

6 Factors to Spotting Potential

A few weeks back when we were visiting our office in India, we took a few days and flew on over to Bangalore to attend the [EO](#) India regional event called [RIE](#). The India [EO](#) events are always a great time, as they're known for bringing in fascinating speakers and holding dinner events in extraordinary places such as castles, old forts or roof top venues. This year, staying true to their reputation, they brought in [Praful Patel](#), the Minister of State for Civil Aviation, [Vijay Mallya](#), the Chairman of Kingfisher Airlines and [Rasmus Ankersen](#), a self proclaimed high performance anthropologist.

Will Your Foundation Support Your Growth?

Some really great things have been happening on our visit to our India office. In addition to hiring 2 new developers, 1 tester and a designer, we shared a lot on improving our projects and engaged our R&D team in some awesome discussion on new products. Outside of the office, we broke off into 2 teams and Chris and I enjoyed our first game of Cricket.

A few days ago we had the pleasure of visiting a very unique community called [Auroville](#). [Auroville](#) came to be in February of 1968 when some 5,000 people representing 124 nations came to India and participated in a ceremony. They each contributed soil from their homeland as a symbol of unity, that [Auroville](#) would be a place where people "of all countries

are able to live in peace and progressive harmony above all creeds, all politics and all nationalities.” The place where they joined to perform this ceremony is in the picture below...and it is one of the most amazing things I’ve seen yet.



Lunch is free, afterall...



Have you thought about the idea of “free” as a business model before? You know...give it away for free and then get paid in some other format. It’s nothing new. The concept has been around for years, but was not accepted until the [Google](#) world of today.

Everyone knows what [Jell-O](#) is, and most likely have tried it, but what most people don’t know is that when [Jell-O](#) was created back in late 1800’s, it sat in a warehouse for a few

years because no one knew exactly what to do with it. I read about this in [Chris Anderson's](#) book [Free, The Future of a Radical Price](#).

Ship Strategy...in business?



In the early 1800's, a new kind of ship was manufactured. It was a leaner, more slender ship, built for speed rather than capacity. Its sharp long prow was made out of expensive oak, and its sails spread 160 feet across. These ships were called [clipper ships](#). They ran wide open, day and night, virtually ignorant of weather conditions, arriving beaten and battered at their destination, but on time no less.

In the 1840's, still recovering from a 5 year economic depression, the US built 160 of these low capacity, more expensive ships.

Welcome to Extremistan, Land

of the Black Swan...

After the last blog post one of our project managers, Taryn, asked me “If you can’t predict a [Black Swan](#), then how do you stay away from the negative ones, and vice versa, how do you put yourself in the path of positive ones?”

To answer this question, you have to understand the two types of environments that exist in the world of the [Black Swan](#). Taleb calls them [Mediocristan and Extremistan](#), and they are defined as:

[Mediocristan](#) ...”When your sample is large, no single instance will significantly change the aggregate or the total. The largest observation will remain impressive, but eventually insignificant, to the sum.” (p.32, [The Black Swan](#))

How do you prevent a bad hire?

What is the most important duty of a CEO? [Bob Prosen](#), author of [Kiss Theory Good Bye](#), says “Hiring people smarter than I am and putting them in the right positions!!!!” I have to agree, but creating roles and filling them with people who can play to their strengths in those positions isn’t an easy task.

Last week I did a presentation to my [E0](#) chapter on my company’s hiring process, which is built around the [Topgrading](#) methodology. It’s hard to express how important this is to us, because we put so much time and effort into taking what we’ve learned from books, speakers, and even bad hires to create something that really works for us. Our process is 13 steps,

and has shown us a high success rate of getting the right people in the right places, in turn saving us money. For example, research shows that if you hire someone at 6 figures, and they turn out to be a bad hire (within what amount of time? A year? 6 months?) it can cost you as much as 1.5M in lost productivity and opportunity cost.

Do You Have Rhythm?

I don't mean this in the sense of how well you move on the dance floor. I'm talking about in your business. Do you have a rhythm within your organization that keeps everyone in sync? Do you know the importance of rhythm?

Let me start from the beginning. Rhythm is not limited to the sound of music. Rhythm is the cadence and flow applied to any kind of movement or activity. It's natural and instinctive. If you go back to childhood and think of nursery rhymes, they don't just rhyme, they are rhythmic. You don't have to think about what comes next because you already know.

This is key in the business world. Having regular, rhythmic meetings that keep your team clicking to the same pulse will allow a connect and sync to occur, thus keeping people on the same page and helping to prevent important issues from falling through the cracks.

Can we be candid here?

In my business, I have found that at the top of the list of problem areas resides communication. Working in a global

market adds in a variety of cultures making communication something that should not be taken lightly. With the world getting flatter, many of us now have customers, suppliers, partners, or team mates in other countries. For more than 5 years now my company has been working to grow our team in India and working diligently to make our processes better, as we have learned that the majority of our issues arose from communication, or lack thereof.

My US team has worked hard with our India team to create an environment of candor and better communication with every team member. In their culture, it is not easy to create a space where people feel comfortable to communicate in a way that is open, forthright and just plain candid!

So Why Read My Blog?

I was born an entrepreneurial spirit, an inherent desire to create opportunities and realize them. My journey has led me around the world, given me the opportunity to learn from some remarkable people, and experience leadership on a whole new level.

In my life I have gone from pumping gas, delivering newspapers, and making clown shoes to creating a mutual fund from scratch that helped carry my firm to \$1Billion in assets. I then created the first mutual fund in the world run solely by its shareholders. I have seen my ideas and investments flounder, and I have also seen them thrive. I have felt stupid and genius at the same time, and discovered the world of Dyslexia. I have identified the difference between my strengths and my weaknesses, and learned to use them to my advantage. I have found a world of people who share my

entrepreneurial spirit within the [Entrepreneurs Organization \(EO\)](#), and with them I have been everywhere from the Pentagon to the Playboy Mansion.

Today I run a custom software development company called [Efficiency](#), with offices in both the United States and India ([Effindi](#)). My team and I have realized success and failure, and from that have developed an effective form of execution that we call [FlockGPS](#).

I know that I did not get here alone, and I feel that my path to success is ongoing. My point is this: I got here from what I learned from other people, and it's only fair that I pass along my awareness and experiences. Our economy suffers right now. We are the only ones who can fix it. I want to succeed, and I want to see Entrepreneurs around the world succeed, as well. We are the ones providing the innovation and job growth in our economies.

I was told a long time ago that if you really want to know something, you teach it. So if sharing this blog exposes you to ideas that will help you grow your business and inspire the entrepreneur inside of you, then I think they refer to that as a win-win.

Freedom to Create, Share and Grow

More and more we hear the term Entrepreneur in the media and from politicians these days. They are saying that Entrepreneurs are the primary creators of jobs in the economy, and I agree completely. But what is it that these

Entrepreneurs are doing different? What is an entrepreneur made of and what really describes one?

Growing up I was always looking for opportunities, and I thought it was just because I wanted to be successful and make money. I didn't realize until later in life that what I was really seeking was more than just money and success. I was fulfilling an inner desire to take an idea, mold it, push on it, worry about it, get excited to tell others about it, and jump up and down at each sign that it was slowly manifesting into existence. Creation seems to be the key here, just like an artist or musician.