

WHAT I'VE LEARNED FROM LORD ALAN SUGAR...

BY TONY ROBINSON OBE

It's probably not a very fashionable thing to say that I've learned a lot from Lord Sugar but I think the things I have learned are worth sharing for other prospective and existing small and home business owners...



find out immediately that you're absolutely on your own so it's best to start and run your business on that basis right now.

The classic mistake is paying out the same salary bill in the hard times and hoping a bank or government facility will cover it until business picks up. They won't help you – they are professional gamblers trying to pick winners.

3. Stick to everything you agree and meet all your commitments.

Successful small and home business owners are the healthiest people in the world. Why? Because we work harder and longer hours than any other group of workers but hardly ever have a day's sickness absence. This is because we can't afford to be sick and we know the importance of meeting every commitment we make.

Lord Sugar is renowned for meeting all his commitments. He also pays suppliers as he's agreed so that he builds credit terms and trust with them. A good business reputation of doing what you say you'll do is where reliable business relationships, referrals and recommendations come from. These things are priceless.

4. Repeat business is the best business.

All successful small business owners, in my experience, are time poor. They frankly can't afford the time in meetings and KTs (Keep in Touch sessions) that corporate managers do day to day. To small business owners, travel and meetings keep you away from the real work you need to do to survive and thrive. Another reason for being time poor is that we have to be, or maybe we like to be, all-rounders. I think this is a good thing as we're involved in all parts of the business and know our products, services and market backwards.

Lord Sugar admits this comes at a price as he doesn't regard himself as a good delegator. Conversely, I've not met a really successful business owner that doesn't take

and family that have started and run their own businesses. Money and time will be tight and the wrong purchase could be the difference between survival and failure. Every available bit of money and time needs to help you with winning customers in the early months.

Frankly, I've been ripped off too many times in the 25 years I've run my own businesses, although to be fair, never by other small business owners. There will always be people trying to get something for nothing out of you – government folk are good at that too. However, I can safely say that it would have been far worse if I hadn't observed Lord Sugar's default position which I think is 'you'll need to convince me, sunshine'. I'm distrustful until I know you and even then we'll stick to exactly what we've agreed.

2. You're on your own; you can't rely on anyone to support you.

This is another default position that I attribute to Lord Sugar and have adopted myself. My take on it is that the world's biggest companies, including banks, will be bailed out by governments and vice versa. However, neither government nor the bank nor your big company supplier will bail you and your small or home business out. This is fact. If you're losing money you'll

Many of the things I've learned from him seem like just common sense but that's the problem with our enterprise world: there are a lot of theorists, gurus, business professionals, public servants and educationalists that haven't got the 'Enterprise T-Shirt' and try to over complicate what we do, day to day. They do it, at our expense, to boost their own earnings.

The Spurs and Amstrad days
Back in the day, when Lord Sugar was signing Jürgen Klinsmann for Spurs, he rang me in our little offices, in our small business that we'd started up eight years previously. This was the year before we founded the Small Firms Enterprise Development Initiative (SFEDI). As requested, I then went to see him at Amstrad HQ at Brentwood and then we tried to help him, unsuccessfully on my part, to 'direct sell' a particular product through recruiting self-employed distributors.

Although I only met him a few more times in the few months that Amstrad was a client of ours, I did, through his loyal and highly motivated directors and team, learn something of how he operates. I found him funny, personable and a good communicator with absolutely everyone – no airs and graces, no management 'bulls*et', direct but fair.

1. Distrustful isn't a bad place to start.
Especially at pre-start, start-up and during the first 18 months of starting your business you'll find companies, including banks and government agencies, trying to sell you things you just don't need – particularly expensive toys or protection to make you look like a 'successful' professional business'. Don't believe them. Far better to ask what you may need of people you can trust implicitly – friends

main responsibility for all of: production (product or service), delivery, suppliers, personnel, customer service and the most important of the lot of them – marketing and sales.

5. All you need is paper and a pencil and a lot of hard work.

I hope I've saved the best and most provocative heading until last. Remember Lord Sugar is no technophobe – he understands ICT and probably likes gadgets too. When I first met him he'd just bought Viglen so he also knows the benefits to business of technology.

The most important lesson I've learned from Lord Sugar, my Dad and my co-owner's father, who all started and developed very successful businesses, is that starting and running your own enterprise is not a complex process. As well as really hard work, a fantastic knowledge of our product and/or service and the market, in order to succeed in our own businesses we must always go back to the basics. That's good news and is why enterprise is for all and why privilege or higher education are not as necessary for your earnings potential as they are for many other career options.

The essential skills will always be the same – just don't make it complex. You do not need a 30-page business plan – you just need to work out where you're aiming for, how you might get there and what that means in terms of how you spend your time and money. 90% of start-up plans are likely to be seen as works of fiction within six months. We never really know until we start trading and it's best to not spend too long planning. Get working, get selling as soon as possible and start earning a living!

I love Lord Sugar's story – and I hope I get this right – that in the early days of his business career he'd try to sell all he needed to by Wednesday to cover all the week's costs so that all the margin from sales on a Thursday and Friday went straight to assets.

Winning and keeping customers, making deals, seeking out opportunities, innovating, developing your brand for credibility, managing cash flow – these are always the basics and how you work at them will make or break your business.

They'll always be the same bare essentials for success if you want to be your own boss – which is why I wrote Stripping for Freedom, helped to found and run SFEDI and Enterprise Rockers – and is why I value what I've learned from Lord Sugar.
Tony Robinson OBE, founder of Enterprise Rockers (www.enterpriserockers.co.uk)

PLAYING THE PRIORITIES GAME

BY CATHERINE WILKS

How to keep your focus under pressure...

Kick Stone 123 is a game of skill, strategy, and stealth as well as fleetness. It is a game I remember playing a lot when I was growing up, and I still see the kids on our street playing versions of it now. Across the country I know it has different names, so you may know it as 'Kick the Can' or 'First to Base'. There are also multiple versions of the rules but here's how I remember it.

It is basically a combination of 'Tick' (as I used to call it! 'Tig' or 'Tag' to some of you) and 'Hide and Seek'. For a more up-to-date version, you could call it Laser Quest!

One person is on, and fondly called 'It'. The person who is 'It' stands at base, covers their eyes and counts to 20. All the other players would run off round the park or estate and find somewhere to hide. Finding a place where you could spy on 'It' was always a bonus, with base in sight. All the players would then have to find a way to get back to base without being caught – 'Tick'. If you got caught you were put in jail, and you couldn't be released until someone got to base. When you got to base you had to shout 'KICK STONE 123' as loud as you could.

Getting Things Done

Recently I have played this game with a team of people from a business in Manchester. We had been looking at how to stay focused, and when I work with businesses, we play. When we played, it enabled us to suspend everything else, we were whole-heartedly engaged and focused on what we were doing.

Aside from it being great fun it gave everyone many ideas about getting things done.

The Mission: This was clearly set and we all knew exactly what we wanted to achieve: to get to the front door of the office without being caught.

The Target: The front door had clearly been identified – not the steps, or the rail, but the front door. When they got there it would be a result. Everyone really wanted to get there; the adrenaline was pumping, and they absolutely had to make it happen.

The Strategy: It turned out that people had made a plan and thought about the route they would take: "Behind a car, to the bin, round the side street and then a sprint". Some even discussed it with a few people, got their advice, stole a few ideas, knew how to make it work: "I could use the window reflection to spy on 'It'".

The Threat: Everyone knew all about 'It'. They knew the strengths and the weaknesses, and they could use these to their advantage.

Breaking It Down: The route had been broken down. All they had to do was focus on one area at a time, get there, then re-assess, check in with the mission, the target, the strategy and the threat – 'It' – and then they could move on.

Quick Thinking: Sometimes, things would appear out of the blue and catch them unawares. For example a car might move, or a pedestrian would ask: "What are you doing?" Everyone had to think quickly – the game was still in play. Finding a way to stay in control, whilst being adaptable and making snap judgement decisions along the way was essential.

Don't Fall into a Trap: Sometimes it was too easy to get distracted and opportunities would present themselves that were tempting: sliding down a stair rail! Sometimes it was worth the risk and other times it was hard to get back on track. At one point it could have been the end!

Timing: Everyone was continually under pressure to complete the mission and get the task done. There was only so long we could be away from the office!

Making the Most of Resources: Using what was around them helped make the mission easier. (Quick thinking with a stone to make a distracting noise worked a treat!)

And there it was, the target was in sight, it was a sprint to the end.

Mission accomplished. And it felt great!

Who says that play is a distraction?