



Actions Make the Difference

- 7 actions for creative business development

As entrepreneurs we are often encouraged to “work smarter, not harder.” Yet, we also know that we need to do both. We need to make wise decisions, and we must perform a lot of tasks before our business will be successful.

So how can we make an action plan that will help us do the right things first?

When we want to start a company from scratch or make it grow, there are - literally - thousands of large and small tasks to perform before our vision can be realized. Less experienced entrepreneurs often think that the most important prerequisite for business success is to have a *great idea*. More experienced entrepreneurs know that the most important thing is not who has the great idea, but who is capable of carrying it out. It is the ability to act that makes the difference, and therefore one of the most important challenges is to identify the problems that need solving - and to choose which to tackle first, so we can get moving.

Emotional barriers to action

However, sometimes there is something holding us back - emotional barriers that prevent us from getting on with the tasks and setting the necessary actions in motion. In worst case, these emotional barriers prevent us from even getting started, or experienced entrepreneurs that already run a business, fail to realize its full potential.

There can be many reasons for this. It may be that they simply lack the inspiration to get started, or that they lack sufficient self-confidence to go ahead, because they just do not know how to perform the tasks. It may also be sheer

helplessness when faced with the sheer *magnitude* of work to do.

While this situation renders some entrepreneurs totally passive, others concentrate on writing a much too long business plan. Writing a business plan can seem like the only way to get an overview of what needs to be done - and if you

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have been through further education, you have been trained to write long reports and therefore feel at home doing it. However, the danger of writing a business plan is that you forget to *act*, you forget to initiate the projects or the actions that can get the business off the ground. Writing a business plan is most often a very analytical approach to starting a business.

There is, however, an alternative to the business plan – a creative approach to business development that is about creating business through action.

Seven Action Steps: Planning the next activities for designing or re-designing the business



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the meaning of actively seeking ideation.

Step 2: Research that provides knowledge

If we have already found the right idea – or have too many ideas – it is not ideation we need, but knowledge. Therefore, for many entrepreneurs, the way to create a strong business is to *research* how best to do something and how others have done this. For the vast majority of industries and products, it is possible to find out what other entrepreneurs have done and thus make our lives easier. Above all, research involves spending a lot of hours browsing on the Internet. Never before has it been so easy for us as entrepreneurs to collect information, look at competitors and find the right contacts. When we understand the importance of using this technology, we can both improve the business and avoid making a lot of unnecessary errors.

However, the Internet is not the only research tool available. Some businesses need to do *technical studies* or make *observations of consumers* to gain insight into the best way to design products or services; others may carry out *customer interviews* with potential customers that can identify customer needs, preferences, purchasing patterns, budgets etc.

Just a few hours of research increases our understanding of the field and strengthens our confidence in relation to choosing the right course of action.

Seven Action Steps - a creative business development process

One way of getting an overview of what needs to be done is to divide the actions into manageable categories. This is done in the model “Seven Steps for Creative Business Development” which shows different types of action that we can immediately get started with to take our business to a new level. The Seven Steps model illustrates actions that most successful entrepreneurs have taken at some point in their business development.

Step 1: Inspiration for ideation

The first example of what entrepreneurs do when they start a business or generate growth in an already existing business, is *seeking ideation*. Seeking ideation is important both in the beginning, when developing a business concept, and subsequently, when an idea has to be further developed and improved.

Seeking ideation can be an active brainstorming session internally or with others, resulting in the most possible branches on a mind-map or post-it notes on a poster. We can also be inspired by books, magazines or online media, where we can learn how others got to find new ways of thinking. Finally, seeking ideation can also involve finding time and space to reflect on ideas. The right ideas can occur any time, be it in the shower, on the train, at a cafe or in the woods.

If we are in doubt as to how to lift the company to the next level, this step is always a good place to start. After a few minutes we will probably get fresh ideas for actions that we may be keen to get started with immediately and this is

Step 3: Decision-making that leads to action

For entrepreneurs who have already done the work of collecting ideas, knowledge and information from the market, the next step in a creative business development is to use the new insights to *make decisions*. Only when strategic decisions have been made, can the business move forward with implementing the tasks.

When we have to make decisions, we must, above all, be clear as to which topics for decision we have on our mental agenda or on the agenda to be sent out to the Board of Directors, or the Board of Advisors. These can be decisions about anything from the company’s new name, to the composition of the product range or the choice of marketing approaches. Decision-making can involve an analytical process in which we assess *alternative options* in more detail, make *financial calculations* or run a more in-depth *analysis of the risks* associated with a particular decision.

If we feel that the company is not developing, it may well be that the lack of decision-making is the problem. In this

case, an agenda of what is unclear can be a good tool to clarify the next steps. If, despite all analysis, we are still not ready to take an important decision, perhaps we should instead look at the 4th step in the creative business development: to spar with others.

Step 4: Sparring that provides improvements

Sparring with others about ideas can often be a shortcut to action. Instead of spending hours and days on research, it is quicker and easier to get in touch with someone who knows the answer. This shortcut to knowledge is especially relevant when it is not possible to qualify or improve the idea through research.

Sparring thus involves *making contact with experts or key informants* who have the necessary knowledge or know someone who has. We can also spar with our peers, for example other entrepreneurs who know the situation our business is in now.

Many entrepreneurs who have enjoyed success, often attribute this to having a *mentor at an early stage* – an experienced and insightful person who without charge is ready to help with daily decisions. Others acted quickly to establish an advisory board – or a coffee club – and assembled a group of different people who regularly meet and talk about the business.

If you have taken up the challenge of starting a business in an industry where you have no experience or have created an entirely new product, sparring from the competitive environment is a good place to focus your efforts to improve your business' vision.

Step 5: Testing that gives realism

Instead of spending time on research, analysis and sparring, some entrepreneurs choose to “just do it.” They get an idea and then put it in motion, not because they expect that the outcome will prove the right thing to do, but because they believe that testing (trial and error) is really the most creative way to develop the idea and the business.

Trying out our ideas in the real world involves various measures, depending on what type of company we have. For manufacturing companies the task is to develop a *prototype* in the form of a test version of the product or a model that can show customers the form and functionality. For companies selling knowledge a test might be to implement a *pilot project* where the customer is informed that he is a test dummy for the product. Other possibilities for trying out the business idea are to make *test deliveries* or carry out a *consumer test*, where a number of people are observed while using the product or asked to fill out a questionnaire

Testing in the real world may be the best way to get creative input to develop the business concept further, and testing can sometimes be much more effective than extensive research.

Step 6: Documentation that gives conviction

Instead of testing an idea in the market, some entrepreneurs choose to make a written explanation of their idea. Documentation can be based on ideation, research, decisions, sparring and testing, but it can also be the first step in the thought process as a creative way to clarify ideas. The documentation of the business idea may be in the form of a traditional business plan that is written for potential investors or banks, but it makes more sense for the company's development to spend time on producing documentation for its customers. With documentation we become more convincing – to customers, partners, investors etc.

Creating documentation involves putting different types of information about the company and products in writing. For customers, this can be product specifications or technical documentation that can provide the customer with facts about what the company delivers. Documentation may also comprise formulating texts to be used in different forms of communication with customers, including the company's website, brochures or project descriptions.

If we need to convince others about the quality of our business vision, products and services, we can produce this documentation and consider whether the documentation

“To do creative business development you have to do it all, do it in the right order and do it well.”

can be improved by first performing any other of the five preceding steps for creative business development.

Step 7: Presentations that sell

An old proverb states that “you should not sell the skin until you have shot the bear.” Nevertheless, this is something that entrepreneurs often do, and they get away with it. It happens when an entrepreneur arranges meetings with clients before the idea is fully developed, or before he is ready to deliver – something that is easily done, as long as the customer realizes that “the bear will not be shot” until the orders for skin have been placed.

When we make a presentation to a potential customer, we can choose to begin by developing a *graphic identity*. This involves everything from designing the logo and business cards to the preparation of templates for product sheets and other sales materials, and – for the most professional – to select the type of artwork and photoshop styles to support the company's image.

If we are in a situation where the business idea cannot be launched before we know whether customers will buy, it makes sense to start by making a sales presentation – a presentation that is so good that customers cannot say no to placing an order, even though the product has not yet been developed or produced.

STEP	APPROACH TO BUSINESS DESIGN	EXAMPLES OF ACTS	PITFALLS
IDEATION	You sit down to develop your idea further. The best way to find the right idea is to have as many different ideas as possible.	<ul style="list-style-type: none"> • Use brainstorming • Locate sources of inspiration • Reflect on ideas • Use idea generation tools 	You spend too much time reflecting. You have more ideas than you can foresee putting into practice.
RESEARCH	You feel that you first and foremost need more information before your idea is fully developed and before you can say the best path for success.	<ul style="list-style-type: none"> • Run Internet Searches • Complete customer interviews • Make technical investigations • Make observations of users 	You spend too much time researching and let your decisions be dependent on surroundings rather than by defining your own way.
DECISION-MAKING	You estimate that you have the information and ideas and that your main challenge now is to make assessments and take the right decisions.	<ul style="list-style-type: none"> • List Decision Themes • Provide options • Perform calculations • Prepare risk analysis 	You spend too much time making thorough analysis, which nevertheless does not give answers to what is the right thing to do.
SPARRING	You choose to start by getting someone to spar with to review your preliminary ideas, because it is the quickest and best way to improve and qualify them.	<ul style="list-style-type: none"> • Get feedback from peers • Find experts and key people • Find a mentor • Establish an advisory board 	You spend too much time and energy to listening to what others say instead of following your own intuition.
TESTING	You decide that your initial efforts should be to try your idea in a real situation because it is the best way to find out whether it will work.	<ul style="list-style-type: none"> • Build a prototype • Implement a pilot project • Create a test delivery • Complete a user testing 	You will get feedback and exposure to the market too quickly, before you have developed, researched and analyzed ideas properly.
DOCUMENTATION	You think it is necessary to create a thorough documentation of your idea before you can show it to customers or consultants, because it will make it more convincing.	<ul style="list-style-type: none"> • Textual communication • Create a product sheet with specifications • Prepare technical documentation • Present written references, facts and figures 	You spend too much time writing documents on what to do instead of doing it.
PRESENTATION	You believe that the best way to qualify your idea is to create a sales presentation of the idea even before you are able to deliver and before you have planned every detail.	<ul style="list-style-type: none"> • Design graphic identity • Prepare presentation materials • Use illustrations and photos • Arrange client meetings 	You are presenting your idea and your product early and lose the chance to make it a better presentation when you are better prepared.

Choose your own order and priorities

The Seven Steps of Creative Business Development are presented here in random order – that means that there is no recipe for what we must begin, continue and end with. It is up to us to prioritize tasks according to our temperament and intuition. It is not even necessary to complete all seven stages of the business development process. However the

Seven Steps help with inspiration in areas we have not considered and to create a support structure for our creativity. We often become most creative when we use a framework that lets us explore our ideas within a structure.

Seven Pitfalls

While the seven steps can inspire us to develop important actions that move our businesses forward, they also contain

dangerous pitfalls. Instead of resulting in creative businesses, they can result in a complete standstill. This happens when instead of taking action at different stages, we immerse ourselves too much in one area:

If we focus too much on *inspiration*, we may be left with more ideas than we can put into practice. Similarly, we can drown in *research*, if we try to get certainty about everything. Excessive focus on taking many quick *decisions* can be a problem if we end up taking bad decisions due to lack of complete information. We can even get too much *sparring*, we can undermine our own intuition and confidence if we listen too much to what others say. If we listen too much to our own intuition and start *testing* our ideas before they have been thoroughly developed, we might end up losing credibility with the customers. By attempting to be persuasive by having thorough *documentation*, we may end up spending too much time writing about the idea,

instead of performing it. Finally, we can focus too much on making a good presentation, and forget to develop a good product and thus appear untrustworthy.

The point of this list of pitfalls is that to do creative business development we have to do everything, do it in the right order and do it well. It is not difficult to do this, we know this because many other entrepreneurs have done it and succeeded.

Suggestions for the next step

- Assess what type of action you need to start up next.
- Create a series of lists of activities you will implement in each of the seven steps.
- Go ahead. Action beats planning any time.

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