



Entrepreneurship is not a job title—it is a state of mind.

♦ AKHIL SHAHANI, THE SHAHANI GROUP AND ASCENT FOUNDATION

ENTREPRENEURSHIP

More than just big ideas

When you become an entrepreneur, it is more than just about that big idea of yours or being the boss of your own company. It is akin to managing your career where you are an employee working for your own self. It is inevitable that every entrepreneur will face some kind of hardship and failure during this journey. So viewing it as an evolving career will help you cope better. Entrepreneurship is neither a science nor an art. It is a practice.

Successful entrepreneurs are often painted as superhumans in terms of decision making and leadership. But even the best entrepreneurs have seen their fair share of failures before they eventually go on to succeed. They are also like any ordinary person in terms of their fears and faults.

One must keep in mind that there is no magic quality that separates entrepreneurs from regular business people. Every business is unique and so is its strategy; what works for one company could be wrong for another. Entrepreneurs have

to grow the muscle to not be afraid of failure and develop skills to recover from it. These lessons and skills have to be acquired from failures on a continuous basis.

While it is tempting to attribute success to hard work, skill, and personality, the element of luck plays a big role. Great timing, unplanned good fortune, and unexpected shifts in policy or consumer behaviour can bring about either opportunities or misfortunes. When demonetisation happened and Indians were forced to adopt digital payments, Paytm was at the right place, at the right time, to take full advantage of this to expand its reach dramatically.

Being realistic about goals and targets improve the likelihood of success for smart entrepreneurs. Having achievable, smaller goals boosts confidence and lays the ground for sustainable long-term results, whereas unrealistic goals bring greater and unnecessary risk of failure.

“Entrepreneurship is about creating a change, not just companies,” remarked Facebook CEO Mark Zuckerberg. It is true that entrepreneurs are driven by passion, and money is not everything. Not all businesses are launched to just make money. There are several other motivations, including personal challenges and giving back to

It is a myth that one must spend big money to build a big business. Some of the largest companies started small and frugal. Giants like Google and eBay were born in garages.

the community. Entrepreneurs should dig deep into their intrinsic motivations before starting a business as it helps them find purpose during tough times.

Fear is a constant companion for all entrepreneurs. Worries about cash flows, debt, profitability, people, and competition can sometimes paralyse one with inaction, but fear, if handled wisely, can push one to greater achievements. Successful entrepreneurs constantly focus on sharpening their judgement and facing their fears with greater confidence.

Successful entrepreneurs are risk managers, not risk takers. In this fast-changing, digital-first world, it is important to understand the risks involved—be it becoming obsolete, or losing talent, or changing customer preferences. A slew of fintech companies were built around digital KYC, whereby they could authenticate Aadhaar remotely, but the moment the legislation stopped it, all these business models collapsed. While it is difficult to always predict, an entrepreneur must

avoid business downfalls and carefully select and manage risks dynamically.

It is a myth that one must spend big money to build a big business. Some of the largest companies started small and frugal. Giants like Google and eBay were born in garages. Modest beginnings cushion fledgling businesses against early financial losses. The need to save money also sparks creativity and builds resilience in any budding entrepreneur. Smart entrepreneurs tap others for capital and borrow conservatively (avoiding the lure of easy money with potentially disastrous consequences).

Any business offering (whether a product or a service) evolves from time to time with changing customer preferences. These 'pivots' are a necessary part of growth, and the ability and readiness to implement them is oftentimes more crucial than the original idea itself. Uber and Ola in India initially started with limited payment options, thereby restricting potential customers. But over time, they opened other channels of payments, including wallets and cash, thereby increasing customer reach and acceptability.

While we touched upon the hard, quantifiable qualities of being a successful entrepreneur, it is equally important to understand the human side



© Shutterstock.com

as well—both the qualities and the biases that make them successful. Entrepreneurs are often viewed as the daredevils of the business world. Entrepreneurship comes with its fair share of popularity and coverage in the media but that is just one side of the story. Here, success is seen as the highest high and failure as the lowest low, yet

Almost all successful entrepreneurs are also good leaders. They have the ability to attract people to a place where they want to follow and not feel like they are forced to follow.

a vast majority of startups fail. Entrepreneurs face constant stress and anxiety. Maladies like obesity and depression, and even divorce are common fallouts of entrepreneurship.

Nearly 95 per cent of startups fail and, by any objective measure, an entrepreneur is far likelier to end up as broke and disappointed. That is why passion matters. Building and growing a company is an exhausting endeavour that demands deep commitment, sustained risk taking, and long hours. If we start a venture we are not passionate about, we will lose the ability to enjoy and risk losing ourselves in the long grind ahead. Entrepreneurs need to nurture themselves and create personal support systems to help recover from the demands and pressures of running a business.

Entrepreneurs should seek constant feedback from customers, associates, and friends as they can sometimes become blind to the flaws in their business models and strategies. Grit, dedication, and even stubbornness are very important, but being too enamoured can prevent one from making timely changes.

Myths and legends abound that successful businesses are created solely by individuals, but successful entrepreneurs realise the true value of collaborations. Entrepreneurs typically have co-founders and business partners in their ventures. These complement individual skills and talent or provide access to greater markets. They can help reduce risk, provide a steady supply of



encouragement, additional network, connections, talent, and even capital.

Almost all successful entrepreneurs are also good leaders. They have the ability to attract people to a place where they want to follow and not feel like they are forced to follow. It is not transactional, it is a relationship. They have the ability to see the big picture and dig up opportunities to make life better for someone. They construct hypotheses around these and continually test their assumptions—sometimes they succeed but oftentimes they fail.

Self-awareness is a critical ingredient for success—entrepreneurs must know who they are, and what they need. They have to be people-oriented, else their business will die without a good team to back them up. It is hard work coupled with dogged persistence in not giving up on their idea. In the face of challenges, they have come up with innovative ways of overcoming them.

Successful entrepreneurs adapt to changing economic conditions, embrace technological advances, and never let go of the customer's pulse. Entrepreneurs seize opportunities when others do not and forge new directions that others have not. ■



ABOUT THE AUTHOR

Akhil Shahani is founder, The Shahani Group, and Member of Ascent Foundation.