

Entrepreneurs and million dollar ideas

Many people have million dollar ideas. Not many people turn their ideas into an opportunity and reap the rewards.

What is it successful entrepreneurs do that makes them different from people who simply have ideas?

Firstly, successful entrepreneurs think differently.

While there is no single personality test for entrepreneurs, the characteristics of people who successfully turn ideas into opportunities are distinctive – and can be learned.

Commitment and determination are probably the most important characteristics because with these characteristics entrepreneurs can overcome incredible obstacles; they also compensate enormously for any weaknesses. Courage is another common characteristic. Successful entrepreneurs have the moral strength to know right from wrong, and the will and commitment to act accordingly. They are also fearless experimenters who lack fear of failing at the experiment, and lack fear of conflicts that may arise.

As leaders, successful entrepreneurs are self-starters with high standards, but they are typically not

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perfectionists. Perfection would stop them moving forward. They are team builders and hero-makers who inspire others and treat them as they would like to be treated. They are happy to share wealth with those who help create it, knowing they cannot work alone.

Successful entrepreneurs are also opportunity obsessed. That is, they are obsessed with the opportunity first – and the rewards second.

It's not the material reward they seek. It's the buzz they get from sensing, serving and satisfying customers' needs.

A high tolerance for risk, ambiguity and uncertainty are characteristic of entrepreneurs. However, successful entrepreneurs are calculated risk takers looking to minimise and share risk wherever possible. They are creative, self-reliant and adaptable in the face of uncertainty, and the very rapid rates of change they typically encounter. They are not afraid of failure. Rather, successful entrepreneurs view failure as a learning opportunity.

Finally, successful entrepreneurs are characteristically motivated to excel¹.

They are goal and results-oriented with a drive to achieve and grow, rather than a need for status and power. They are interpersonally supportive rather than competitive, and aware of their strengths and weaknesses. They actively build on their strengths, and seek to mitigate their weaknesses – often simply by acknowledging them and finding in others the strengths they don't have.

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*Conditions apply.

Secondly, successful entrepreneurs realise good ideas are a dime a dozen, but good opportunities are few and far between.

For a good idea to be a good opportunity there first must be a hungry market. Successful entrepreneurs invest in research to shape their idea into an opportunity. Is significant value created, or added, for customers or end-users? Is a problem solved, or a significant want or need met? Furthermore, is there sustainable value or return for themselves and other investors?

Finally, is it a 'good fit' for themselves and their team, as well as the market?

Thirdly, successful entrepreneurs create a plan that details how their idea will be brought to the market. The business plan is like a blueprint, or a flight plan for a journey, that converts the idea into an opportunity. It communicates the plan to significant stakeholders and is an invaluable aid when seeking finance. The business plan details how the business will be structured and who will be involved in the management team. It articulates the offer in the marketing strategy and how the offer will be delivered to the market in manufacturing and operating plans.

The business plan also identifies the risks, and how the risks will be mitigated; as well as the future financing needs, and cash flow requirements.

Then, successful entrepreneurs take massive action to get going as fast as possible. The key is to start making money quickly. Cash is king! Without it, even the best plan will come undone. Successful entrepreneurs are typically 'bootstrappers' – adept and ingenious in their approaches to marshalling and minimising resources. They seek to control rather than own resources such as people, space and equipment. If the resource can be provided free, or inexpensively, by friends, customers or suppliers it's a better option than buying it.

Extending accounts payable, for example, provides much needed working capital. By being creative in identifying and using other people's money and resources successful entrepreneurs spread and share risk.

Finally, successful entrepreneurs build a brains trust of the right mentors, advisors, and coaches to provide knowledge, experience and networks that can make the difference between success and failure. The brains trust is one of the successful entrepreneur's most valuable 'secret weapons'.

Do you have a great idea? Then modelling success – doing what successful entrepreneurs do – can greatly increase your chance of successfully converting your great idea into a great opportunity.



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Footnotes

1. Timmons, J.A. & S. Spinelli "New Venture Creation: Entrepreneurship for the 21st Century" McGraw Hill (2009).

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