



p-TIPS

A bit of both (Lucky or smart?)

An Internet multimillionaire at 26, Bo Peabody went on to co-found six companies in six different fields which are thriving today. When asked the question, "Were you lucky or were you smart?" Peabody replies that he was "smart enough to realize that he was getting lucky." In *Lucky or Smart? Secrets to an Entrepreneurial Life* (Random House, 2005), he passes along some advice relevant to all entrepreneurs.

- 1) Entrepreneurs are B-students; managers are A-students. B-student entrepreneurs need A-student managers so that the entrepreneurs can concentrate on developing the concept and creating a market for their product or service.
- 2) Great is the enemy of good. Start-ups can always be improved on. As long as yours is fundamentally innovative, morally compelling, and philosophically positive, simple survival will ensure success and attract talented employees. Get your idea going now and let perfection follow.
- 3) Start-ups attract sociopaths. Normal people will join normal companies. Entrepreneurs need to hire passionate, driven specialists who are attracted by the moral compulsion and innovativeness of a new enterprise.
- 4) Practice blind faith. New businesses are fragile. When one experiences setbacks, the entrepreneur must believe and convince others that it is worth saving.
- 5) Learn to love the word "no." People don't like to hear, or say, no. Remember that the sayer is more vulnerable in that moment, though. Instead of accepting rejection, start selling your business concept anew.
- 6) Prepare to be powerless. You need investors and customers much more than they initially need you. An investor doesn't return calls? Keep trying. A potential customer offers a strange excuse for canceling a meeting? Set up another one and get busy on something else in the meantime.
- 7) The best defense is a gracious offense. It's a small world, and social graces matter. Never offend anyone personally no matter how tough negotiations get. Even if the outcome is unfavorable to you, leave the table knowing that the other side likes you.
- 8) Know what you don't know. Then remedy that situation. Don't be afraid to admit that you need help figuring something out, which is far better than misleading your investors, employees, or clients.