

Make a Change – Make a Difference

One of the things about being an entrepreneur is the ability to affect change. Change the way it is done, change the way something looks, change the way everyone thinks about something, change the way we can be healed, change the way we live our lives, and more change, change, change! This is very empowering, and when you have it in your life, you feel how rewarding and motivating it can be.



In an interview in 1995, Steve Jobs discussed having the power to change things when he was at NeXT. He had success as an entrepreneur, but not the success he was getting ready to have with the iPod and iPhone development, starting around 2001. Even with the setback of being removed from Apple the first time, his passion to change and make things better was never stifled.

It is inspiring to know that everything around us is made up by others and we can go out and “poke life,” as he says, and make a dent in things. Making the mistake of believing that life is just there and that we are stuck living it as it comes is not the way to maximize one’s potential.

Check out the interview and be reminded that we have the power to change, and go out and make a difference in your own lives and the lives of others. Steve Jobs did this on a level that may seem hard to compete with, but even a small change can have a huge impact.

Steve Jobs: The Most Important Thing

What are you doing to poke life and mold it into something better?

Follow the Big Trends or the Small Ones?

I have talked to a lot of people about the big trend of mobile, the growth in this area, how it is changing the way we do business, and how if we don't want to be left behind, we need to adapt. Some of this has a longer time horizon and some of it needs to be thought about in the short-term. The point is that this is a Macro trend that is happening and one that may be less of a concern than building your small tribe of followers that make a difference to the revenue and profits of your company.



Seth Godin's blog on *Macro Trends Don't Matter so Much*, makes a point that I agree with for the more focused, short-term aspects that drive your business. He says that the Macro trends, like internet subscribers some year in the future, or the number of Spanish speakers as a percent of world population, are not the key drivers to your growth and the group you are after. We could add things like, *Who will have more in Apple's IOS or Android's platforms by 2020? What percent of the world total output will China make up in the next 20 years?*

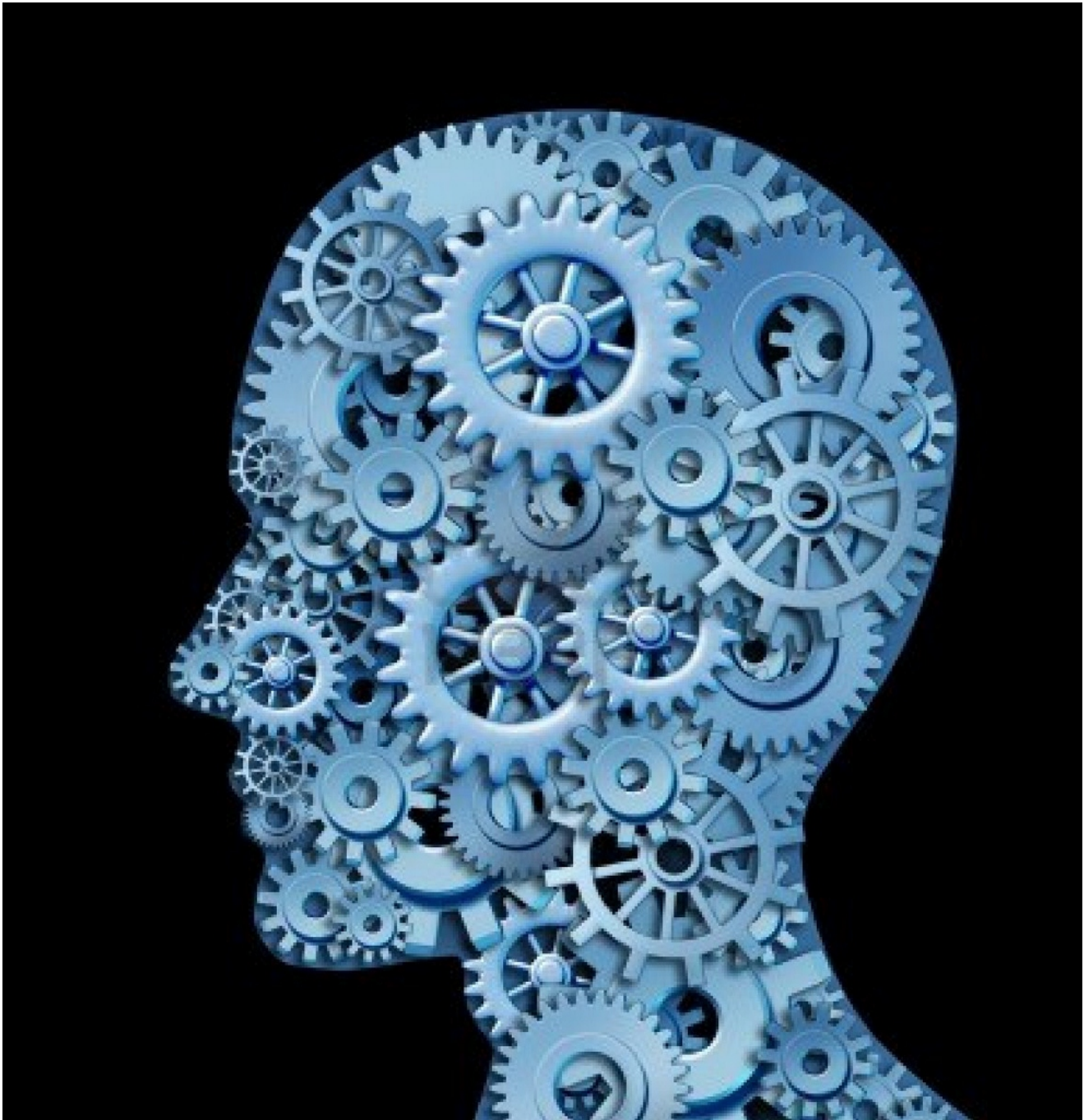
These trends are nice to watch, and some of you may want to think about it more than others. However, the key is that most companies and organizations need dozens, hundreds, or thousands to make a difference in their world. They don't need access to all Spanish speakers, to all internet subscribers, or all those on Apple's platform. What they need is the ability to spread the word among a [tribe](#) of followers that are like-minded and passionate about your unique "[purple cow](#)" offering.

This is where you want to really drill down into who your client is and what it is he wants. Robert Bloom, in his amazing book "The Inside Advantage," gives us a step-by-step process for drilling down to the true look and feel of who your client is and what is unique about what you are offering him. Knowing your customers in this way will allow the laser-like focus to zero in on your [tribe](#).

Finishing up in Seth's blog, he says that the big trends are a numbers game, and that by realizing that, you are "treating the market as an amorphous mass of interchangeable parts." You realize the micro is more important than the macro and that it is about the people – that we are individual human beings and we have names, desires, wants and interest.

What is your micro group that you are focused on?

[Adding Context to Your Decisions](#)



f times we miss the aspect of context on how we look at things. This has importance in making business decisions of all sizes and shapes. This can show up a lot with people's decisions and with how they look at their competitors and strategies.

I was reminded of this on reading Rasmus Arkersen's recent post of the power of [contextual intelligence](#). I have written about Rasmus before and his work continues to intrigue me. I first met him when he spoke at an E0 regional conference in Bangalore, India, a few years ago. I wrote a blog about his

work on [human potential](#).

This recent discussion was on how Rasmus asked people which would be better to hire – an Apple or Microsoft sales person. He experienced most people would say Apple, because of all the hype on the products and Steve Jobs. But what if it was all that hype that made it easy for the Apple guy to sell more when the level of sales was not as high as Microsoft, but was due to a much better sales ability? This is the contextual intelligence that Rasmus is talking about when he says to look deeper and below the surface to learn how the numbers are achieved.

Anthony Robbins also talks about this in his discussions around [metaprograms](#). He states that by understanding how people sort things, you can communicate better with them in the right context. According to Robbins, some people sort primarily by feelings or logical thoughts. Most of us know that, but did you know that some people can even sort by food? When their thoughts are focused around food, you may ask them directions, only for them to tell you to go down to the McDonald's and turn there. Robbins says, "If you ask them about the movies, they will talk about the concessions stand. If you ask them about the wedding, they will discuss the cake."

I also experienced this in my Investment days in what is called "survivorship bias." This occurs when you look at performance over, let's say, a group of mutual funds during an imaginable 20 years, and it looks good at an 8% return. What it doesn't factor in are the funds that performed badly and were closed down or merged out of existence. If you added this in over that time period, you may have a percent or two lower rate of all those funds.

These all are examples of looking at the full context of a situation and getting a complete understanding of why something is what it is. This is what Rasmus says is

contextual intelligence, and when all is fully factored, may help you make better decisions.

What type of decisions do you have ahead that may need a little contextual intelligence?

Keeping It Simple Is An Understatement

When we are looking at our business, it seems completely obvious we should just keep it simple. While this may seem obvious, it is much more difficult to accomplish in a complex world filled with complex processes, complex rules, complex people, and complex competitive forces. If we could be more disciplined and keep it simple in our businesses, would we have more success? Well, that is what [Ken Segall](#) says in his new book that explains how [Apple](#)'s success was based on not just simplicity, but the Insanely Simple.

In the book "[Insanely Simple: The Obsession that Drives Apple's Success](#)," Segall explains how simplicity was the connecting theme between all the great things they did with hardware, software, strategy, and other areas, thus making them the most valuable company on the planet. Segall's observations are particularly intriguing because he worked at an ad agency as creative director for companies like [IBM](#), [Intel](#), and [Dell](#) as well as with [Steve Jobs](#)' other company [NeXT](#).

I have been saying this for a while now about the things we do and the products we create, so my interest was piqued. It was very clear that we had not gone to the extremes discussed in this book. I would like to thank my friend Paul Sponcia, a fellow entrepreneur in technology, for sending me this book. He knew it would resonate with me.



Segall says, "Whether you're a person, dog, fish, or ameba, you will respond more positively to the simpler solution – even if it isn't a conscious response." Knowing, embracing, and leveraging this as a business person, especially one creating the new web and mobile apps, will achieve greater success than those that do not.

Segall gives several examples, including limiting the number of people in a meeting to the few that really need to be there. More people create more complexity. When Jobs came back to Apple, they had about 30 products, and he simplified it down to 4. The iPhone has only one button because Jobs wanted complete simplicity. He rejected many versions before he got to the one button design.

The power of simple not only made amazing products, it became a key value at Apple. I see the power of simple and understand better why the opposing force of complexity gets in the way. I will be more relentless going forward with making simplicity a mantra of what we do.

What are you doing to incorporate simplicity in your business as well as other areas of your life?

Steve Jobs And The Power Focus!

I am writing this week's blog on Friday, October 5, which has great significance for me. My partner of 20 years back in my investment days was born on this day, along with my lifelong best friend Ronald Poles. It is also one year from the day that Steve Jobs passed away. [Verne Harnish](#) reminded me of this in his [blog](#), and he shared this [video put out by Apple](#). It is a nice tribute and a great reminder of what he and Apple have done for our everyday lives.

[Steve Jobs](#) is an icon of our time. In this country, we all love the story of the underdog or a great comeback story! That is the story of Steve Jobs. The board of the company that he started himself removed him, but then they asked him to return when things went bad, and he turned Apple into the most valuable company on the planet.

I also find it interesting that a man who demanded so much from his people and was considered so difficult to work with managed to accomplish so much. [Walter Isaacson](#) discusses the details in his book about Steve Jobs. Jobs pushed his people further than they thought they could go. I remember this saying I came across many years ago: When you look back over your life, the people that you will remember the most outside of your immediate loved ones are the ones that got the most out of you.

If I think back, that is true for me. The teachers and the coaches that pushed me to do more than I thought I could do are the ones that stand out in my mind. Jobs was that type of

person. Even though I am sure many people got frustrated with him, those same people remember going to the next level because they were around someone that pushed to get the most out of them.

Steve Jobs also focused on one key priority and spent three hours a day on that issue. He considered this to be vital to moving forward and creating successful products. He also had lunch most days with [Jonathan Ive](#), his chief designer. During this time, they discussed the areas Steve thought mattered most and decided how to move forward with those ideas to create the great experiences we have today with Apple products. [Adam Lashinsky](#) outlined this in his book "[Inside Apple](#)."

That type of time takes a lot of energy to get the "[Flywheel](#)" spinning, as discussed by [Jim Collins](#). And what a Flywheel and legacy Steve has created! It still pushes out "gee-whiz" products that will have people standing in line for hours just so they can be one of the first to buy them.

I know I could definitely be more focused in my efforts. How much focus and effort are you putting on the most important areas of your company and your life?

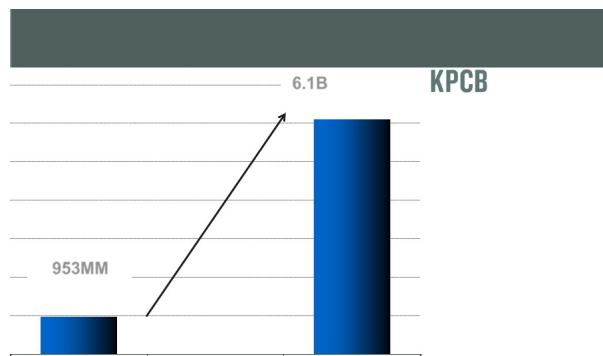
[Make the Trend Your Friend](#)

[Mary Meeker](#) recently released her [annual overview of internet trends](#), and I found it to be very insightful. You may remember that I have discussed Mary's research and opinions on this topic in some of my previous blogs. She pushed forward as a leader in this space with different investment banking firms

and is now a partner at one of the most prestigious venture capital firms, [Kleiner Perkins](#).

Meeker's overview includes more than one-hundred slides, so I have summarized some of what jumped out at me. The general theme is that internet growth is still significant and mobile adoption is still in the early stages. Many of the slides show examples of how this connected world is creating the Re-Imagination of everything.

The Smartphone has penetrated only 953 million users when compared to the 6.1 billion mobile phone subscriptions as shown on slide 11. This is a huge upside. Think about all the new businesses and people considering apps moving forward. Is your business prepared to benefit from this growth?



Next, on slide 10, compare the global penetration between the Android and iPhone shipments. [Android](#) has over 250 million compared to over 60 million with the [iPhone](#). This is a four times difference, and it makes you think about for which one you would build an app. Looking at your demographic, area, and global reach will help to determine if you choose to create an app for one or both.

Slide 18 shows India's usage of the internet on a desktop has decreased over time, and their usage of internet on mobile devices has increased over the period 12/08 to 5/12. Mobile usage has currently surpassed that of desktops, which should be considered for the monetization of sites. Most sites make more money from ads on the desktop than on mobile. This will changes things.

Mary also makes several points about how things are changing

in the world with the internet. In 2010, after 305 years, newspaper ad revenue was surpassed by internet (slide 32). The trend lines for the newspaper ad revenue were declining much faster than the internet was sloping up.

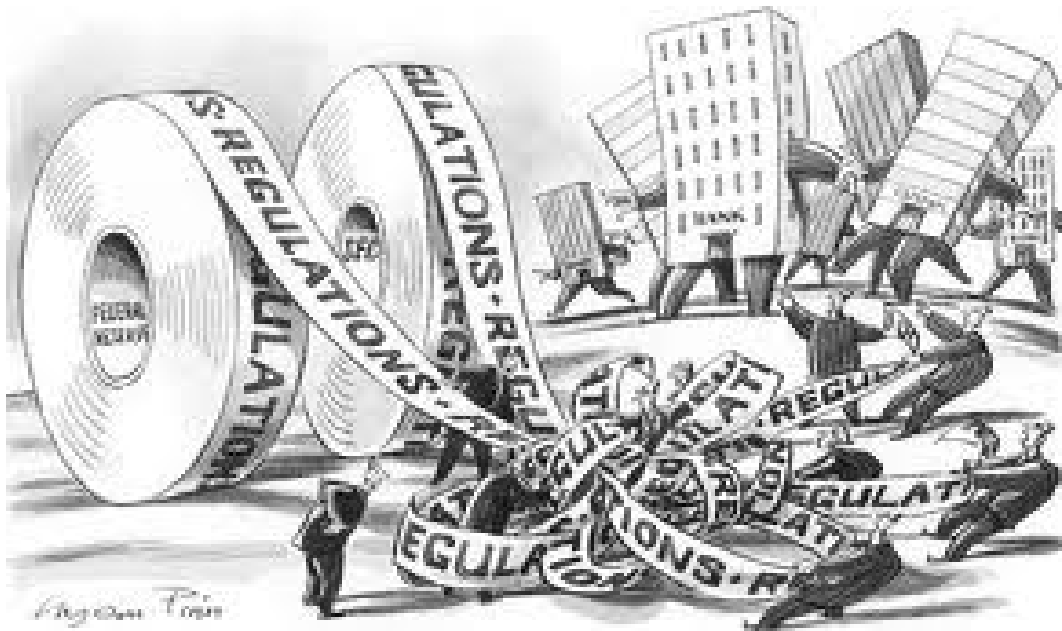
From a technology investment perspective, be careful. Look at slide 108. Out of the 1,720 IPOs over the periods 1980 and 2002, only 2% of these companies accounted for 100% of net wealth creation.

Mary states that the “Magnitude of upcoming change will be stunning. We are still in spring training.” She gives a long list of reasons in slide 85. A few key elements include nearly ubiquitous high speed wireless access in developed countries, fearless and connected entrepreneurs, and inexpensive devices and services, including apps.

How are you benefiting from these major trends taking place right before our eyes?

Creating a Jobs Economy

Our nation is struggling to create jobs. You’ve likely heard that regulations have limited businesses’ capital, making it difficult for them to hire or expand. Have you wondered what types of changes to these regulations would help this economy create more jobs? Let’s discuss a few key changes that have worked in the past to encourage companies to grow and hire more people.



Many regulations create a big problem for the economy. Which regulations and policies are stopping us from creating the jobs that we are missing? Amity Shlaes writes an interesting article in the Wall Street Journal, [Three Policies That Gave Us the Jobs Economy.](#)”

The first game changer implemented a venture capital investment increase from \$39 million in 1977 to \$570 million in 1978, an increase of 15 times! What policy changed? They cut the capital gains tax rate from 49% to 25%. In the 1960s, the rate had been raised. What happened then? As Amity says, “The mid-1970s were a dead period.” The decrease in the capital gains tax rate generated investments and growth in businesses, which actually brought in more tax revenue for the government.

The second big policy change adjusted the [ERISA law](#), which regulated pension and retirement plans. In 1974, they instituted the prudent man rule, which said that pension plans would be violating their fiduciary responsibility if they invested in risky startup companies like Apple at that time. They relaxed these regulations in the late 1970s, and as a result, more money was invested in small, younger start-up

companies that create most of the jobs, as I discussed in an earlier [blog post](#).

The third major policy change centered around intellectual property rights and clarified how ideas in universities and research departments could be sold or used for commercial benefit. Subsequently, so many great ideas surfaced after having been pushed aside on a desk or stuffed into a file cabinet simply because, until that moment, no one had the incentive to go out and reap the benefits.

The lessons here are plentiful! We need to continue to lower the cost of capital transactions and capital gains. When we take from the people with capital, we always get slow growth or dead periods, not more jobs or government revenue. Amity suggests the major regulations of today include [Dodd-Frank](#) and [Sarbanes-Oxley](#). We need to change these policies and reduce the burdens they place on businesses.

Most entrepreneurs understand this instinctively, but we need to share this data with others. Shout it out loud and clear to the policy makers because this information is vital if their real agenda is to create jobs and improve the economy and not just to maintain power.

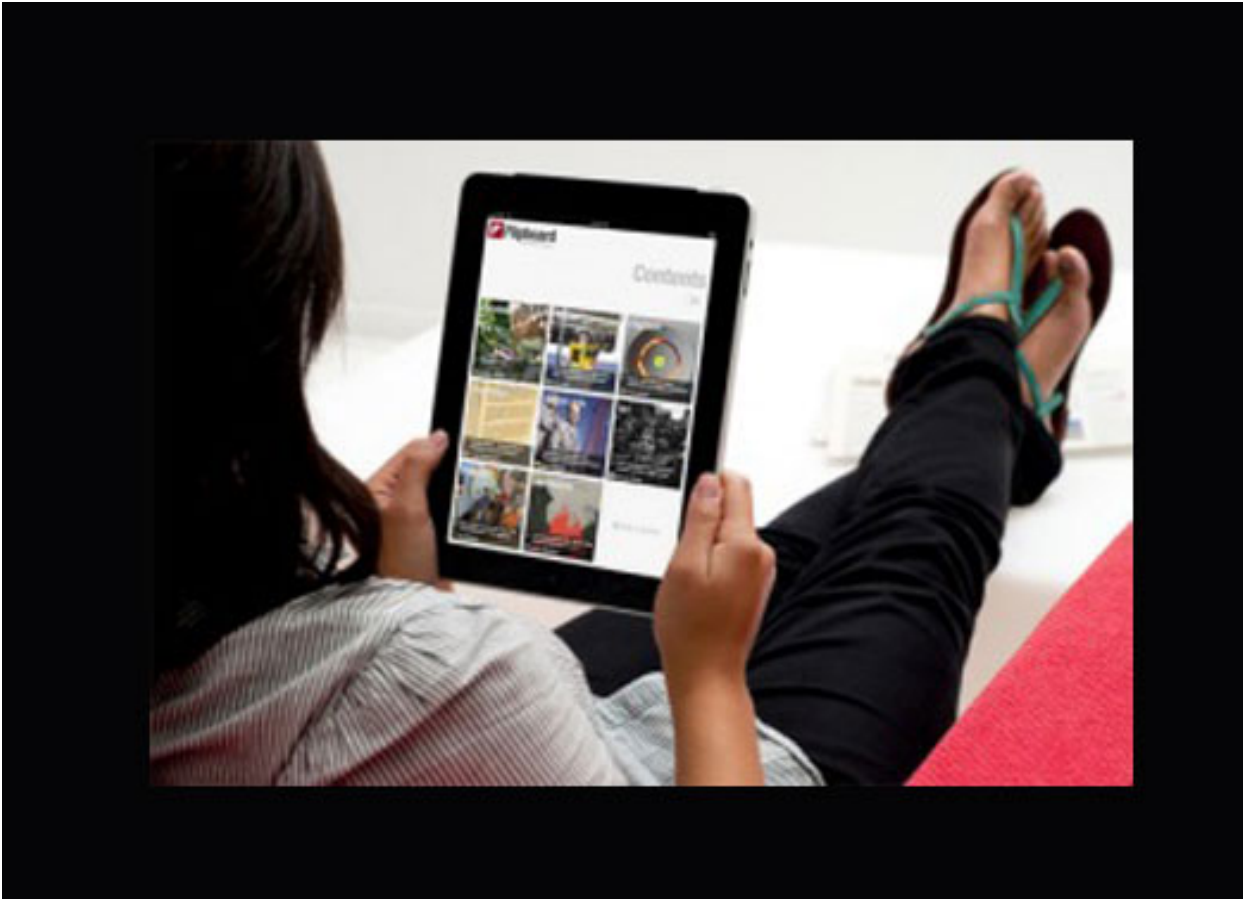
The Mobile Future is Right Before Our Eyes!

Last week, I traveled to Dallas, TX for a guys' weekend with my son Tony, his close friend Steven, and my brother Mark.

While there, we also attended the Bills vs. Cowboys football game. Having grown up in Rochester, NY, I am a Bills fan, which is often difficult to endure. That weekend was no exception. Even after a great start to the season, the Bills lost 44 to 7. Other than that, we had a great time, and the Cowboys' stadium is off the charts!

You seem to open your eyes more to what is around you when you're in a new environment, so being a bit more observant, I watched the nonstop mobile usage around me. These observations made me want to share some recent research that has been released. Based on the research and my own thoughts, mobile devices are becoming a powerful force in our lives.

As we went to restaurants, the social watering holes, the tailgate party, and even in the stadium, I noticed how many people were using their mobile devices to stay in touch, update Facebook and Twitter, and take pictures to upload or send out to everyone. Sitting in Cracker Barrel next to a table filled with the 60 plus crowd waiting on their food, I watched all of them tapping away, or reading what was on their phones. This is universal and will expand as speed increases and apps are introduced, making our lives easier as well as more resourceful and connected.



In a previous [blog](#), I discussed the research of [Mary Meeker](#), a leader in mobile technology research. She released new data at the [Web 2.0 Summit](#) recently, and it showed the continued surge of mobile usage, traffic, and e-commerce.

In the area of e-commerce, she discussed how [eBay](#)'s mobile sales have reached \$4-billion, [Paypal](#) has hit \$3-billion, [Amazon](#) has made \$2-billion, and [Square](#) is at \$1-billion. All had big increases with Square up 20,000% year over year growth! From what I observed, it is just going to continue to be off the charts!

Meeker explained that over the past year, the use of mobile search has increased four times, and the mobile app and advertising revenue combined has been growing at 153% annual compound rate since 2008. At that time, the revenue was at \$700-million, and now it has hit \$12-billion! This is amazing growth!

For internet services like [Pandora](#), [Twitter](#), and [Facebook](#), a

large portion of their traffic is from mobile devices. Actually, for Pandora and Twitter, the majority of their traffic is mobile with Pandora generating 65% of traffic and Twitter gaining 55% of traffic this way. Approximately 33% of Facebook traffic comes from mobile devices, and it is increasing dramatically.

This all means we are entering a world much different from where we have been, and it is changing fast. We will be doing so much more on our mobile devices, and this will drive how we work and play. How does this affect you and your business? Can you improve your service to allow easier access to your products and services over mobile devices?

As I contemplated these questions over the weekend, I had an idea dealing with mobile devices and connecting people that has been brewing for awhile now, but it was solidified in Dallas. What ideas do you have to connect people, share information, or simplify things? The next [Gates](#), [Jobs](#), or [Zuckerberg](#) is brewing and will show up soon. Why not you?

Opening Doors is Priority One!

Awhile back, I shared that we were working with a door-opening company called [Kopp Consulting](#). Caryn Kopp and her team assist other companies in finding new clients by having a team of former senior management professionals use Kopp's secret sauce



to get you appointments and allow you to do your thing. What an informative experience! Working with Kopp helped us design and focus our message to best tailor it to our core clients, and they helped us connect with even more clients and businesses.

How do they do it? I am not privy to all their tricks of the trade, but I know they are paid to get appointments, and they do. They know what to say to get past the screeners and to get appointments set. They helped us gain access to numerous companies that we had not been involved with before.

I just came across an article shared on [LinkedIn](#) that suggests you should have people for cultivating leads, a separate team for closing the sales, and then another group to service them. Having professionals with strengths in different areas of the sales cycle is supported in this article. To read it, click [here](#).

The main objective of any business is to connect with the people who have the problem that their business' product or service can solve. This is the life blood of any company. It keeps everyone employed, keeps bills paid, and with the right strategy and management, keeps profits flowing to expand and help even more people.

Yes your heard that right [Occupy Wall-Streeters](#). Most companies want to help others. If they didn't help their customers, people would not buy what they have to offer. Living in a free county, and I hope it stays that way, no one is forced to spend their money with a company. In fact, some companies have people so excited to spend their money there that they will stand in line for quite a while. Think [Apple](#), [Starbucks](#), and that popular restaurant that you go to when another nearby sits empty.

The goal for any businesses is to keep their customers happy, so they not only keep coming back for more but also tell others. When your company is newer, is not well known, or hasn't gone viral, firms like Kopp can be just what is needed to get you in the door.