Interviews

*Note: Of the seven entrepreneurs that I interviewed, only one was willing to have their name placed on our website, so in the interest of keeping things simple, I have kept all entrepreneurs anonymous. Therefore, the individuals have fictitious names though with their real business outline.*

The seven interviews covered a range of industries and business types. As all entrepreneurs were well known to the interviewer, the answers they gave were remarkably candid, and even sometimes painful for the entrepreneur.

Two of the entrepreneurs had created true businesses; that is, the businesses were created to be more than just the entrepreneur and had a goal of creating value in the business itself.

Entrepreneur #1: Software Company in Toronto, Canada – Entrepreneur, Manager

One entrepreneur has created a software company in Toronto, Canada, aimed at a niche in the retail world. This business began in 2007 and has the ultimate goal of being sold to a larger software company. The goal was always to create a ‘real’ business that would have a strong presence and be a competitive force to current retail software companies. The entrepreneur who began the company was not a technician; that is, she did not write the code to create the software, but she created a company that from the beginning had a business focus including product development, marketing and sales. Her husband is the technician, creating a true partnership and allowing for all skills to be present between the two people. The entrepreneur had located an opportunity to innovate with software in the retail marketplace based on her work experience, and she created the company to take advantage of the opportunity.

However, the blind spot was the effect that the macro economy had on the business. As the business began in 2007, the economy began declining into the recession that we are now in. As the software could be classified as ‘nice to have’ versus ‘need to have’, the marketplace was not as interested as she and her investors had predicted. Interestingly, the cost benefit analysis on the product consistently shows quite large benefits from the product, including strong financial benefits, but still, the product has not shown strong in the marketplace. The entrepreneur has a strong vision, and is a strong manager as well, but the product has yet to find a following in the marketplace.

Entrepreneur #2: Workers compensation business in Florida – Entrepreneur, Technician

The second entrepreneur with a business goal is in the workers compensation business in Florida. This business was doing very well in the mid-2000’s. Construction was booming in Florida creating large payrolls and therefore high workers compensation payments. Insurance companies were paying high commissions to independent workers comp businesses and the state was charging high rates – all good! The business had a unique model that provided extra service to its customers beyond the norm. They had 7 staff and a healthy profit. However, the economic downturn took a huge toll on the business. Construction companies were going out of business overnight, the state cut workers compensation premiums, and the insurance companies cut their commissions. A trifecta of bad news. This entrepreneur had considered the word ‘budget’ a four-letter word during the good times and he had no interest in being a financial leader or developing a financial discipline.

This may be due to his business beginning on his abilities as a salesperson. That is, even though he always wanted to create a business that was more than himself, he began his business with his technician capabilities. Salespeople as business leaders tend to believe that everything can be solved by creating more revenue, and can cringe at the thought of managing costs. With hindsight being 20/20, this entrepreneur now realizes that he had an opportunity to create wealth for himself and in his business. Due to the poor economy, he now has only 1 employee besides himself, and the business is struggling. As he should be now heading towards retirement, the missed opportunity of creating wealth is all the more distressing.

The next interviewees are unique entrepreneurs for the space they occupy and their view on their businesses. They are technicians and have not grown their businesses beyond themselves, but they also have strong management and organizational skills which they have used to avoid issues. Neither of them began their businesses blindly, but instead researched the environment, prepared and then began.

Entrepreneur #3: Caterer in Ontario, Canada – Technican, Manager

Sue is a serial entrepreneur, now close to 70 years old, with specific goals for each of her businesses. Her business goals have been to support her lifestyle (early on as a single mother with two children, later as a wife to a retiree) either as a sole source of revenue or to provide additional revenue outside of her employed position.

For example, she used her first business, her catering business, to supplant her wages when her children were small. For the most part, she could do the work at home which allowed her to be with her children. Her friends were her first customers, as they were looking for a cheap solution for catering, and knew her to be a good cook. Sue could provide the food at a cheaper cost, and if delivery was required, she could count on her other friends to help her out! As her business grew, she included marketing skills and product skills to create demand for her tasty and consistent products. On the whole, looking back, Sue feels that her business supported her goals very well. She ended the business as her daughters grew older and needed more time from Sue.

All of Sue’s future entrepreneurial activities were also focused with a keen eye on her lifestyle desires and her ability to make money. Throughout, she has no regrets regarding any of her business ventures, and is now in the research phase for her next adventure. Her management skills allow her to be well prepared before she begins her businesses, as she researches all requirements (resources, time, money, regulations) before so there are few if any surprises once she begins.

Entrepreneur #4: Horseback riding Instructor in various locations, US– Technician, Manager

Liz is a unique combination of an expressive personality with a strong attention to detail. As a wife of a career military man, she is keenly aware of her temporary status in any one location. Therefore, her decision to begin her horseback riding business must happen after she surveys the current environment and determines the potential duration of her stay in the area.

Before she began her first business as a riding instructor, Liz researched what knowledge and skills she would require in order to have the credibility and the expertise required to gather students. Even though she had ridden extensively as a child, she took on a 6-month internship in order to learn from the best how to ride and how to teach riding. Even now, she still studies and learns continuously – a true technician. Her goal was and still is to continue in this line of business, though the consistent starting up of her business after each move is a true challenge! Her management skills allow her to stay on top of her industry and provide excellent services to her clients.

The next three entrepreneurs are true technicians; they are good at their job and that’s solely what they want to do. The interesting aspect is their individual responses to ‘what they wish they knew that they know how’ question; all answered that the technician business is a tough one!

Entrepreneur #5: Independent Contractor, Illinios – Technician

Cindy is an expert at course development and design, and also has a strong background in the financial business world. As such, she was able to get repeated contracts with Turner Construction, a multi-billion dollar international construction business. These contracts were and still are to assist in course development for specific Turner internal courses. Over the past 4 years, Cindy has worked for multiple divisions within Turner, and a few other companies either known to her or known to Turner. She began her business as a way of making money and keeping her hand in the workforce after she had her children. However, her wish is that she had known how difficult it would be to have to market, sell and deliver at the same time, as well as keep up her technician skills. In Cindy’s world, the technology changes rapidly, and she hasn’t had time to keep up. And being a true technician, Cindy has always worked in her business, without time to work on her business. Thus, her lack of vision for a ‘real’ business created an environment where she worked from contract to contract, not allowing her to grow or create a business beyond her capacity to deliver.

Entrepreneur #5 – Photographer, Florida – Technician

Jane’s business began as a hobby, but quickly spread to an actual business by word of mouth. She has continued selling that way, with no formal portfolio, website or business cards. While this may seem to limit her ability to grow her business, her goal has always been to keep herself solvent and busy, which she has achieved. However, her lack of management skills has created issues as she is quite reluctant to do the necessary paperwork required of any business, even including billing! Due to the lack of formality, she frequently over-produces and under-bills, creating some issues for herself. She seems to accept this as part of her personality, and at this point is quite unwilling to even hire part-time assistance in this area.

Entrepreneur #7: Riding Stable Owner, North Carolina – Technician with some management

The riding stable has been around for 13 years and has a strong base of support. Riding stable clients tend to fall into two main categories; girls or women, with the main difference being who is supporting the riding, either parents or the person themselves. With children, as they grow older, they tend to leave to go to university, get married, or just generally move into their twenties. The riding stable owner, Stacey, is a true technician. She is the expert and provides care for all horses on the property and lessons to all students. Stacey loves her work, but now that she is in her 40’s the physical wear and tear on her body is beginning to take its toll. Even though she has working students to do the mucking out of the stalls, she is riding, teaching and dealing with any issues, and with horses, they tend to require physical responses. While in some aspects she has included management skills in her stable with part-time employees and processes, she has to do all of the expert work.

Conclusion:

All seven entrepreneurs can be seen as operating micro businesses; that is, businesses with less than 10 employees. However, the types, goals and outcomes of the businesses are all unique.

While this survey was small, it seems that the entrepreneurs all valued or wished they had management skills; the skills to manage customers, resources and improve their business. In the cases of entrepreneurs where management skills were lacking, it either limited the growth of their business or caused issues; in some cases, severe issues. Where management skills were found, the entrepreneurs were able to look into the future and at least predict and plan for what could happen. Macro-economic forces and life may have changed direction for the manager/entrepreneur, but they were able to adapt. Without management skills, the entrepreneurs were either busy delivering or fighting ‘fires’, and in some cases, they had to do both at the same time!

Entrepreneurial attributes, or the drive to grow the business, did not seem to affect how the entrepreneur viewed their business. Many of the entrepreneurs interviewed had no desire to grow their business into something large, but instead aimed to provide for themselves and perhaps a few others. Even with this mindset, they were able to create a successful company. While Michael Gerber may argue that this type of business cannot succeed or keep the entrepreneur happy, there are some business owners who would counter his argument. The desire to grow is not found in all entrepreneurs.

Of the seven entrepreneurs interviewed, only one did not have technician skills; however, her husband was an expert technician in their business. Thus, even though it wasn’t directly the entrepreneur interviewed, it could be stated that all ‘founders’ had technical skills. This seems to be significant for starting entrepreneurs to know, understand and be able to manage the business via understanding the key skills and work processes. While entrepreneurs may strive to work ‘on’ the business and not ‘in’ the business, it does seem important that the entrepreneur have an understanding of the core requirements.