clue what's involved in running a company. Luck has very little to do with actually building a successful business.

Neil Ball: What mistakes did you make that slowed your journey?

John Warrillow: Oh my gosh. You would need like a three-year lecture like podcast to cover them, I mean so many. The, one of the big ones that I can recall is not investing enough in, and not really thinking through the cost of acquiring a customer. So, when I was running my business plan, for my first company, which if you can imagine, now this is going to date me Neil, but my first product was an audio cassette magazine about entrepreneurship. Where I would interview a different entrepreneur, and hear their stories on an audio cassette. So, an audio cassette for those younger listeners was a way that you communicated or the way you stored audio, and played in your car. Just to go back about 25 years. So that was my original idea for a business and in many ways, it is being

done today in podcasting. Right? But in a much more efficient manner.

At the time, I spent all of my time costing out the business on what it would cost to produce each episode. So how much I would... at the time we had to get studio space, so how much studio space would rent for, how much it would cost me to hire professional voice talent and so forth. But I did not spend anywhere near the amount of time on what it would cost to acquire a new customer. And that's really, I think where so much work needs to be done especially if you are a start-up entrepreneur.

You know if you spend too much time on the business plan and too much time thinking about the cost of the business without thinking about 'ok what's it going to take for me to win a customer? How much am I going to have to spend in marketing or sales or advertising?' because once you can figure that out, you can back into how much you need to price your product for. But if you don't have any real data on what it's going to cost you to get a customer, it's very difficult to write any sort of business plan.

So, my big advice on that piece, especially for a start-up entrepreneur, is... And Eric Ries of The Lean Start-up talks about you know, I think he calls it 'simplest viable product' or some variation of that... But the idea, creating a very, very basic form of what you want to do, for as little money as you possibly can. And then instead of spending hours and days on the business plan, actually just

try to go out and sell it and see what it takes to sell it.

I mean Matt Meeker is a guy who built a company called 'Bark Box' which is a subscription-based company I wrote about in the automatic customer, where they will send once a month a box of dog treats to your home. And you might say, 'well why on earth would that business exist?' well it

“creating a very, very basic form of what you want to do, for as little money as you possibly can. And then instead of spending hours and days on the business plan, actually just try to go out and sell it and see what it takes to sell it.”

turns out there are two types of dog owners in the world, there are dog owners who own their dog and there are dog parents. Dog parents are smaller but as you can imagine, very passionate group of people who own dogs, who treat them as children, who get them raw food because it's better than the pre-packed stuff,

who buy them toys at Christmas and so forth. These dog parents are the people Matt Meeker was targeting with this subscription because he argued that if we send them a fancy box of treats once a month, they would pay for it, sure enough they did.

The way that he discovered that they would, is instead of writing some long business plan, he went to a park, I think it was just outside of, I think it was in Central Park, New York, he's based in Manhattan, I think it was actually in Central Park. He went to a dog park, he went and brought a little adaptor for his iPhone, that allowed him to basically charge a credit card. He just asked customers at the dog park, 'hey is this something you would be interested in, if so, can I get your credit card number and I will sign you up right now?' And by doing that he could tell people from every-

body who says, 'Yeah I think your idea's great.' If you ever go to anywhere... a cocktail party, a pub and say 'hey I have got this idea for a business, I am going to do x, y and z' everybody's stock responses would be like 'that sound great, go for it.' Very few people will say, 'that's a stupid idea.' The better thing to do is say, 'here's my idea and would you sign up and give me your credit card now for x y or z?' That's when you know you have actually got a product if people are actually willing to pay you, with either a description of the product or a very simple version of the product, that's when you can start really predicting or projecting out what the viability of your product is.

Neil Ball: What are some of the things that you did before you started your business that would be helpful tips to some of the listeners who have not yet taken the first step of the entrepreneur way?

John Warrillow: You know I think obviously you want to do some research about what it is you want to do. But I would not write a business plan, and I think you know, when a bank asks you for a business plan it is the biggest joke on the planet, it is the biggest ridiculous excuse for an exercise I have ever seen.

Every bank in the country and I would argue that Canada is no different than the UK on this front, will say 'great young start-up entrepreneur, why don't you write a business plan?' and no one will look at your business plan, the banker will ignore it completely because they have no way to interpret the business plan, they don't have the expertise, the front-line people at a bank have no clue what it takes to run a business. And that is a complete waste of your time.

What I would do, if I were to start a business, is as I said earlier, figure out the cheapest most sim-

plest way I can create a viable facsimile for my products. So, either that is a description of the product, or a very what in North America we call a straw man, but a very simple version of the product and go to the market place, and ask them 'would you buy this?' in fact, not only would you buy it, will you buy it? And give them some value proposition for being among the earliest customers, right? So, hey my normal price is going to be \$500 dollars, but if you sign up, you know, give me a \$100 dollar deposit right now, your final price will be a third of that. Or for my first 100 customers, I am going to do this extra special thing over here that nobody else is going to get. Or as a charter subscriber to this thing, we are going to give you a...

So, give them a benefit for taking the leap. But actually, go sell what it is you want to sell, and then you will start to get some real time data on your product. First of all, your product will change dramatically, as you get feedback from customers, like 'no I would never buy that but if you changed it in these six ways, I would.' You are going to start to get real time feedback, you are going to build up some cash to actually go to market, and then you can start putting pen to paper on the business plan, not for a bank's sake, because they still won't look at it, but for your own sake, that you can really start to plan your business in the growth bit. But for god sake don't spend days and weeks toiling over excel spreadsheets, trying to kind of build the business model because they are all not worth the paper they are printed on, so to speak.

Neil Ball: Thank you for that. John, can we just talk about the entrepreneurial journey a little bit now? and can you tell us, do you think whether culture is important from the beginning in a business?

John Warrillow: You know I do but I do not think it's something you can force. You know I think culture is something like the culture of a country, the culture of a sports team. It's something that evolves over time. And in the early days, it is the personality of the owner, which is basically grafted onto the company, and that's very normal. In fact, in some companies, that same personality becomes structurally part of the culture even though the company has thousands of employees. Arguably Starbucks is culturally part of Howard Schultz, the owner and CEO and primary shareholder of Starbucks is still... his personality is still infused into the company culture.

But in the early days, I don't think you can force it. I do not think you should go away and have some retreat with your two employees, and talk about company culture. I think it's something that in the beginning, it really is you as the entrepreneur, your personality, what you bring to the table, what makes you mad, what makes you excited and happy and enthusiastic, will all be part of the culture. And then I think the entrepreneur's job over time is to start to document that, and let the true culture of the company start to separate itself from the entrepreneur.

As you bring on more senior employees, employees who have their own heroic moments in your company that define who you are as a business those will start to shape your culture beyond just your own personality. But in the early days, I would not think a lot about it, I think essentially if you understand who you as a person, and you can articulate two or three things that you stand for as a person, those will by default be your company culture.

Neil Ball: **Knowing what you know now, is there anything that if you had known it when you**

started out, would have helped you to shortcut the learning curve?

John Warrillow: Great question, I think I would go back to the importance of recurring revenue as a key fundamental to business success. The idea that you do not have to recreate your business every month because you have got some recurring revenue. And I think I knew it intellectually, but I don't know that I was willing to be completely all in. What I mean by that is that in my research company for example, the fourth business I started and exited, in my early iteration of a recurring revenue or subscription model, we were sort of half pregnant, on one hand we continued to run a custom consulting project-based research company and in parallel we tried to create a subscription business. And what I discovered is that if you give customers both an option to have a completely custom designed bespoke solution for them versus signing up for a standardised or syndicated subscription virtually everyone is going to opt for the bespoke option.

And so, I think in order to really get a subscription model, recurring revenue model out of the gate, and really get it off the ground, you kind of need to go all in, meaning you need to commit and say, that whether you offer dog-walking service, math tutoring business, whether you have got a landscaping company or a swimming pool installation business, you have got to say, 'we run our business, using a subscription business model'. And so, the way that looks instead of charging by the hour, say 'we do dog-walking and we charge £8 a walk, for example in central London.' Instead of doing that, you say, 'yeh look, we offer a dog walking service, we are incredibly busy but so if you want part of our solution, if you want to use us as a dog walking company, you have got to sign up for a six month agreement, we are going to

walk your dog every day, Monday through Friday at this time and we are going to basically send you an invoice once a week at the beginning of the week for that week and you can opt out after the six-month term.'

You then as an entrepreneur know that you have got a customer for the next six months, so you can start planning your business, hiring subordinate dog walkers for example, and they to know that they do not have to call you every day, to remind you to go pick up their dog. And so, it's a quid pro quo, there's a commitment on both sides. And it makes your business so much more a) valuable, but in the early days you are not really focused on value as much as you are focused on getting your business off the ground and it becomes so much more predictable.

There is a company based in New York City called H. Bloom and what they have decided to do is recreate, and again, I wrote about these guys in the first chapter of the book, the business of selling flowers. And what they have done is, they have said 'ok, most people buy flowers at valentine's day or Mother's Day, and then they kind of rarely... maybe wedding anniversary, but they rarely buy them on them... they went in and said, 'who buys flowers regularly?' And it's this very small but lucrative cohort of people who buy flowers regularly. They are, hotels, spas and restaurants. Why do they do that? Well they want the flowers on the reception table to provide sort of a boutique image.

And so, what H. Bloom did, they went to these spas and restaurants and hotels and said, 'look we'll come every two weeks we'll replace your old flowers, we will put new flowers on your reception table. We will send you a business grade invoice at the end of every month and you can get

back to the business of selling hotel rooms and spas.' And so, they took a business, the business of pedalling flowers which is horribly seasonal first of all, very unpredictable. A typical flower store, will throw out, will garbage... this is a high street flower store... will throw out 60% of its inventory every month, because it rots in the fridge. At H. Bloom their spoilage rate is 2% a month. Why? Because they know how many flowers they need to order because they know how many subscribers they have. So, it just makes your business so much easier and more predictable to run.

Neil Ball: It makes total sense. How much does gut feeling influence your decisions in your business?

John Warrillow: You know I think they influence it a lot. I am a big subscriber of fuzzy math and what I mean by fuzzy math is I was never very good at math you know sums in school and being really good at sophisticated math, but I was always pretty good at fuzzy math which means you take a 100,000 and you say 'ok I want my business to generate a \$100,000 dollars this month as an example, just pull that that out of the air.' So, what do I need? I need roughly four customers to generate \$25k or I need a thousand dollars from a hundred customers. And so, I could roughly breakdown fuzzy math to get to kind of rough broad strokes numbers. So, I am a gut feel kind of person at that fuzzy math level, I need to know whether my goal is to find a hundred customers to spend a \$1000 a month. Or whether I need four customers to spend \$25,000.

So that's the kind of gut feel, Am I looking for a couple of big customers or a bunch of medium sized customers? That's the sort of gut feel... I don't pour over spreadsheets making those kinds of decisions. Right and saying 'well if it was a 106

and we lost three and instead of 10,000 we got... I don't mess around with spreadsheets... I am thinking very intuitively or gut feel, at sort of broad strokes numbers. So yeh to that extent I do use gut or intuition a lot, when making decisions and do not rely heavily on deep analysis before making decisions. When I say deep analysis, I mean closed door, spreadsheet kind of work, I don't do a lot of that.

Neil Ball: Have you always been like that?

John Warrillow: Yeh I think so, and I do not think I am alone, I am part of an organisation... I was, part of an organisation called the Strategic Coach where it brings together entrepreneurs, who meet once a quarter and work on each other's businesses together. And there were about 60 entrepreneurs in my last group, and I remember at one point we did a personality test called the Kolbe, Kolbe test. And it analysed all of us as entrepreneurs on four dimensions. And the argument that Kathy Kolbe makes is that all of us have a little bit of every personality type in us but we have sort of dominant strains. Right and so the four types of personalities are Fact Finder, Follow Through, Quick Start and Implementer.

Fact Finder are people that look for a lot of data before making decisions. Follow Through are people who are good at following a process that's been created and also initiating and make processes on their own, (or processes if you happen to be in the UK). Quick Start are people who start lots of things but are not great at finishing them. And Implementer are people that are good with their hands, often times working in a setting

where they can actually physically work on something with their hands.

Well when the facilitator had us all raise our hands, and said who has a dominant theme, meaning more than 7 out of 10 on Fact Finder. Only a few hands went in the air. Likewise, when we said, 'who has a dominant theme in Follow

Through?' Only a few hands in the air. Not surprisingly when the facilitator asked 'how many have a dominant theme in Quick Start?' Virtually every hand went in the air.

So, I think most entrepreneurs tend to be naturally good at coming up with the ideas. They can think about

the ideas but we have too many ideas. And so, we need to hire or put systems in place to make sure the ideas go from our head or on a whiteboard to actually, get implemented. And that's where often times it's important to hire people who are really long or strong on follow through, so that they are there picking up the ideas and actually implementing them. It makes entrepreneurs by the way, very difficult to work for, because what you will hear... and my staff I am sure would feel the same way... is 'god I love it when he is not around because I do not have to deal with the 60 million new ideas, every day. Like I can take the ones we have already got and actually get something done on the one we have already got. So, a very common theme.

So, to answer your earlier question about working on gut feel, you know there are only... That group of 60 entrepreneurs, very few of us, were fact finders meaning spending lots of time making a decision you know, consuming lots of information,

“we have too many ideas. And so, we need to hire or put systems in place to make sure the ideas go from our head or on a whiteboard to actually, get implemented.”

looking at it from 50 million different angles. Very few people are like that, very few true entrepreneurs are like that. Many more are more kind of ready fire aim, as it were.

Neil Ball: Life is made of constant change whether we like it or not, and some would say the only constant in life is change. John how do you try to keep up with change?

John Warrillow: I'm actually... I struggle a little bit with change to be honest with you Neil. I think, I tend not to be an early adopter, and that sometimes bites me in the ass. For example, you know I am not a big Facebook user. You know obviously I am aware of Facebook, my wife is a power Facebook user, uses it every day. I have only really started to adopt it, and that was part because I was not really sure who was going to take off, I was not really sure if it was necessary in a business context, I was not really sure that I wanted to kind of reveal to the world all of my personal secrets etc. I was a little concerned about privacy, and so I missed the boat a little bit on Facebook. Like all my... most of my friends now have deep networks built on Facebook and that's how they keep in touch with each other as they moved around, travelled, changed jobs, changed companies, done sabbaticals and so forth and I kind of don't have many friends on Facebook. Just because I have not really made an investment.

So, I am not a great one to ask, about keeping in touch with current trends. I tend to be you know to use a Clayton Christianson term, sort of a 'late majority guy.' Once the platform seems to be the agreed to platform, then I will kind of jump on. I started a podcast about three or four months ago, and that podcast was two or three years late relative to most people who had podcasts. So again, I am not a great one to ask on staying ahead of

trends, because I frankly, I don't stay ahead of trends, I am kind of behind the ball a little bit on trends.

Neil Ball: Yeh I do not think there is a right or wrong answer to it, it's just interesting to see how different people answer the question.

John Warrillow: Mmmm yeh, yeh.

Neil Ball: So that's good. What is your favourite book on entrepreneurialism, business, personal development, leadership or motivation? and can you tell us why you have chosen it?

John Warrillow: Mmm well I am a big fan of a book called 'Small Giants' by Bo Burlingham. First of all, Bo's a great friend, wrote the forward for 'Built to Sell' but I love his book and do you know what Neil? have you taken a look at Small Giants before?

Neil Ball: I have not heard of that actually; no, I will do though.

John Warrillow: It's a brilliant book. It talks about... it follows around about ten different businesses, who have made the decision to be great instead of big. And it starts off with the kind of idea or the hypotheses that in order for a business to be great, we have been sucked into this idea that it must be big. So, the only great or worthwhile businesses are the biggest businesses on the planet. And Bo's argument is 'hang on a minute, there's another way to think about entrepreneurship, and that is to strive to be truly a great business, not necessarily a huge business'.

And so, he points to examples like Patagonia which is one of the larger companies in his cohort that have sort of assumed or avoided going public and making a huge business, for focusing in on the initial kind of vision and goals of the entrepreneur. He talks about Anchor Steam Brewery again, a

business that has had many, many options or offers to go much bigger than they are. But instead have chosen to remain independent and relatively small.

And so, I am a huge believer in that and that may sound somewhat strange coming from a guy who spends his life talking about how to improve the lives or how do you improve the value of a company. But I think there is something tremendous to be said for owning a 100% of a relatively small business, when compared to owning a very small slice of a much larger business. I think being the captain of a small ship, as opposed to the first of third mate on a bigger boat, has tremendous benefits. Economic benefits, freedom, flexibility etc.

So, I think if you are turning over a million pounds in revenue and you are putting £300,000 of profit into your pocket every year, compared with a guy who runs... who is the CEO of a 20-million-pound business but does not own any of it and is a hired gun. I would make the case that the guy running the million-pound business has a lot better lifestyle.

Neil Ball: Mmm hmm

John Warrillow: And maybe creates more wealth depending on when and how he chooses to exit that business. So Small Giants is a great book and worth picking up, it just gets you away from that idea that bigger is always better, it can I think cloud some decision making at times.

Neil Ball: I think it's very easy in business to look at big businesses and think, 'that's the way you have to do it.' isn't it? When sometimes it isn't. In fact, sometimes when you look at marketing and

things, they are not always that great at marketing that in a way that is useful for small businesses, because they do not focus on things like the cost of acquiring customers and things or capturing customer's details and things like marketing like you would in a smaller business, so some good advice there.

John Warrillow: Yeh it's funny, I'll just interject Neil, I will just tell you briefly, to kind of pick up on your point. The one thing I do every morning is

kind of a daily habit is what I call my gratitude diary, and basically, I take five minutes before I open my web browser and before I open my email and I just take five minutes to say what I am most grateful for. Right then and there. It just helps centre me and kind of gets me focused on the rest of my

day. And if I look down at my diary over the last month, it includes a lot of entries about flexibility.

So, I am grateful for the opportunity to pick up my son and take him to tennis at 3pm in the afternoon, and not have a boss tell me where are you going. I am grateful for the fact that on Fridays we basically spend our weekends skiing because my kids are involved in the ski racing programme that starts on Fridays. I am grateful that I can leave, come and go from my company at any time, when the kids are sick, I can leave the office and go get them, without having to answer to someone. There's nothing... very few entries in my gratitude diary about money or the amount of money or material purchases, about a car that I drive or a house that I live in, none of those in fact. It's all about the flexibility to determine how I spend my time, and so I think that's a tremendous benefit of

"I think there is something tremendous to be said for owning a 100% of a relatively small business, when compared to owning a very small slice of a much larger business."

entrepreneurship. That is, we should, entrepreneurs, we just should never underestimate that the freedom of time and how we choose to spend our lives, and the payoff of that, the return on that is massive.

Neil Ball: Absolutely. John, can we just speculate about a few things about the future?

John Warrillow: Sure.

Neil Ball: What one thing would you do with your business if you knew that you could not fail?

John Warrillow: You know I would probably take a lot of the content that we have created and hire a very expensive sort of video production company, and productise some of our IP. When I say very expensive, we do cheap and cheerful, IP right now, so intellectual property. So, we will create videos, we will put a smart looking banner, we will do a screen flow but it's a basic sort of way to productise our intellectual property. But if I knew that it would be successful, without any shadow of a doubt, we would hire a production company and spend five or ten million dollars creating the most incredible video series. And that is just not a bet I am willing to make at this point; I am not sure that it would necessarily pay off.

Neil Ball: What skill if you were excellent at it would help you the most to double your business?

John Warrillow: Probably managing employees. I am an average or below average manager of employees, and that holds me back at times. I think if I were better, manager... I think I am a decent leader of a company but I think there is a difference between leading and managing a company. A leader says, 'here is where we are going, here is what your values are, here is this course we are charting.' The manager says, 'ok Neil, you said you

are going to sell three widgets last week, and it looks like you only sold two. Why didn't you meet your goal? What are you going to do this week to ensure that you do meet your goal?'

Its day-to-day management of the business and I am again below average at that, I forget what their goals are, I forget what my employee said last week, I have trouble keeping everything in one place. I am just sort of crappy, I am not organised enough to be a good manager, basic day-to-day management. I think if I was better, that would accelerate with the pace of our business growth for sure.

Neil Ball: In five years from now, if a well-known business publication was publishing an article on your business, after talking to your customers and suppliers, what would you like it to say?

John Warrillow: The Value Builder System helped us improve the value of your company. We exited our business, for a multiple that was a huge premium over industry averages. The Value Builder System is the standard way that companies go through the exit process. Those would be some of the things that we would love people to say.

Neil Ball: What is your favourite quote, and how have you applied it?

John Warrillow: You know I cannot remember the president; I think it was Roosevelt, the United States President, who talks about being in the arena. And I won't give you the whole quote because you can google it later or maybe add it to the page. But it basically talks about the kudos or the credit goes to the person who is in the arena. I think whose brow is covered in sweat and blood and tears and so forth, but at least they are doing it. As opposed to the person who looks on from the side-line and criticises. It's called 'in the arena' and it's a great quote and it really talks about and

encapsulates that idea, of you know it's easy to criticise, and I was one, from people on the sideline, but until you are doing it, and for the folks that are doing it, those are the ones we should be celebrating.

"It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat."
Theodore Roosevelt

Neil Ball: Yeh I agree with that. **Do you have any favourite online resources that you can share with us?**

John Warrillow: Oh, all the normal, I am a big Evernote user if you have not used Evernote that is brilliant. I am a pretty big user of Nest, which is a way to manage your home. If you have a vacation, you can set your temperature on your house to go off when you are not there. I am just looking at my phone, I am a big user of TripIt, online resource to manage your schedule if you happen to travel a lot for business, that is handy. Uber, I could not live without Uber, like I do not know the last time I actually flagged a taxi must have been

years ago. I am a huge power user of Uber, so there's a few.

Neil Ball: **And what is your best advice to other entrepreneurs?**

John Warrillow: Just do it. As I have said throughout this conversation, I think there is a huge premium that is available for people who act. And

there is frankly a significant discount for people who spend time naval gazing and thinking and analysing and talking. The true test of any idea, is going to be taking it to market in its basic form and asking people 'will you buy?' and only then will you know if you have got a business.

Neil Ball: **John, is there anything else that you would like to add about your business?**

John Warrillow: No, I mean if people are interested in getting their Value Builder Score, which again is the first thing that all of our entrepreneurs do when they complete the questionnaire. It is available in the UK pounds. They can go on to ValueBuilderSystem.com or just simply ValueBuilder.com will get you there as well, and you can complete the opt-in box there, and we will get you instructions for getting your score.

Neil Ball: Thank you John, John you have been absolutely awesome, thank you so much for coming on the show, you have given us some fantastic advice. So, thank you very much.

John Warrillow: Thank you very much Neil.

Neil Ball: You are welcome, thank you.



MEET JOHN WARRILLOW

John Warrillow is the founder of The Value Builder System™ and the author of the best-selling book “Built to Sell: Creating a Business That Can Thrive Without You”, which was recognized by both Fortune and Inc. magazines as one of the best business books of 2011. Built to Sell has been translated into four languages. John’s new book, “The Automatic Customer: Creating A Subscription Business In Any Industry” was released by Random House in February 2015. Prior to starting The Value Builder System™, John started and exited four companies, including a quantitative market research business that was acquired by The Corporate Executive Board (NYSE: CEB) in 2008. John has been recognized by B2B Marketing as one of the top 10 business-to-business marketers in the United States.

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The Making of a Shoe Empire with Steven Sashen

Interview by Neil Ball



Neil Ball: Steven, thank you very much for coming on to Mentors Magazine, and agreeing to do this interview.

Steven Sashen: Well that was great, that's probably one of the best interviews and recordings I have ever been part of, I just want to, I cannot thank you enough. That long gaping pause just gave me time to really contemplate my life. ha ha.

Neil Ball: Well it gave me time to think about 'what am I going to say next?' but here we go. Because I am all loaded and ready to tell people about you. So here we go. So, ladies and gentlemen, we have got Steven Sashen on the show, who is a serial entrepreneur, who has never had a job, he is a former professional stand-up comic, so that means he is going to be funny. You have seen him laughing already, so you know he is going to be funny.

Steven Sashen: Oh man, that's way too much pressure. But alright, I will give it a go.

Neil Ball: Ha ha ha, an award-winning screenwriter, so he is creating and a competitive sprinter. He is fast, and I know he is fast, he is one of the fastest men over 55 in the country, the USA that is. What about the world Steven? I wonder where you stand in the world?

Steven Sashen: Ahh not even close, I think I might be the fastest guy over 55 in Gran Canaria, there are a few countries where I could probably crush everybody, but I do not have citizenship there.

Neil Ball: Ha ha ha. And maybe the fastest 55 plus Jew in the world. That's amazing.

Steven Sashen: Yeh not a lot of competition for that one.

Neil Ball: Ha ha ah. He and his wife, Lena Phoenix, co-founded the footwear company, ZERO shoes. They created a movement movement. That is interesting, which has helped hundreds of thousands of people live life feet first. And that was not clever, but anyway, with happy healthy strong feet, in addictive comfortable footwear, Steven and Lena also appeared on Shark Tank, where they turned down, wait for it, a \$400,000 dollar offer from Kevin O'Leary.

Steven Sashen: That was crazy.

Neil Ball: Crazy, why would you do that?

Steven Sashen: We are insane.

Neil Ball: Ha ha ha. So, Steven, thank you for coming on the show, I really appreciate you coming on today and coming to tell us about what you have learned in life, and I think we will start with that.

Why did you turn down \$400,000 dollars?

Steven Sashen: It was effortless, so we went in offering 8% of the company for \$400,000 and Kevin said, 'I will give you the \$400,000 for 50%' and I said, 'how about 10%?' and he said, 'you are crazy.' And I said, 'maybe, ha ha' and it was just, we knew the valuation of our company, we had spoken before we went on the show. We had spoken to venture capitalists, private equity guys, people who bought shoe companies, people who sold shoe companies. And we knew the range that we were willing to accept.

And so, we started a little high frankly, because know they like to talk you down. And I mean that number was just so far out of whack. I think at that point, we had done I don't know \$670,000 dollars in sales in our first couple of years. And so, for Kevin to offer \$400,000 at 50% was giving us an \$800,000 dollar valuation. And the valuations we were getting were anywhere between \$2.5 million and \$10 million dollars at that point.

So, it was just a non-starter. In fact, it was such a non-starter that we literally forgot he made us the offer. And at some point, Robert turns to us and says 'you know there is an offer on the table.' And we are like, 'what? Oh right, Kevin, that thing.' And then Lena says... this is an argument that I have with my wife... Lena says, 'so are you bringing anything to the table other than money?' And Kevin says, 'well you know I am a smart business man and I have got a big Rolodex.' And Lena does not remember her saying the following thing, which I remember her saying, which was, 'so nothing?' ha ha. And I thought that was just a totally brilliant response. We did not make it on Shark Tank but put it all together and it was just you know, not the right fit.

Neil Ball: So now reflecting on that, are you glad you turned it down?

Steven Sashen: Oh, yeh yeh yeh. I mean look, let me say it differently, for all I know Kevin could have been an amazing partner and it could have been tremendous. But given where we are right

now, and the valuation that we have right now, and the company that we have built and what we have been able to do, it's more likely that we did better on our own than we would have done... and certainly we would not have taken a 50% partner no matter what, but so I think it was the right decision.

Neil Ball: It's one of those things you will never know isn't it? But at the same time, obviously he could have brought some of the huge amounts of experience that maybe would have benefited you, but maybe it would not.

Steven Sashen: People often ask questions like, 'if you could go back and do it all again, what would you do?' And I say the same thing I did because at that time I made the best decision based on everything I knew thought and believed. And so, what you are asking is, 'if I knew, thought and believed something different, would I do something different?' And the answer is 'probably, but I have no way of thinking or no way of believing', that that means it would have led to a different and more preferable outcome.

In the same way, right now, I do not have the idea, how am I going to put this... any time I imagine some pleasant future, I just do not believe my own thinking. Because, yeh, that sounds great, is that going to happen? How the hell do I know? So, I don't really care. And so, I do not plan based on that.

Neil Ball: Well we will come back to that shortly, but what I would like to do is talk about the time of how you became an entrepreneur? **Because you have only ever had... you say you have never had a job? So how did you become an entrepreneur?**

Steven Sashen: Yeh the closest thing I have ever had to a job was performing for a living, where they let me do whatever the hell I wanted, so that does not really count. I mean the easiest answer... I remember reading something years ago, that the number one factor correlated to someone being an entrepreneur is having parents who were also entrepreneurs. And my father was a dentist, he ran his own practise, my mother was a consultant and she was kind of like, well a lot like me and vice versa, she did numerous things during her life

and career. My mother's father was an entrepreneur, I do not think my father's father was though.

So, it... the strangest thing I can say is that it just never occurred to me to do something like apply for a job. Wait, I take it back, it occurred to me once. I was, maybe my second semester junior year of college and I was in a marketing class and some guys from Proctor and Gamble came in, and they were wearing identical crappy suits, talking about their incredible crappy jobs, they did not see it that way, I did. Just you know, trying to sell toilet paper, or whatever they were doing. And the idea of working for a big company, could not have seemed more boring to me.

That same year, right after that second semester, I was a street performer in New York City and I remember one day being on the number six train, coming up from Wall Street, when people were getting out of work and I was the only one on the train, not wearing basically an identical suit, and I remember thinking, 'I will never be that guy.' So that's about as much thought as I ever gave it. But I just luckily for whatever crazy neurological, stupid, genetic reason, it just never occurred to me to try and get a job or more accurately, it occurred to me to that there were things that I was interested in that I could do, that would pay me some amount of money, at least enough to live. And it seemed that that would be more fun than showing up somewhere every day at the same time, doing whatever they told me to do.

Actually, one other thought about that I just remembered, at one point I am talking to my dad, many years ago, trying to get him to lend me some money for something I was trying to do, and he says, 'why don't you just get a job?' And I said, 'because that really would not work out or end well for anybody.'

Neil Ball: **So, you think of yourself as unemployable?**

Steven Sashen: Ah yeh. You know, I actually have the fantasy that there are certain kinds of employment situations that could work out well for me. But the odds of those things have been available or being available to me, prior to this stage of my life would have been pretty much zero. At this

stage of my life, now that I have done the things that I have done, there is a possibility of walking in to a situation that's a little more structured where what are they called? Vacations? Is that the word vacation?

Neil Ball: Vocation, vacation?

Steven Sashen: They give you time off and they still pay you, is that called vacation?

Neil Ball: That often is what they do, yes.

Steven Sashen: What's the word when you get free insurance that benefits? Is that the ...

Neil Ball: Yeh there are benefits, I am not sure, it might be lost in translation between the two of us...

Steven Sashen: Ha ha ha. English to English translation. I can imagine, what's the like IRA and all those things, it all sounds very intriguing. And actually, there is some people that I am speaking with now, about some possibilities with our company, that's the closest thing to a job that I can think of. That could be really fascinating, or I could be completely lying to myself.

Neil Ball: **So, you are a bit of a free spirit, who is a bit of a rebel, maybe?**

Steven Sashen: Ah yeh you could take the maybe out of there.

Neil Ball: Ha ha ha ha.

Steven Sashen: Authority, suffice it to say when I am driving my car, the majority of the time that I am driving, I am enjoying righteously indignant fantasies where I get pulled over by the police and talk them out of giving me a ticket with humiliating logic. So yeh I have some authority issues. Ha ha ha.

Neil Ball: Ha ha ha. **So can you tell us a little bit more about ZERO shoes, because you have talked about barefoot running but ultimately you are wearing shoes, so can you just explain the logic of that because it's a bit of a contradiction isn't it?**

Steven Sashen: Well most of the time I am actually running in bare feet but it's really simple, your feet and ankles have one quarter of the bones and joints of your entire body and you have more nerve endings in the soles of your feet than anywhere but your finger tips and your lips, this is not an accident. You are clearly supposed to use these

things, what that means is they are supposed to bend and flex and feel the world. And if you do not let them do their job, that function tries unsuccessfully to move your ankle, your knee, your hip and your back and causes all sorts of problems.

So, ZERO shoes are designed to let your feet be as natural as possible. Bending, flexing, moving and feel the world, while still giving you the protection you might need for certain circumstances. But the ground feel that your brain needs, know how to effectively and efficiently work and control the rest of your body. We have a line of sandals and shoes both casual and performance, people use from everything to taking a walk to running ultra-marathons.

Neil Ball: And when you actually run in them, I believe your foot lands on the floor differently doesn't it, to how you would run?

Steven Sashen: Yeh I was in the lab with a guy named Bill Sands, who used to be the head of biomechanics for the US Olympic Committee, and he would do some testing with people if they come in. He would have them in their favourite shoes on his giant treadmill, he would film them from the back and from the side, at 500 frames a second, super slow mo., and then he would have them try on every other pair of shoes that they wore, and what you would see... Oh, and run barefoot as well... And what you would see for most people is every different shoe changes the way you move.

And for most people, if they just took off their shoes and went barefoot, the change they made to running barefoot was the most effective and sort of efficient. You stop reaching out with your foot too far in front of your body, which is like slamming on the brakes, you are not applying force, the same way that you are if you are in shoes. And then, what we are trying to do is just make shoes that give you as close to that barefoot experience as possible.

Neil Ball: **And what gave you the idea to come up with ZERO shoes? Where did that idea come from?**

Steven Sashen: I had the experience of running barefoot and how much that changed my life,

that's what made me a mostly uninjured runner and got rid of my injuries, made me faster, etc and I just wanted that natural movement experience as much as I could have it, and I started making sandals just similar to the way that Totonaco Indians in Mexico do, where they use scraps of tyre, just laced to their foot.

I got some rubber from a footwear repair place and some cord from a hardware store, laced them to my foot, based on a kind of 10,000-year-old design idea and that was so beneficial. That's how I was living and then a guy says, 'I got a book coming out about barefoot running, and if you treated the sandal-making hobby like a business and I could put you in the book if you had a like a website or something.'

So, I rushed home and I pitched this brilliant idea to my wife, who assured me that I was a complete idiot and it was a stupid idea that would not make any money, and as a good husband, I said, 'alright, I will not do that', and as a husband, I waited until she went to bed and built a website. And she kind of growled at me the next morning, and at the time we had a search engine marketing business, and I said, 'it will be a good case study to show what you can do' because I think I can kind of own this market in a couple of months. And it only took me a few weeks actually, and what we thought might be a car payment, turned in to our full-time job within about six weeks and we went from being a funky do-it-yourself sandal kit company to this aspirational footwear brand.

Neil Ball: So, she very quickly changed her opinion on this then? because obviously she is involved in your business now?

Steven Sashen: You know I think the thing, yeh she is my co-founder and CFO, she is the organisational financial person. I am the product-marketing person, we are a really, really good team. I think what really changed her mind was certainly not hearing it from me... So, it's one of my favourite things about my wife, I will say

something and then she will like go to some third party, to see what their opinion is, because she does not believe me. And there are things where she does believe me, but I think in this case, I think she is a little iffy.

And we have met some guys who it all started at Reebok 35-years earlier. And they came around and sat around our dining room table, I am sorry, for tax purposes, our conference-room table. And they were telling her that this was a real thing, that we have got a business on our hands, that they believe in us, that they want to help us. And I remember at the end of this day-long meeting.

They left and Lena walked in to the kitchen, and with the appropriate hand-gesture, that any poker player would know, she went 'ok I am all in.' And that was probably about the 9-month mark that that happened and that's the way it's been ever since.

Neil Ball: Well it's funny you should say that about Reebok, because I used to go to school with somebody who ended up

being the managing director of Reebok UK, as a teacher.

Steven Sashen: Who was that?

Neil Ball: Dave Singleton.

Steven Sashen: Oh, you know, I recognise the name, but it's not someone that I know.

Neil Ball: Mm and he used to sell this obscure brand of shoes, or try to sell these shoes to us when we were at school. He used to be our sports teacher and then he left and went and worked for Reebok. And that was probably, it must be about 40-odd years ago, I guess.

Steven Sashen: Yeh it's a small group of people, those old footwear guys, they are referred to as shoe-dogs and it's a small group, they all know each other, the footwear industry is very incestuous. People just kind of rotate from one company to another. They have all worked together at some point, it's pretty crazy. If you meet one of those old guys, and you ask them about any of the other ones, they will tell you stories that those

"I got some rubber from a footwear repair place and some cord from a hardware store, laced them to my foot, based on a kind of 10,000-year-old design idea"

people don't want you to know.

Neil Ball: So, you started off with this idea of rubber and string, how did you turn that in to the business? How did you take that from this prototype in to something that you could actually sell?

Steven Sashen: It was an accident, well the first thing of just you know, sheet of rubber, I mean literally what our first profit was, we were getting big sheets of rubber that we had in small sheets of rubber, long thins of cord that we cut in to small thins of cord.

Neil Ball: Ok.

Steven Sashen: And we sold that along with instructions about how to make a sandal the way people have been making them for thousands of years. And what happened is, was just a real kind of combination of a natural evolution, of just listening to our customers who were saying, 'that's great but here is what I would like instead' or 'here is what I would like next' and then being unbelievably lucky to bump in to people along the way who believed in us and could be helpful to make all that happen. So, and that continues to be the way that we run our business, customers are continually telling us, 'love this, here is what I would like also' and then we evaluate that and figure out what's the best way to expand the product line, and we now have some super, super smart developers and designers that we work with, one of which... talk about how much luck there is.

So, Lena and I have a friend, he is a massage therapist, I don't know if that's relevant for the story, but there it is. And one day he is walking his dog, which normally he did not do, normally his wife did, and he bumps in to a guy, who walks his dog. Normally, he does not do that, normally his wife did. So, the dogs knew each other, so the guys started talking while the dogs were hanging out, and my friend says, 'what do you do?' and the guy says, 'oh I was the head designer at Crocs' and our friend says, 'oh my friend Steven and Lena had a shoe company' which at that point was totally not

true. We had a do-it-yourself sandal and kit company. And this guy said, 'oh here is my number, pass it on' I sat on it for months. Thinking, why would the guy who was the head developer at Crocs want to talk to me with my goofy little sandal kit business?

And eventually I called him, and we got together for what was supposed to be a one-hour launch, and five hours later, you know we are still at it, and I said, 'someday I would love to work with someone like you.' And he said, 'well what about me?' I said, 'I don't think I can afford you.' He goes, 'I am retired.' I went, 'you're on.' But the

“I like the idea that we can change the world by doing the right thing and we are already starting to see this happening in our goofy little company”

only reason he was even interested was I had made him a pair of sandals and he had a life-changing experience, which is what we hear every day all day from people. And you know were it not for the dogs knowing each other, and these two guys walking the dogs that time. We would not have this guy Dennis Driscoll, who has been a top-

level, high-level footwear developer for 40 years. So, what are the odds? And here we are.

Neil Ball: And did you have any prior manufacturing experience at that point?

Steven Sashen: None, and man if I had, I would have probably thought never to have gone in to this business. Making things is hard, making footwear is exceptionally hard. In fact, those guys that I mentioned, those former reebok guys, when they are sitting in our conference room table, they said, 'we really believe in what you are doing and we would do it with you. But we have been in footwear long enough that we are not stupid enough to try and start a shoe company.' And Lena and I said, 'well we know that we are hyper-optimistic and naive, because we know that that's the only way that anything ever starts.' Looking back now, we did not realise how optimistic and how naive we really were, and it's been a great satisfaction that we have become quite expert in this whole situation. And now know how to do things that we never imagined needing to know, that have been obviously valuable for our busi-

ness, and maybe we will be valuable beyond that.

Neil Ball: But at least you started with a niche, which is a great thing,

Steven Sashen: Yeh

Neil Ball: **Because you were not trying to be everything to everybody and...**

Steven Sashen: correct

Neil Ball: **...and presumably that must have helped, because it kept you very focused on a specific part of the market, rather than trying to satisfy everything.**

Steven Sashen: Well it's even more than that, we were again incredibly lucky that I am a bit of an early adopter, and so the whole barefoot running idea, was just starting to evolve, just as I started our little goofy business and so yes, we are catering to barefoot runners. The thing that we saw though right away, was the barefoot runner who would buy one of our DIY kits, and then a week later we would see an order for the rest of the family, who clearly were not runners, who just love the idea of that sort of simple sandal that let your feet do what's natural? And so, we knew we were on the something, when a couple of months in we were walking around downtown Bolder, and a pack of teenage girls walked up to us and pointed to our sandals and went, 'oh those are sick, where do you get those?' we went, 'ah we are winners,' so

Neil Ball: Wow

Steven Sashen: So, we knew they were something beyond just the freaky barefoot runner community. But so not only were we kind of lucky enough to have an identifiable niche, that was on the verge of growing, that was a big lucky thing, but we also just knew how to engage with them, so the first thing we did was just I gave away the entire business. I told people, I made videos, here is how to do everything we are doing, here is where to get the materials, here is how to do it, and if you want to make it easy, you could buy the stuff from us, but for years I would meet people who would point to their sandals and go, 'thank you so much' you know I did this on my own, I did not buy anything from you. It's like, 'cool, that's why I did it.' And then they would eventually buy something from us.

But the fact that there was not only, the fact that the niche existed but they were identifiable and findable. That was the critical thing was that you could participate and because I was kind of a couple of steps ahead, pun intended of where many of the people who are just learning about it were, I was able to provide valuable information. And that was really the focus for me at the beginning, was just providing value, and wanting to become a well-known part of the community, because of the value, not because of the product. And that's something that we still frankly are committed to.

Neil Ball: **As I listen to you Steven, it's quite clear you are very passionate about your products, but what do you love most about your products?**

Steven Sashen: Lena says it best, she says 'look there are enough shoe companies out in the world, there is no need to start another, unless your product changes peoples' lives, and we literally hear from people who say that phrase or variations of it on a daily basis. And that's the thing, the other thing back to my dislike of authority, that I like about it, is that we are poking at the status quo, we are poking at companies that are worth billions and billions of dollars, because they are doing the wrong thing. They are not providing benefits for people; they have been misleading and sometimes flat out lying to people for 50 plus years.

And I like pointing out where the emperor has no clothes, I like pulling rugs out from underneath things. Really what I like is finding the essential truth of something. And it just so happens that as you are going down and finding the essential truth, you find a bunch of people who are making money by lying all the way down.

And I like the idea that we can change the world by doing the right thing and we are already starting to see this happening in our goofy little company, is having an impact, we are seeing larger companies starting to try to lean in our direction and try to do things that we are doing but they cannot do them as well as we do. Or I see larger companies trying to make life difficult for us. Which I do not enjoy it, but I take it as a good sign. If a big company is trying to shut us down, which has happened a couple of times, or steal

our intellectual property which has happened a couple of times, I take that as a good sign. And frankly, in fact I will tell you a quick tangent, the biggest lesson that I have learned in business... One large company stole some of my trademarks, they started using them for their own products, and I sent them a cease and desist, and to make a long story very short, we eventually prevailed, and they agreed to stop using the trademark and they sent me a whiny letter, it's like 'well you know we had to spend seven million dollars to re-print everything' and I said, 'well I do not care, you could have owned the trademark and my whole company for \$5 million.' So, stop, I don't care about your little violin.

But the mistake that I made was when I saw that they were using my trademark, I immediately sent them a cease and assist and started to go after them. Had I understood marketing better, and production better and the law better, I would have waited because had the product landed on the shores and had they started marketing and selling it, the law suit against them and it was a slam dunk case. Because they undeniably had taken my trademarks, it would have been a half a billion-dollar lawsuit. That would have been an ok kind of thing to do. So instead, I got nothing, ha ha ha.

Neil Ball: Wow. **Just going back to the point, you raised about 'it's crazy to try to start a shoe company.' But if you went back in time and looked at the time when people like NIKE started or REEBOK started, it was probably crazy in those times as well, yet those companies had become huge.**

Steven Sashen: Well yeh, and there have been hundreds and hundreds of companies that have gone bankrupt at the same time. If you look at the story of any of those major companies, the number of inflection points where they could have gone under is way higher than you want to count. And we look at it as human beings, we have this thing called hindsight bias where in retrospect everything makes sense. In real time, this shit does not make sense. You know, there is a lot of just cross your fingers, hail Mary, you never know, and then some people survive and some people don't. And at a certain point, it becomes a bit of a

self-fulfilling prophecy, you get big enough, where it is kind of hard to go down, except that we can think of lots of companies, that were big companies that crashed and burned for various reasons. So, we love to think that there is some method to the success madness, that's just not the way I see it. And if you look at NIKE for example, yeh the things that they did at that time were as lucky and crazy as some of the things that I have described for us. So, it's possible, but I also think about when we started this ten years ago, there were maybe four or five people that I met who started shoe companies around the same time, we are the only one that's still around. Actually, there are a couple of others that are still are, but out of the list, there are two or three that are still around and about ten that are not.

Neil Ball: **How important is your free time in your contributing to your success?**

Steven Sashen: Sorry I did not understand that phrase?

Neil Ball: Yeh. How important is your free time? The time that you spend, free time yeh that thing that you do when you are not working. You know? Ha ha

Steven Sashen: Are you speaking another language all of a sudden?

Neil Ball: This is English English. It may not be translating very well; you can look it up on GOOGLE if you like. Ha ha ha.

Steven Sashen: Free time, I am gonna do it. I am gonna GOOGLE free time now, hold on. I am doing it... Free time, Leisure, what? I am

Neil Ball: It's a new set of words for you I can see that.

Steven Sashen: Not familiar with the concept, so next question.

Neil Ball: You must have some free time?

Steven Sashen: You know, here is my life, I roll out of bed, I either check my email or go to the bathroom, whichever feels more compelling, I then do the opposite one, and then I sometimes take a shower but not always, much to my wife's consternation. I sometimes shave when I am in the shower, not always also, much to her dismay. I will eat something sometimes; I will go to work. I will go home, so I get to work somewhere be-

tween seven and nine depending on the day, I get home somewhere between six and nine, depending on the day, I eat some food and then my wife and I curl up on the couch and watch some television and turn off our brains and I enjoy cuddling with her and just appreciating her. And then sometimes I will go back to work after she goes to bed around 9.30 or ten. I will either watch a little more TV or go back to work until twelve or one and lather, rinse and repeat.

And then on Saturdays I will typically work about half a day, and then on Sundays I go to the track in the morning and train, and then I have brunch in the morning with some friends. Then I do some grocery shopping and then fall over in to a coma for a few hours, and then do a little more work and then repeat. We are taking our first, let's call it a vacation this week actually, the first

one we have had in years, but the reality is Lena wakes up around eight, I wake up around six. And so, I will get two hours of work in before she wakes up and you know call it a day. And so that's what I have been doing for ten years.

Neil Ball: Ok, I hear a lot of entrepreneurs talk about the importance of habits in their personal life that contributes towards their success, and it seems to be a thing that a lot of people talk about these days, and it's certainly something that I have not been able to relate to when I think about my past in many ways. Is that the case for you?

Steven Sashen: I am not that guy.

Neil Ball: So, you are not one of these people that's got a morning ritual where you are rolling out of bed at six and all of that stuff?

Steven Sashen: Not that guy. Again, here is what happens, somebody has something that they will call success at a certain point of time in their life, or that other people will identify as success, not knowing what's really going on behind the scenes. Because there is people who say, 'look how much money I have, check out my Ferrari, and they are

burning cash like crazy' or everything is really unstable and then people say, 'how do you do it?' Because we think that there is some formula for getting this thing that we call success then will make us happy.

Everything I said right there is complete bullshit by the way, there is no formula, this thing called success is an ephemeral something that may happen, maybe not, may be stays for some amount of time whatever. Has nothing to do with your happiness. Just to be totally clear. And if you ask the person, you know what made you successful?

“For everyone who says it’s all from the habits, you will find at least one other person who is the exact opposite who says yes, it’s because I am a total free floating whatever and I just do whatever crosses my mind.”

They will give you some completely ridiculous story, that focuses on them as the cause for what happened. If you asked them, 'how much of whatever you have accomplished is a result of luck and fate and chance and whatever you can think of that's out of your control, much more

interesting story. Much, more true. And so, the whole thing of habits, some people who have said it must be because of this thing that I do where I have these habits, or I have developed these habits, I do not see any evidence for that.

For everyone who says it's all from the habits, you will find at least one other person who is the exact opposite who says yes, it's because I am a total free floating whatever and I just do whatever crosses my mind. And then some people in between and all the rest. This idea that you can again find a pattern that you could then apply, it seems silly. If the richest guy in the world says 'here is how I do it', well congratulations, but I am not that guy, I am a sprinter, not a distance runner. I do not care how distance runners train, I am not that guy, it will never work for me. I do not care how 7-foot basketball players train; I am a five-foot five guy. It's not going to make me be able to dunk the ball.

So, this thing of trying to become something you are not, is I would argue probably the biggest waste of time, effort and money that people have and I see it a lot in entrepreneurs who frankly it's

when they feel out of control about things, they can do that will actually affect their business, they try to change some internal thing or think it's some internal thing, and that's rarely the case.

Neil Ball: **It's something that's good to write a book about though isn't it? And then get lots of people to follow it and then say that's the reason I was successful, that's what seems to be happening, a lot of people are following it, that kind of thinking.**

Steven Sashen: I think that whole self-improvement business section of the bookstore should be burned, and everyone who writes books in that category should be hung, but only until they are dead. I am being mildly glib but it also infuriates me because again, it's just the way human brains work, that every thought we have is about what we need to do to be happy in the future, whether that's a moment, a minute, a year or a lifetime from now, or whatever our legacy is, whatever that means. And then we think that we know how to get there, and we look for other people to see if they have gotten it, but ultimately, we think that if we get these things, then we are going to be happy, and that's just not the way it works. But if you can sell the story that I can teach you how to get the thing that you think will make you happy, you can make a lot of money by lying to people. And then you will find a few people who will say they applied your theory, and maybe they did and maybe they did a variation of it.

But suffice it to say... There is a guy named Dan Gilbert from Harvard, wrote a book called 'Stumbling on Happiness' and he describes what I have just said. And he says 'if you want to actually become happy, it's really simple, here is what you do, figure out what you think it's going to take for you to be happy, go find as many people as you can who have that thing and see if they are any happier than you are right now.' And what you

will discover, is they are really no different, some of them are a little happier, some of them are a little worse, but most of them are going to be pretty much the same, they have stuff that goes right in their life, they have stuff that goes wrong in their life, end of story.

And what will happen over time when you just keep finding out that your idea that getting that thing will make you happy, has never been proven true, you will just not pay attention when that thought pops in to your head. That getting that thing will make you happy. The thought will come

"I am the visionary guy seeing what's possible for the future and communicating that to everyone that I speak with is one of the biggest parts of my job. But I don't believe in the mythological, kind of fairy-tale version of goal setting"

up and it will make no more sense than I am a giant purple lizard person. It's like going to be what, 'well that's weird.' And then away you go, and it's actually an old Buddhist story that's the same thing, is a woman comes to the buddha and says, 'my child just died, bring him back to life'. And the

buddha says, 'well go and find me a mustard seed from a home that has never experienced death.' And the woman goes out and of course, finds that every home has experienced death. And she comes back and says, 'clearly every home has experienced death'. And of course, because it's a buddha story, they say then she became enlightened. But there is a kid's book version of the story, that adds a little twist that I love, which is 'then she and the buddha both cried over the loss of her child'. Which is just ridiculously sweet, you know, life is sometimes challenging and sometimes wonderful and it's just that's the way it is.

Neil Ball: **How do you manage your time each day?**

Steven Sashen: I do what shows up next in my brain, I mean it's... I do not manage my time. In fact, my wife would argue that I, whatever you call managing my time, I do very poorly. I give too much time to people who are not going to be helpful, I spend a lot of time... People say to me, like marketing people who have some marketing service when they are trying to sell it to me, they

go 'are you satisfied with your whatever ad performance, or website performance? or whatever they are saying. And my answer is, 'I am never satisfied with anything related to that otherwise I would not be in business doing what we are doing.

But now the question is, can you show me that there is a reason to pay attention to you? And nine times out of ten, they are not offering me anything that's going to be valuable. But I spend a lot of time checking to see if they are because maybe they have something that could be a little bit or a lot helpful. And so, I spend an inordinate amount of time, probably more time than I should, paying attention to things that are probably have a low probability of being helpful.

Neil Ball: And yet you use an online calendar to manage your time?

Steven Sashen: I use an online calendar because otherwise it would be too difficult for me to do things like schedule things. So just going back and forth is just too much effort and so I have a calendar so people can go and book it. Now the problem is, people get my calendar and they start using it, even though I did not ask to book a time, they just want a follow-up with me, it's like 'ah Christ.' So, I had one of those this morning. Someone I had not spoken to decided they want to follow up with me and I did not notice that they had booked an hour of my time, it was like 'oh there goes an hour that I did not need to spend.'

Neil Ball: How much of your time do you spend learning and growing your skills? Do you spend any time doing that?

Steven Sashen: What skills are you thinking of?

Neil Ball: I don't know whatever skills you think you need to grow.

Steven Sashen: It's a tricky question. I mean the things that I am mostly responsible for, that I do the most of, is marketing and product development. And the product development thing, I have been learning it on the fly and I have been doing that for ten years. I do not have a whole lot that I need to learn so much anymore, in part because some of the things that I do not know how to do, I have people that are smarter than me about development and they do that. So, I am a valuable

part of that conversation, but I am not spear-heading it as much or if I have a solution for something or a problem that needs a solution, I will give them that mission and let them take care of that.

On the marketing side, it's a never-ending process of just trying to stay on top of things and I do not spend deliberate time trying to do it, it's just I am aware of what is happening on the internet space and the e-commerce space, and also, I have amassed a group of people around me similarly who are also experts in their field, in specific fields within marketing. I have a group that handles just search engine optimisation. I have a group that does just FACEBOOK advertising. In fact, I have two groups that do that, because they have different strategies. You know etc, and so I am kind of in the loop about things that are evolving in that space and they are as well and so we spend time reviewing what's working, what's not working and planning new things. But I do not deliberately sit down to try to learn some new thing. But I will tell you the one thing I spend no time trying to learn is leadership.

Neil Ball: Mmmm

Steven Sashen: I have no concern or interest in what that means, again because of the hindsight bias thing. The people that we think of as great leaders, never took a leadership class. And they are great leaders because of personality traits, that there is a high probability I do not possess and will not develop. So, I have certain skills and personality traits that work for me in the role that I have. And I have certain ones that are a real detriment, that are just not going to change, I am a 57-year old guy, so instead we spend some time with new employees assuring them that when I do one of those things, it's not personal. When a computer breaks or the website goes down, and I am running around screaming every obscenity that you can think of, it's not personal. And that's just part of my process is I scream and yell and then as soon as I calm down, I get to work at fixing it. But you know, that's just the way this thing works. And I have stopped trying to fix it.

Neil Ball: Is goal-setting important to you?

Steven Sashen: I could not give a shit.

Neil Ball: Ok

Steven Sashen: So, let me say it differently,

Neil Ball: You must have some aspirations in your business, you must think to yourself, surely you want to grow it or do something with it?

Steven Sashen: Oh, I have aspirations, I have things that I am trying to accomplish, I don't do goal setting, I don't think there is any magic to thinking about... I mean that's frankly the biggest part of my job is I am the visionary guy seeing what's possible for the future and communicating that to everyone that I speak with is one of the biggest parts of my job. But I don't believe in the mythological, kind of fairy-tale version of goal setting, where if you write it down its more special. I don't do things where here is the goal and then I back things up, and then try and figure out individual steps that get there. That again, not just the way that my brain works. And more importantly, our business is growing and evolving so quickly, that if I wrote

down this particular goal, the odds of it being as top of mind and relevant as it is, tomorrow as it is today, is pretty close to zero. So, I cannot do things that rigidly because of how in flux our business is.

Neil Ball: Hmm, but at the same time...

Steven Sashen: I met a guy yesterday, totally by accident, who could be one of the most important people in our business, well that

just possibly because of what he possibly could bring in, it changes everything that I have been thinking about from this moment forward. So, I just do not get very attached to the goal thing. It's nice, but again my vision is really simple, we are trying to change the world, we are trying to make natural movement the obvious better choice, the way natural food is. There is no reason why our company could not be a billion-dollar company in five to ten years, depending on who comes on board, between now and then to help make that

happen. There are things that we are doing that are helpful for our communities that if we can help that community, we become a billion-dollar company overnight. But I cannot plan for those things, I cannot make those things happen, because there are so many factors that are out of my control, that we constantly have those in our sights, but we cannot commit to them, is one way of putting it.

Neil Ball: Hmmm. **But at the same time if you have got a big vision, like you have, even though you might not know how you are sort of going to get there, it's giving you something to aim for isn't it? Everything you are doing is sort of focused on that thing.**

Steven Sashen: Well what it's really doing is causing an unnecessary amount of stress, because I am living in a space between what I have envisioned where I am in reality, which is literally... the equation for becoming stressful, is imagine

"I met a guy yesterday, totally by accident, who could be one of the most important people in our business, well that just possibly because of what he possibly could bring in, it changes everything that I have been thinking about from this moment forward. So, I just do not get very attached to the goal thing"

something that you do not have. That you think you would want and compare it to where you really are. So, it's like a fuzzy vision, that but I am more attentive to what's happening now.

Here is a thing about my wife and I, so she again is the organisational planning person. So, she wants to make sure that when we place an order, for \$5 million dollars' worth of shoes, we have \$5 million

dollars in the bank right now. I know that money is not going to be due, for four months and so I don't care, I have faith it will show up. Ha ha. I am relatively... you know, we will figure it out. And so, I don't tell her, don't worry about it, it will show up, because then she wants to punch me, and when she tells me, 'you know it's not there', I just listen to and see what I can do to be helpful. But I also know that between here and these imagined futures, there are again so many things that could change or happen or go wrong or go right, that I

keep them loosely tethered to an imaginary space out there.

Neil Ball: One of the challenges that many people have when they start a business and actually keep the business running is funding it, and you talked about funding \$5 million dollars' worth of shoes for example.

Steven Sashen: Sorry am I miming shooting myself in the head right now? Is that's what's happening?

Neil Ball: We are having trouble with that translation, again aren't we? I think here... ha ha ha.

Steven Sashen: Ha wait, so hold on, you say this phrase having trouble with funding, you say this as if anyone has not had trouble with funding?

Neil Ball: Of course, it's a challenge for everybody. Of course, it is, it's a challenge for everybody. **So how have you got from that idea at the beginning to where you are now in terms of funding your business?** Because obviously...

Steven Sashen: Once again, minding me shoot myself in the head?

Neil Ball: Ha ha ha

Steven Sashen: So, it is an ongoing, never-ending, process and problem especially for our company like ours that has been growing very fast, since day one. And growing, when I say fast, I mean we have had a bunch of 100 per cent years, or 80 plus per cent years, but we started at zero, so I mean I can say publicly, in 2018 or is it 2019, right now? In 2018 we did just shy of \$9 million sales, in part because we ran out of inventory and so to get to, roughly \$9 million sales and the 8 years prior to that, that that's kind of what we did. And we originally financed it on cash flow, literally I bought \$50 dollars' worth of stuff, sold it for a hundred dollars, bought \$100 dollars' worth of stuff, sold it for \$200 dollars. I mean that's kind of how it began, and then when we decided to treat this seriously, we had to buy more stuff faster, rather than just waiting, so we did that on credit cards. I had a lot of zero percent credit cards that I balanced this around on.

And then we got really, really lucky and at a 70-year old friends or friends' 70th birthday party, as we are walking out the door, he says, 'hey what's going on?' and we say 'oh we are trying to raise some money to help grow the company.' He says,

'oh you need to talk to my neighbour who happens to be standing right there, who is managing a large family fund, and we started talking and they were interested in what we were doing personally, but not professionally because they were investing in real estate back cashflow businesses. But then said casually 'but you know then we take about 10% of our money and invest in some high fliers that just you know, we like.' And I said, 'oh so you are a Nassim Taleb investor?' and he said, 'how do you know who Nassim Taleb is?' and Nassim wrote The Black Swan and 'Fooled by Randomness' and that's one of his strategies is take 85% of your money or 90 or whatever it is, and put it in something really, really stable and secure and take the other whatever and just go for it. And so, because I understood that world, that started a conversation, that turned in to a big thing where they decided, 'we are a high flier' and they gave us I think a \$100,000 dollar line of credit. When that's grown to a \$1.5 million dollar line of credit over the years.

And then after that, Lena is just continually looking for ways that we can get money, we did an equity crowd-funding raise, so we sold equity to the public directly. We were the first company to figure out how to do that without a registered broker dealer, mostly because we saw the people who were actually helping people do crowd-funding where in our perspective, stealing money from people. They were not providing a lot of service, but charging a lot of money for it. And so, we thought, how hard could this be? and we did it on our own and the answer is, really hard. But we did it on our own and taught other people how to do that, and we somehow finiggled our way in to getting \$2.3 million-dollar loan from J P Morgan Chase.

This is just an ongoing constant thing and the answer is, we are always looking to see whatever we can find, wherever we can find it. We are negotiating with our vendors about payment terms, we are negotiating with our suppliers about payment terms. To this day every now and then pull out some zero-balance card that I happen to have on my personal account that we assigned to the business. Because we could not get a business credit

card for a while. Again, it's a never-ending really frustrating... it's the most frustrating aspect of business. Even with the business with the track record we have banks lend on history, and we need a plan based on the future. And that's a never-ending challenge.

Neil Ball: Have you had any mentors that have helped you on your journey?

Steven Sashen: The people that we have met and who are working with us in the business, so Dennis Driscoll our product designer has a lot of experience in the industry, and so not only is he our chief product officer but he is our friend and peer and colleague and parent and everything in between. And we have been again incredibly lucky that for some reason people seem to believe in what we are doing and like us, so, we have met a lot of people like Dennis that we are able to reach out to. So not any one person in particular, but just a lot of people that we have been really fortunate to find and who are willing to help. But I say that as if it's special and it's not, I mean people in general want to be helpful. I know if someone calls me, one of the things I spend too much time on, is someone will call me and I will spend an hour talking to them about their running form. Because I find it really interesting and I want to be helpful. People want to help when they really get a chance and happily, we have found some wonderful people who have been willing to do that.

Neil Ball: Yeh. And how have mentors helped you, is there any specific example you have got that you could give us? to tell us about?

Steven Sashen: Well here is a crazy one, the first time we decided to make our own product and it was just rubber that we we're using for our sandals. We were introduced to a factory in Korea to do it, and the companies that particular make rubber outsoles for footwear, they do not really care about the quality that much because it's just going to get glued to the bottom of the shoe, and there is all these other layers that its part of. So, they don't really care if the left and the right weigh the same amount or if they are exactly the same thickness and if the top surface looks good because it's going to get glued to the bottom surface of something else.

Well that was our whole product, so the left needed to weigh the same as the right. The bigger ones needed to have more material and be heavier than the smaller ones. The top surface mattered because that's what people were putting their foot on. And we got stuff back and it was all wrong. And what was really helpful is one of the first people we reached out to about what to do, they said 'it happens to everybody, always no matter how established your company is. We are just sorry to hear that it happened to you on the first try.' And we said, 'what's it going to take to fix it?' And they said, 'well what did it cost you to deal with it?' and we said 'well just in customer service and returns and exchanges, it was maybe \$5,000 dollars.' They said, 'well it will cost you \$50,000 dollars to fix it.' And so, we went, 'oh ok, well A. we are not special and unique.' and 'B. we now have to understand and make decisions based on cost benefit.' And you know that was really, really helpful on day one.

Neil Ball: What do you think of the three biggest lessons that you have learnt in business?

Steven Sashen: The only thing you can control is risk, or the downside, the upside, cross your fingers could happen. Maybe it will go away, but you can be in charge of how much exposure you have, how much money you have sunk in to something. It's something I ask people again, there is people who try to sell me on some marketing thing. The line that I say, and I swear to god I say it just like this, I go, 'I just want to know how quickly or cheaply I can find out if you had your head up your ass?' And they are like, 'what?' And I say it like that in part, because I want to be provocative and see how they deal with it, but it's also true. I want to make sure that if I am trying something uncharted, I can find out as quickly and cheaply as possible if it's going to work or not or if its gonna not work most importantly.

And the other thing is, the only thing I care about is data, everyone has got a lot of opinions about what should or should not work. I don't care about what they think. I don't even care about what I think. I have a lot of opinions about what might or might not work. I could not care less what I think, I want to see the results, I want to

see the data. And that's actually... the other one is you need to really be able to pay attention to, even if you are not a numbers person, you need to understand the financials philosophically. You need to understand how cash flow works. You need to understand how to evaluate whether a marketing initiative is working or not. You need to understand the probability that you need for something to work or not.

So, as an example, back to the marketing things, I know how much my products cost. I know how much I sell them for, I know how much money I need to make, a return on investment for any advertising campaign I am doing to keep the lights on, to have enough money to pay the rent. And I do everything based on those numbers. I understand that there is certain times where I just do not have as much money to spend, because we just paid \$5 million dollars to get product in the

door, for example. I mean I have got to work around that, I know that if we are doing an ad campaign, that we will not be able to shoot video until October, we are primarily an outdoor-focused company, and in October in Colorado, it does not look like you want to be outdoors, it's kind of brown, it's not inviting. So just paying attention to the numbers as they relate to the calendar, is another way as putting that is critically important. Was that three?

Neil Ball: It sounds like three.

Steven Sashen: Alright.

Neil Ball: It was a good lot of two if it was not two, I am pretty sure it was three there.

Steven Sashen: It was at least two and a half and I am good with that.

Neil Ball: I think it was more like 2.7.

Steven Sashen: Well then that's the other lesson round-up.

Neil Ball: Ha ha ha ha. **Well you have been talking about numbers, you obviously defy numbers. Because 50% of businesses fail within the first five years. You have been going nine years...**

Steven Sashen: Is that the actual number?

Neil Ball: **Well apparently, I do not know if it's**

the actual number, some people say its higher than that, it depends what you read.

Steven Sashen: Well I am going to add a caveat.

Neil Ball: Go on.

Steven Sashen: Let's say it is 50% of businesses fail within whatever period of time it is. I will say 50% of the businesses should have never started to begin with.

Neil Ball: **Ok, why do you think it is that 50% of businesses fail in the first five years? Have you any thoughts on that?**

Steven Sashen: Because 50% of them should not have started to begin with at least. So, what I mean by that is, it's amazing when people think that just because they had a good idea, they should start a business around it.

Neil Ball: Yeh.

Steven Sashen: It's a... what you need is not even a good idea sometimes, there is some people who

“you don't have a real idea until someone you have never met gives you money out of their pocket that they were not planning on spending.”

have made great businesses copying someone else's mediocre idea, but they have a way of doing it, they have a way of marketing, they have a distribution channel, they have some way of differentiating themselves where it is not about the product. So business is a combination of a number of things that work in

this little Venn diagram. And most people are a little delusional that which one is going to drive it. So, the number of people that I talk to who think that again, a product is the answer, and their friends and family have told them it is a great idea. Or even some investor has told them it's a great idea, I say to them, 'you don't have a real idea until someone you have never met gives you money out of their pocket that they were not planning on spending.' And if you cannot demonstrate that you can do that reliably, do not start a business. I mean just find a way to prove it.

What direct marketers used to do way back when, is they would run a full-page ad in a magazine and see if they could generate sales before they made the product. It's like, 'let's prove that there is a there there.' Let's prove that people care and that they are willing to demonstrate that concern, or

that desire by doing a very difficult thing, taking money out of their pocket and giving it to me.

Neil Ball: Mmmm

Steven Sashen: And so... And conversely, people who are on the marketing side think that they are similarly the most important people in the world and they can sell anything. Which you know, sometimes has some truth to it, but that's just pure evil. Because if you are not selling something that's providing value in some way, then you know you do not have anything with a... you have no foundation. If you are not willing to pay attention to those numbers, you are screwed. So, there is just so many pieces of the puzzle, or to say it differently, there is so many, I do not understand buildings, so, I do not know the metaphor I am looking for. If you are building like a house that's built on posts, whatever that would be, whatever your foundation is ...

Neil Ball: Piles.

Steven Sashen: Ok if that's how your house, the foundation of your house, you need to make sure that they are all there to a certain extent. And most people start things without even knowing what they are, let alone knowing how to manage or find someone

who can manage all of them independently. And as the business grows, all that gets even more complicated. And the demands become very different every day, and so you have to be willing to change that as well. Those are unusual skills to have.

Sorry, and there is one other thing, then there is this crazy thing called the world outside of you that you have no control over. If you were starting a business that you are planning to start on September 10th 2001, whatever it was when the world trade centre came down. 2001, if you were starting a business that was a middle eastern tour-ist agency, you were screwed. I do not care how good your business plan was, if you were starting a business selling plastic sheeting and duck taping, you were a millionaire. And that had nothing to do with you.

Neil Ball: So clearly the product is very important

and you have got to test the product before you see if people want it. But once you have found that product, that actually works, which you have done. You must have done, you sold \$9 million dollars' worth of the product. How do you market your product? Because that's always one of the big challenges isn't it? Finding more customers to keep buying that product?

Steven Sashen: Yeh, so we could spend hours talking about that, but the simplest thing is that you find people who for whatever reason want what you have and you just get in front of them and have a conversation to make it clear that you are available. And then there is a whole bunch of things after that, about stuff to do to try and improve the results of that. But its fundamentally, all you are trying to do is help people. And if you can demonstrate that you can do that, they will be

interested. And then you want to be able to help them beyond just the initial sale, you want to help them with good customer service, you want to help them with additional products, you want to help them... but its fundamentally helping them.

And backing up to what we said about how humans are constantly

thinking 'what do I need to do to be happy?' In an ideal world you are helping them with something real, not just giving them the idea that you have a solution. There is a lot of diet books that get sold, and people do not follow through or they are not useful or whatever it is, and they will just go and buy the next one or the next one or the next one, the next one. So, if you want to make money, it's like 'hey I could write a diet book.' Yeh, that's one way to do it. But are you really helping people? There is a lot of courses that you could take on internet marketing, 90% of them never get opened. So, if you are writing a course on internet marketing. Are you really helping someone? I actually said this to an internet marketer friend of mine, I said the only thing you can do, that is really in integrity, is work as a consultant on a performance basis. Otherwise you are just selling hopes and dreams. And look, I am not saying you should

“if you can't really demonstrate a high probability of delivering success, then stop doing what you are doing”

not sell hopes and dreams... I mean I kind of am really. I find it, if you can't really demonstrate a high probability of delivering success, then stop doing what you are doing. I mean that's what I would say. I have said that to a lot of people actually. It's like, congratulations, you have made a lot of money, who gives a shit? You have not helped the world.

Neil Ball: Mmm. **So what's the biggest obstacle you have had to overcome in your journey?**

Steven Sashen: I do not know. Every day... one of my fantasies is that one day everything that was working yesterday will still be working today. It just does not happen, apparently. And so, I have a fantasy that things that were not on fire yesterday will not catch on fire for no reason overnight. It seems to happen every day. So, I again, in the same way that I leave these imagined happy futures on a very lightly held rope, I do not really think about the past in the way that it allows me to come up with an obstacle that is something that we specifically overcame.

Neil Ball: So... **But there must be some things that you have done that at some point, where you have just sort of achieved something, that's taking you to the next level and that thing has been a real breakthrough, to allow you to take it from one level to another.**

Steven Sashen: It's been much more organic than that. I mean I can say that when we developed this particular shoe, that really helped and the next one, that really helped. I mean as the product line expands, that's a real big thing. But everything else, it's so incremental that I... I mean being on Shark Tank was a huge thing, very, very helpful. Raising money from our investors was very, very helpful, but even with all that, it's really be incremental. It has not been like... we are not the kind of story where it was like we are beating our heads against the wall and then we suddenly realised there was a door over there. That's just not how our story is.

Neil Ball: **But being on shark tank, for example, you must have been able to leverage that? That must have given you a certain amount of credibility maybe. Because people look at it and go 'hi I remember that' or 'wow you have been on**

shark tank'.

Steven Sashen: No question about it, and when we were on shark tank, all we had was a do-it-yourself sandal kit. So frankly, we were not able to take advantage of it to the extent that we could have if we had the product line we have now. So, it was very helpful at that time, and continues to be helpful for that reason, people recognise us or remember us, but it was not world-changing. It was incredibly helpful, it turned up the volume. But it was not like we are going along flat and it then it just went vertical, it just sped up the or increased the angle of that curve a little bit. And then after that we had to take advantage of it, we had to make it work.

Neil Ball: **What do you think are some of the reasons for your success?**

Steven Sashen: So, I have a master's degree in film, and one of my professors was the director Miloš Forman. And somebody said to Miloš Forman once, who sadly died not too long ago, somebody said to Miloš once, 'how do you make a good movie?' And Miloš says, here is my bad Czech accent, Miloš says, 'well you know 90% of making movie is casting. And the other 10% is casting.' And I say, business its 90% luck, and the other 10% is luck. And then there is a whole other 100% totally separate. 90% of that is working your ass off, and the other 10% is hopefully being smart enough to figure out how to put out those fires that start overnight. Do you want to know the biggest thing that's led to where we are right now? The crazy, crazy completely improbably good fortune that Lena agreed to, that Lena one day leaned over and kissed me. If it were not for the fact that the two of us were doing this, there is no way this would have happened.

Neil Ball: **So, you think that's your secret to success then? The fact that Lena kissed you?**

Steven Sashen: Yeh marry my wife, that's the secret to success. If you can marry my wife, you are set. Yeh, I am serious man, she is whizz-bang smart, I like that. My mother has Dementia and Alzheimer's, and when she still remembers slightly who I was, she did not know my name or could not recognise me. But she would spontaneously say, 'you know Lena is the best thing that ever

happened to Steven.' It's like, well you got that one right. And I do not have that, if it were not for her I would not be something. It's not that, if we were not together, it's both of us. And I feel mind-blowingly grateful for the fact that we are together. But yeh, if it were not for that, I mean undeniably, there is no way I could have ever hired someone to do what she does, and vice-versa.

Neil Ball: What's the most important question I should have asked you? But I have not asked you yet?

Steven Sashen: Where can I send the cheque?

Neil Ball: Ha ha ha. We did not agree to that.

Steven Sashen: Well that's why it's such an important question. Ha remember that thing about making money?

Neil Ball: Ha ha ha. I did not realise that's how you did it Steven?

Steven Sashen: Whatever it takes. You know that's actually, it's an interesting thing, it's been fun watching Lena get out in the public eye more lately. Because she is more introverted than I am. But part of what's been helpful for us is just getting out there and being visible and being present and just always looking for whatever opportunity might present itself; you never know and again, my wife will sometimes say that I waste my time and do things that have a low probability of success. Maybe. So, let's see, what's a good question? I don't know.

But what popped in to my mind when you said it is, you know think about what our goals are, what we think is going to take us to whatever that next level is. We are at a point where we have proven the concept, we know that this works. I got an email just before this, from a guy who is a professional golfer, he is on the tour. He said 'I am wearing your shoes, which are not golf shoes.' He said, 'I am wearing your shoes and they are incredibly effective for golf. How can I help?'

And what we are looking for now, we are trying to do two things, we are trying to build this grass roots experience of the fun and benefits of natural movement, by having people try it and experience it. And we are also looking for people to do this top down thing, of finding highly leveraged people, who can help tell that story as well. So,

we are building something with a real foundation, but also gets you know, a nice ignition from the top. And it's not really a question you could have asked. Other than 'what are your goals?' Maybe that's it, and so this is what we are trying to do now, we are trying to, we are building something legitimate, we are building something organic, we are not paying people thousands or millions of dollars to tell our story who have no connection to what we do. And we are building a real thing, we are creating... I like to say if you want to be part of the tribe, please subscribe.

So that's the fundamental thing, we are always looking for is the highly leveraged people who have influence, and the leverage of having a lot of people who have had this experience. This is the thing that we are doing now, and hopefully that's going to... it hits a certain critical mass where what we are doing stops being the unusual thing and starts being the obvious thing, and that's what we are trying to make happen.

Neil Ball: So those are sneezers and ambassadors? I think they are called sneezers, the people who are influencers who get lots of people to do things. And the people who are happy with your product who go and tell everyone else, they are the ambassadors?

Steven Sashen: Well and the ambassadors in our experience, is anyone who puts on our shoes. So, you do not have to be special to be an ambassador, if you wear something because you like it, you are an ambassador. If you are willing to be stopped on the street when someone says, 'what are those?' you know you are an ambassador. If you tell one person, you are an ambassador. Because when enough of that happens, those little sparks create a big fire and then there is people who are on top who have gasoline, who have gone 'let me help with that'.

Neil Ball: **Yeh so what tips can you give to people to help them reach their full potential? What are you thinking?**

Steven Sashen: Get a government job with a pension. Honestly, I have no answer for that. Again, that question comes from the idea that there is some path, if anything I said was useful, you probably misunderstood me. I have no idea honestly,

this is, it's like, the only thought that is required for entrepreneurialism, is this one, yeh maybe. That's it, it's like maybe it will work, maybe it won't, I don't know. But being willing to just kind of... and for whatever reason, for whatever screwed up psychological reason you are the kind of person who is going to go 'yeh alright' go for it. I mean that's it, all you can do.

There is the Lao Tzu line 'a journey of 1000 miles begins with a single step' I think that's misinterpreted in part, because in Chinese they do not have tenses the way that we do. My version of that is a 'journey of a thousand miles is a single step.' You take a step, you kind of look around, see what's going on, and then based on the information you have, you take another step and each one is just independent and in many ways disconnected from the next and certainly from the one that's going to be the following step. The biggest way to go crazy is to plan ten steps ahead and think that you need to stick to them. After the first step turns out to be totally not working.

So, I guess if I am giving actual 'advice' it's just be willing to find out you are wrong. This is an interesting thing, someone, there is a very successful investor, who's name I will not mention because he is a very polarising figure for no good reason, just because people like that polarising figure so they used him, because he was so successful. He said that, 'what made him such a successful investor, is that as soon as he placed a bet on something, he started looking for the evidence that he was wrong. Most people look for the evidence to prove they are right. He started looking to make, to see if he could find enough evidence to prove that he was an idiot. And if so, get out. And that's an unusual kind of person to be, and there is times when we... where there is something that's stressing us out, I do not know the answer to the following question, I do not know if I have the money to do this, I do not know whatever it is. And often its more stressful to live in the unknown, than it is to find out the answer to your

damn question. Even if you find out that you are wrong and you need to change everything. And so, I cannot give anyone advice on how to become the kind of person who can do that. That's just who you are, or it comes from enough practise of doing it and finding out that its more stressful to live in the unknown that it is to find out the truth. I cannot make you do that but eventually you might discover that. And even after you discover it, you might find one that's like a 'oh I don't want to find out I am that wrong, that would be just humiliating, horrible, embarrassing and everything'. So, but it's an ongoing process. So once again, I have no idea what your question was but I hope I answered it.

*“if I am giving actual
'advice' it's just be
willing to find out you
are wrong.”*

Neil Ball: It was a great answer

to the question that you did not know what it was. So, just taking that a step further then, if you cannot talk about someone reaching their full potential, what about if somebody wanted to start a ...

Steven Sashen: Wait, I got a pause there. I don't even know what full potential is.

Neil Ball: I don't know either but I thought you might.

Steven Sashen: Ha ha ha. This is important, this is important, because people say shit like that, as if it means something, I am not trying to imply that's what you are doing but people use these phrases that have no meaning, like for all I know my full potential is getting hit by a bus in 30 seconds, because someone is going to learn something from my getting hit by a bus that will change the world. So, I do not care, I do not have a... I don't care what I become or accomplish, its none of my business, it's out of my control, my life is not mine to live, in a way. And so, I have no interest in that question, because I do not have a frame of reference for what my full potential is. Totally uninteresting to me, it's like when people say things like, 'well you have to have confidence' I go, 'what the hell does that mean?' They go 'what do you mean? what does it mean to have confidence? What you don't have negative thoughts?' Every-

body has negative thoughts. Why don't you get over the idea that you should not have negative thoughts? Well I need to get rid of them. 'No, no, no, you just need to stop thinking that there is a problem because you have negative thoughts'. 'So, I need to accept them?' 'No, you don't need to accept them, you just need to realise that every human being in the world always has these things that you call negative thoughts. I don't even know what negative means, and once you realise that it's just a normal function of being human, maybe you won't care so much. The next time one of these thoughts comes up, because most of these thoughts are 'I do not know how to do something'. Right. Ha ha. You know early on actually, Lena said, she was very upset, she goes, 'I feel like I do not know what I am doing'. Well of course you do not, no one has ever done what we are doing. Our only job is to figure out what we need to learn to take the next step. We will never know if we are right or not until we take it and then we will take a look. And then that was the end of it for her, she was like, 'oh ok I did not need to know. Alright, I can work with that.' Now we often feel like we are in way over our heads, ok. That's just a feeling that people have, that a lot of people have, all the time. Who cares? So, this is just proof that you are human. Congratulations, you have got another chance to take the next step. But try to get rid of this stuff, try to... but using these words, we need to break them down, we cannot use these shorthand terms like confidence or full-potential or whatever, because they just set you up for misery. And if you break them down, you discover that you do not need that. You do not need to become some different thing, you do not need some magic special path, you are going to do it the way you do it, if you are really lucky it's going to work. And if you are not really lucky, hopefully you could be happy along

"I am just not interested in trying to predict the future or try and tell anybody else what's going to make them happy, I have my own kind of arrogance. But the arrogance that I know what's better for anybody else, I don't have. And I am not even sure I have it for myself."

the way, at the same time. I mean for all I know, the best thing that could happen for me, is this whole thing falls apart and I have to go on the beach and fish for my food. It could be great, what do I know? I am just not interested in trying to predict the future or try and tell anybody else what's going to make them happy, I have my own kind of arrogance. But the arrogance that I know what's better for anybody else, I don't have. And I am not even sure I have it for myself.

Neil Ball: Ok, what advice would you give to someone who is starting a business then? Ha ha ha.

Steven Sashen: Ha ha. Oh my god I love that you did that, right go ahead,

Neil Ball: yeh what advice would you give to someone who is starting a business or thinking about it?

Steven Sashen: Which part of get a government job or the pension do you think I

was kidding about? Because look seriously, if I, I am at the age where I know people who are retiring from their government jobs and pensions. It's awesome, I mean you know, one of my friends, she is literally one of my sprinting training partners, she literally does not know how to spend all of her money every month. And so, she works for whatever it was and she is set. I am really serious when I say it, entrepreneurialism is not for the faint of heart, but more importantly I do not really think that you are making a deliberate choice to do it. It for whatever reason at that time, you are wired to do that thing and so you take that step. If you are hemming and hawing... Look if my saying get a government job with a pension makes you think, 'maybe I should get a government job with a pension?' get a government job with a pension, man.

Don't risk everything. Play with house money, do not risk your whole life for something that's iffy. For everyone who says, I risked it all, and it worked, there are a lot of people who risked it all and are now greeters at Walmart. So, and if my

saying 'get a government job with a pension' does not change you. I mean if you are a real 'entrepreneur' I could say that to you and I guarantee it will not affect you and you are still going to try and do that stupid thing that you are going to try and do. And I say that stupid thing kind of glibly, only because most of the ideas that most people have are really kind of stupid. And if we are lucky, we get a good one. And if we are lucky, it's not even the idea that's a good one, we learn something from the stupid idea, that allows us to move forward. Again, this life thing, is way more complex and out of our control than we would like to believe that it is. But once you get kind of hip to that, it gets a little fun.

Neil Ball: So, do you think you would take your own medicine?

Steven Sashen: That's all I would do.

Neil Ball: And get the government job.

Steven Sashen: Oh man, if I could, at 57 it's too late. Here is the thing, if I could have talked to my 20-year old self and given this advice, it would have been brilliant advice for me to take. It would have been awesome. I guarantee I could have found a government job that would have been really satisfying. And had a good pension, but it would have been a herculean task to get that 21-year old version of me to actually do it.

Neil Ball: Mmm you would have to conform.

Steven Sashen: Not necessarily, I know people who have gotten government jobs with pensions who are wack jobs, I mean they are crazy-assed people doing whatever the hell they want, getting paid really well. But they just have a different idea about risk tolerance or whatever it is. And this is the fundamental thing, is people who do what Lena and I are doing, do not view at risky. This is just what we do. And my fantasy is... my best employee is someone who tried it before and went bankrupt a couple of times and now does not have the risk tolerance but still wants to do it. You know that's a great gig, that's a perfect person for us to work with. So, I am not in a position to take that advice now, were I 21 I do not know that I could have. Just again, because of the way this particular brain works. You would have had to have to walked me in to the perfect situation where I

could have seen that I could have had as much fun doing whatever it was that I wanted and still get paid and still get those benefit. Was that the word? Benefits and vacations. It could have been good.

Neil Ball: So, do you have any final thoughts for us that you want to share with us Steven?

Steven Sashen: Ah what's the square root of purple? Just popped in to my head. The best thing that I can say, is good luck. I mean really, I just, this is going to sound somewhat paradoxical, because it is. On the one hand, I just hope for the best for people and I would like them to get what they want and like them to find out what, and like them to be happy. And simultaneously, I do not even think that that's necessarily the best for them let alone everybody else on the planet. Maybe it takes just that one person being just being utterly, utterly miserable and beating their head against the wall and dying penniless, to change the world. Oh my god, I mean it just occurred to me, think of the number of artists that we know of, who died penniless. It breaks my heart, thinking of what they must have been going through if they thought they should not have been penniless. But were it not for all of those things, we would not have the masterpieces they created, we would have been just devoid of all of this beauty that we now get to experience. And so again, I do not have the arrogance to know what's best for me or for another or for the planet as a whole. And simultaneously, I just hope that people can be happy and find what they need to do that.

Neil Ball: Ok, thank you for that Steven. **Where can people buy your shoes?**

Steven Sashen: Oh my, well obviously if you go to xero shoes, xeroshoes.com you can find us there and the easiest thing to do from there if that's not going to work for you is, go there and look at our... on the upper right-hand corner of our website is the store locator, and we are up there, new stores coming online every week, all around the world and if we do not have someone near you now, check back in a couple of weeks or a couple of months. This is, we are doing this now in October of 19, I know that in the Spring of 2020 there

are a whole lot of new stores that are coming online, that are waiting for new products for the beginning of the year.

Neil Ball: Thank you for that Steven and Steven thank you for a fantastic interview, I really appreciate you providing this great information, and I

know that our readers are really going to find it beneficial, so thank you for coming on, and folks just go and check out xero shoes at xero-shoes.com and thank you.

Steven Sashen: Thank you.



MEET STEVEN SASHEN

Steven Sashen is a serial entrepreneur who has never had a job, a former professional stand up comic and award-winning screenwriter, and a competitive sprinter -- one of the fastest men over 55 in the country (maybe the fastest 55+ Jew in the world!). He and his wife, Lena Phoenix, co-founded the footwear company Xero Shoes, creating "a MOVEMENT movement" which has helped hundreds of thousands of people Live Life Feet First with happy, healthy, strong feet in addictively comfortable footwear. Steven and Lena also appeared on Shark Tank, where they turned down a \$400,000 offer from Kevin O'Leary.

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