
ChangeAbility
The Newsletter of KoenigCoaching
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Welcome!

You are reading the first edition of ChangeAbility, a newsletter published by Business Coach Urs Koenig MBA, PhD.

ChangeAbility brings you actionable, hands-on tips and cool resources for starting or building your business on a bimonthly basis.

In each newsletter, you will also find threads of my passion for endurance sports. I will provide you with business lessons learned from the world of competitive sports.

I would love to hear from you. Each email will be responded to. However, PLEASE DO NOT REPLY to this newsletter. Send any questions and feedback to: urs@koenigcoaching.com.

Want a friend or colleague to read ChangeAbility? Please forward this issue with a brief personal note. Thanks for your support!

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IN THIS ISSUE:

- I Feature Article: The Top 5 Things to Ask Yourself Before Starting Your Own Show.
 - II Athlete's Corner: How to Peak
 - III Resources
 - IV Upcoming Event
-

I Feature Article: The Top 5 Things to Ask Yourself Before Starting Your Own Show

1. Are you made to go out on your own?

This is a crucial question that every potential new business owner must ask him or herself and be brutally honest about it. Read the following questions and answer them as truthfully as you can.

- Can you deal with no external structure and still get things done?
- Can you deal with isolation and no external accountability?
- Can you handle rejection and quickly move on?
- Are you willing to ask for help?
- Is it difficult to intimidate you?
- Are you willing to fail to learn?
- Do you love constant change and lots of ambiguity?
- Are you good at planning ahead?

These questions are by no means exhaustive. If you answered some of them with 'Yes' you have the paradoxical qualities many successful entrepreneurs possess.

Answering any of them with 'No' does by no means mean that you shouldn't give it a shot. However, it might mean pairing up with a business partner who has complementary skills, setting up systems and structures to take care of your weaker points. And, of course there is always the option of self-improvement.

Check out a quick self-assessment for wannabe entrepreneurs published by my fellow business coach and friend Robert Gerrish:
<http://www.flyingsolo.com.au/freeagentquiz/default.htm>

2. Do you have the support you need?

Starting your own business is an emotional roller coaster for most people and it is easy to get overwhelmed once the initial euphoria is over.

Many small business owners periodically find themselves in situations in which they are spinning their wheels while not much progress is achieved. Tasks such as trying to get the broken fax to work, struggling with software glitches and balancing the books can easily fill your days. Virtually every business owner I have met knows these days.

The tough times require emotional and physical stamina and a really strong support network of friends, family, and colleagues - people who

know what you are facing and are capable of being extremely supportive for when the going gets tough!

If you feel you lack that network, start building it now: Join local entrepreneurial networking groups, check organizations in your field and network through your friends to meet people who have been successful in what you want to achieve.

3. Do you have the financial reserve?

Most small business owners are overly optimistic with their revenue forecasts and consequently most small businesses are under-funded.

It is very stressful and draining to promote your business and network effectively while worrying about how to pay your rent. In order to avoid this, a good rule of thumb is to make sure you have at least 1/3 more funds than you think you need. For example if you think you need \$6,000 for the quarter, secure \$8,000 in funds so you have some wiggle room.

It is also a reality that being desperate makes you unattractive as a potential business partner. It is a harsh truth that people want to do business with the winners and not those who are strapped for cash.

4. Do you have a realistic transition plan?

How long do you think it will take your business to support your desired standard of living? OK, then multiply that by 1.5 as we business owners are by nature overly optimistic. For example, if you think it will take your business two years to pay you that six figure salary, think three years.

So what does that mean? You must have either the financial funds to take the risk of an extended period with little income or a smart transition plan in place. Instead of making the leap of faith right now, you might consider a gradual transition from employment into your own business.

How about giving yourself a year still in employment - maybe on a part time basis - to test your business idea? This takes the pressure off financially and allows you to check out if running your own show is really for you. Remember that great business ideas have often failed because the owners were not ready (either financially or emotionally). A smart and seemingly boring transition plan can enable you to pull it off!

5. Have you done your research?

Writing a business plan: now that is turning a lot of people off!

However, it's been proven over and over again: research into your target market, the competition and your own strengths and weaknesses are absolutely crucial for your success. Make sure you get it down on paper. You will be surprised how much becomes clear (and how many new and important questions open up) by simply writing out your plan.

Are you considering testing your market with a small pilot product or prototype? Great! There is no more powerful market research than actually observing if and how people will buy once you roll your product out. Be sure to keep your test small and within a clearly defined scope.

We can learn from the biggies here: Seattle's very own Starbucks has been considering diversifying its offering by serving hot meals. How did they go about finding out if hot food would fly with customers? They rolled it out on a small scale and researched the response!

Starbucks identified a few key stores in the Seattle area (one of them in Madison Park, the neighborhood I first lived in when I moved to Seattle) and started serving hot food. The response Starbucks got from customers was apparently. Stick to what you do best: Serve coffee but we don't want your hot food!

A few months ago, the company decided to stop serving those hot meals and stick to Lattes, Americanos et al.. Starbucks undertook the best market research possible: Let people vote with their wallet.

For your own start up: What are some of the ways you can test your product on a small scale before you plan the big roll out?

II The Athlete's Corner: How to Peak

My sister Vroni just reached a peak in her athletic career. Two weeks ago she won the European Championships in Orienteering. She finished this season ranked number two in the world!

Have you ever wondered how top athletes like her achieve peak performance on day X?

Periodization plays an important role. A typical and drastically simplified year for an endurance athlete looks like this:

- Period I: 6 months of base work (long, slow hours with perhaps a bloc of raw strength at the beginning)
- Period II: 2 months of peaking (shorter, faster training, less hours more intensity)
- Period III: 3 months of competition (competing and recovering)
- Period IV: 1 month of rest (play alternative sports or nothing at all)

Within each period, there are lots of small 'mini cycles' of hard training and recovery.

There are two lessons here:

- In order to achieve progress, you need to stimulate yourself in different ways. Simply doing the same old thing year in and year out does not do the trick. When preparing for your next busy peak business season consider periodic planning like an athlete. This might look like this:
 - Build a 'Solid Base' with staff training, product development and market research;
 - 'Peak' with fine tuning your offering and an aggressive marketing campaign;
 - Spending long and hard hours on the road selling your product ('Compete'); and
 - Allow yourself and your staff time off after the peak season ('Rest').
- You can only perform at a peak level during relatively short periods of time. No athlete can be at peak all year, so instead they plan down time. The same holds true for business owners. Not taking time off puts us at the risk of burn out. If you are burned out, you can't think creatively, you lose focus and worst of all you don't enjoy work. So think twice if you think you can not afford time off from your business!

PS If you want to learn more about my sister Vroni's success, click:
<http://www.suunnistus.net/konigsalmi/>

III Resources 4 You

www.bizmove.com is probably one of the most comprehensive sites for small business owners and people who are thinking of starting a business. From finance advice over marketing to self development it's all there. This is a great site to start your research if you are considering going it alone.

www.stealtheseideas.com Each week this site publishes a new start-up concept which has worked elsewhere and is stealable (ie can be reproduced). You can get inspiration to come up with your own idea, learn from methodologies which have worked for other entrepreneurs or simply adapt a great concept!

IV Upcoming Event

For our Seattle subscribers:

In early December I will be talking at the Australian New Zealand American Society of Seattle (ANZAS). The speech is entitled 'Business Lesson from the Ultracycling World'. Check out the article I have written on this subject

http://www.citysportsnw.com/story.cfm?story_id=3626&departmentid=20&publica

If you are interested in attending please shoot me an email (urs@koenigcoaching.com) so I can inform you once the whereabouts are finalized.

+++++LET ME KNOW WHAT YOU THINK+++++

Send questions and feedback to urs@koenigcoaching.com. I would love to hear from you.

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