If Your Company Sucks, Make Changes

I came across a good book recently called “Your Company Sucks: It’s Time to Declare War on Yourself”. It is written by Mark Stevens the CEO of a MSCO, a marketing firm in Rye Brook, N.Y. The topic and the content are great and I wanted to find out a little about the author and his company. They describe themselves as a “business-driven, entrepreneurial-minded marketing and business advisory firm relentlessly driven to accelerate the growth of our clients”. How’s that for a sentence that captures what they do? I like it.

So here are some business thoughts for today’s SCORE column that Steven’s book can provide for the small business owner. We’ve all heard statistics that range from 50 to 90 percent of startup businesses fail. Well, to borrow a business term from the Christmas Carole, bah humbug! Yes, these numbers are grim, but if every excited entrepreneur subscribed to such Uncle Scrooge-like fear, we’d be a country void of innovation and new opportunities. So I want to first say to those business dreamers, go after the American dream, motivate yourself to be the next Steve Jobs and forget all those naysaying stats. But, before you do, listen to sound counsel from those who have traveled that road. Why is it that some young companies thrive while others fizzle? Here are a few experience-based reasons.

1. **Inadequate Funding:** Starting a company is, by nature, a risky thing to do, and as Mark Stevens says, entrepreneurs need to prepare themselves to navigate murky waters. He says, “Everyone wants to be the next Mark Zuckerberg, but do you have the guts to be an entrepreneur? When you decide to create a paycheck as opposed to collect a paycheck and it doesn’t take off like you hoped it would, people get crazy with fear.”

   So how can you gage if you’ve got the guts? Stevens suggests thinking about your funding sources. Will you need to borrow money, use credit cards or ask for handouts from family and friends? How comfortable are you with asking for cash? Also, consider your current obligations. Is your family relying on you for health insurance? What will you do if that insurance isn’t guaranteed?

2. **Misreading the market:** One of the first things I look for when mentoring a SCORE client is their market research to get an idea of how realistic they have been with themselves as they plan the new business. Your family and friends tell you they’d be your first customers when you launch your company, but what about the rest of the world? Will they like what you offer?

   “Not understanding your customers is a very common mistake,” says Stephan Adams, general partner at Valencia Ventures, an Oakland, Calif.-based emerging fund focused on minority entrepreneurs. “What you want to buy may not be the same as what other people want to buy. You really need to research and understand your market before launching.”

3. **Lack of leadership:** The phrase ‘too many cooks spoil the soup’ is especially applicable to the startup environment. According to Stevens, every company needs one leader, someone who takes quick and decisive action.

   “It only takes two people to make a bureaucracy,” says Stevens. “When you go into business with a friend or family member, it becomes an instant committee. One person should be the 100 percent
owner.”

4. **Failing to market:** Small business owners can’t expect customers to come to them; they need to solicit day in and day out. Stevens says it's important to think of yourself not just as a business owner but as the “salesperson and marketer-in-chief.” The most successful businesses are led by people who never stop marketing.

“Our primary job as an entrepreneur is to tell 10 new people about your business every day,” he says. “Don’t expect them to find you. Don’t let your company be a well-kept secret. Announce it to the world.

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