

Using EDGE Products

Introduction

Being an entrepreneur is to take on the ultimate test of leadership. And leaders understand the power of knowledge that you can *pragmatically use*.

The difference between entrepreneurial success and failure is how you behave as an entrepreneur....whether you are starting a business, growing a business, transitioning in your career, developing an encore career, or investing in a business.

You have to have market knowledge that you *act* on.

You have to understand how the business cash flow works so you can *make decisions*.

You have to be self-aware to know how to leverage your talents and avoid entrepreneurial-leader pitfalls.

Your Entrepreneur EDGE™ provides you with:

- A review of key family experiences that affect your entrepreneurial perspective
- Seventeen behavior success factors which you can learn to utilize
- Eight toolboxes to guide you to more effective use of the action tips, guides, and suggestions for entrepreneurial leadership to run your business

Use the book as an action tip guidebook to help you accelerate your entrepreneurial edge.

You can purchase a copy at www.mhs.com/entrepreneuredge.com

You can also take the assessment which provides you with a personal profile at www.edgeprofile.com

Did you know?

- 65% or more of all start ups fail within three years--usually because the entrepreneur forgot the leadership side of running a business. They know their market, know their sales proposition, and know their cash flow needs. But they don't know themselves and how they impact the business.
- 90% of all acquisitions fail because the leaders involved failed to take into account the leadership side of running a business. This fact has been reported many times in the WSJ and Financial Times and yet managers think, "We are different." The behaviors that lead to success as leaders are no mystery; failure to utilize the knowledge is just dumb....or arrogance. In either case, the failure is the same.
- For the last thirty years, entrepreneur and leadership research keep noting the same issues are critical to success, wherever the business is in its growth cycle. The priorities may change but the behaviors have not. You need to be appropriately:
 - Independent Minded
 - Risk Tolerant
 - Knowledge Seeking
 - Innovating
 - Achiever
 - Optimistic
 - Action Oriented
 - Analytical
 - Multi-Tasking
 - Stress Motivated
 - Self-Directed
 - Initiating
 - Exploring
 - Opportunistic
 - Strategic
 - Proactive
- Do you know your strength with these behaviors? Take the EDGE™ Profile to get a personal report and explore your insights in the Entrepreneur EDGE™ Guidebook. Assessment at book are available at www.edgeprofile.com

Family Experiences

LEARN How EARLY FAMILY EXPERIENCES can Influence YOU to be an Entrepreneur

Read about the specific experiences in **The Entrepreneur EDGE** that you can identify and compensate for to enhance your entrepreneurial spirit.

Your early family experiences will, to some extent, define how you respond to the challenges and opportunities that life presents. Research indicates that those very responses-in fact the very drive you have to be an entrepreneur-have likely been influenced by your early life and family history.

These life experiences act as potential influencers on your desire to become an entrepreneur. While they are by no means essential to be successful as an entrepreneur, these early family experiences can become evident in the ways you have chosen to take your own path. The two Entrepreneur Influencers related to Early Family Experiences are:

a) Family Challenges (Childhood Environment)

Challenging relationships within your early family may have propelled you to chart your own path. Did you experience conflict with your parents? Did your family immigrate or have to make dramatic changes in its living conditions?

For example:

- Family relationships often proved problematic.
- Relationships with one or both parents were often challenging.
- You chose a career path different from any of your close family.
- There is a family history of disputes.
- Within your family, grudges were common.
- Your family readily offered opinions on your personal affairs.
- You were often in dispute with your parents.

b) Family Orientation (Attitudes Toward Work)

Are entrepreneurs nurtured or natured? While the answer is a combination of factors, research indicates that having a history of entrepreneurs in your family is a contributing factor to your desire to be in business for yourself.

For example:

- Your parents made sacrifices to provide you with opportunities to achieve at school and beyond.
- Some family members worked as professionals in small, entrepreneurial firms.
- You have been mentored and groomed to be part of a small firm or to establish your own enterprise.
- You had occasional interaction with family members who have been (or are) entrepreneurs. They have had an effect on your attitude toward business challenges.
- Close family members were owners of their own businesses.
- In your formative years, older family generations actively provided encouragement to reach your goals.

Learn how to use your past to leverage your future!

Mindset Matters

As an entrepreneur, your Mind-Set is an essential part of being successful. Your business plan and marketing approaches are significantly influenced by your entrepreneurial Mind-Set. The entrepreneur competencies for Mind-Set are:

1. Independent Minded
2. Risk Tolerant
3. Knowledge Seeker

4. Innovator
5. Individual Achiever
6. Optimistic

1. **Independent Minded**

The perspective of being Independent Minded often requires entrepreneurs to act on their own hunches. While looking at information and planning your business, you need a frame of reference that leads to acting on your own ideas and pushing to get those ideas accepted.

2. **Risk Tolerant**

Without risk taking, there is no entrepreneurship. Entrepreneurs are tolerant of taking personal and financial risks. The risks that you take are the by-product of various calculations and estimations. You will likely have to be willing to go out on a limb, but it will help to calculate the size of the limb and test its strength.

3. **Knowledge Seeker**

Entrepreneurs inherently understand the shifting nature of information and knowledge in their chosen industries. Knowledge is continually being adjusted as new research and social factors alter contexts for services and products. Knowing how to scan for information allows you to identify new trends for leading your business.

4. **Innovator**

While there are many definitions of an innovator, what is common to all of them is that being creative requires an interest in variety, shifts in perspective, and a willingness to trust the creative impulse. Using this competency, you as an innovator stand a greater chance of generating new ideas or new strategies that did not exist before.

5. **Individual Achiever**

Entrepreneurs get satisfaction for achieving their personal goals. While many individuals are motivated by external rewards, the entrepreneur is internally driven to actualize an idea. In large part, your future financial rewards will be the by-product of your personal achievement.

6. **Optimistic**

There are many difficult days when starting or growing your own business-finding the resources, recruiting the talent, and implementing the business plan requires a relentless optimism that your hunches are worth following.

When you take the EDGE Profile, you can see how these are working for you and when you use the action tips of the Entrepreneur EDGE, you leverage your insights! See www.edgeprofile.com

Self-Management is Mission Critical

As an entrepreneur, how you manage YOU may be more critical to your success than if you work in a large company. In a small business, it is very often up to you-and many times you are asked to be all things to all people.

The entrepreneur competencies for Self-Management are:

7. Action Oriented
8. Analytical
9. Multi-Tasker
10. Stress Motivated
11. Self-Directed

7. Action Oriented

More than almost any other profession, entrepreneurs have to be motivated by action. It is YOU charting the course. It is the reality that often nothing happens until you take action.

Another reality is that you may not have everything you need in place (like money and planning), but you must still move ahead. At critical times when you face barriers and disappointments, how you redirect yourself to take action can mean success or failure.

8. Analytical

You are constantly analyzing and making decisions. There are everyday decisions like choosing a supplier. But it is your analysis of the bigger issues such as where you take your company in the future that challenge your analytical skills.

How you analyze and predict as part of making decisions can make or break your business. Today, you are facing increasingly complex situations where your skill at planning and strategy can mean everything for your business.

9. Multi-Tasker

You have to perform different types of tasks—all important to the success of your business. You have to shift roles often—from being the CEO, to performing as the sales manager, to operating as the chief administrative officer. These roles require different skills and you may not be equally comfortable in each one.

The amount of energy you have for multiple tasks and challenges will indicate the degree to which being an entrepreneur suits you.

10. Stress Motivated

No one ever said it was going to be easy. Being in business for yourself is a very high-stress profession. It is the degree to which you use stress as a motivator that will indicate whether you thrive on being an entrepreneur or whether it will wear you down.

There are continual pressures: the pressure of deadlines, the pressure of dealing with people, and the pressure of the unknown—all of which can take a huge toll. The entrepreneur who can turn all the pressures into exciting new challenges—that is the one who has found the right profession.

11. Self-Directed

Fundamental to being an entrepreneur is the desire to be in control of your career: “I am the master of my fate, I am the captain of my soul.” (Invictus, William Ernest Henley).

Are you prepared to seek new challenges, to break from the status quo? Do you relish the chance to try new things, explore new places, meet new people, and grow in the experience that such experimentation brings?

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Dealing with Others

As an entrepreneur, you must be prepared to have transactions with many different types of people. For you, these may include customers, employees, suppliers, advisors, lenders, venture capitalists, etc. The entrepreneur competencies for Dealing with Others are:

- 12. Initiator
- 13. Networker
- 14. Explorer

12. Initiator

The process of Dealing with Others often requires entrepreneurs to take the first step in an interaction. A clear example is with customers; they do not usually come to you.

It is YOU taking the initiative to reach out and show customers the value of your product or service. You must also reach out to new employees and teach them how to market the new product or service, produce the product, etc.

13. Networker

Entrepreneurs can benefit by having a variety of relationships and exploring different points of view-including from chambers of commerce, trade groups, employees, customers, even competitors.

Perhaps more than most other professions, entrepreneurs need to reach out, to listen, and to understand what motivates people. For customers, you must constantly strive to know how to “put the customer first.” For employees, understanding their point of view and honoring what they think, are keys to motivating and keeping them.

14. Explorer

As an entrepreneur, you are often solving problems in the process of creating something new. Your ability to be expansive, to engage others to solve problems and explore new ideas can potentially make or break the success of your business.

Successful entrepreneurs not only engage others to be creative, they empower others. With the pace of change, the need to evaluate and determine new markets or even a company’s future has never been more urgent. Taking the initiative, being expansive, and engaging others to solve problems and/or to consider where to take the company in the future can greatly multiply your prospects for success.

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Your Business Orientation Matters

As an entrepreneur, the nature of your business orientation can make all the difference in the level of success that you attain. This includes taking advantage of opportunities and positioning your company ahead of the competition. Importantly, it means identifying the highest payoff strategies and putting actions in place to realize them. The entrepreneur competencies for Business Orientation are:

- 15. Opportunistic
- 16. Strategic
- 17. Proactive

15. Opportunistic

In order to start and grow an entrepreneurial business, YOU will need to seek ideas and potentials. Opportunities are the lifeblood for most entrepreneurs-and they can be missed by being overly cautious or slow to recognize.

An opportunity may be the next product or service, the next market, the next customer, or the next business. In short, being opportunistic often requires looking for WHAT’S NEXT. This requires recognizing changing situations, and it is usually driven by you.

16. Strategic

Often, being in the place to take advantage of opportunities comes from how much you engage in big-picture thinking and planning. Seeing the big picture can help you anticipate what’s next. You can enhance this understanding by looking for fresh thinking, exploring future trends, industry and world views, etc.

Entrepreneurs have to be strategic-you are continually involved in some form of planning. This can include business planning, marketing planning, action planning, strategic planning, financial planning, etc.

Ultimately, the biggest payoff from the Strategic Competency is that you can envision the goals you need to achieve and you achieve them. You position your business where it needs to be.

17. Proactive

As the entrepreneur, as the leader, it is often up to you to take action on critical issues. Especially when the pressure is on, you will be counted on to prioritize, focus, and act on urgent issues. And, you may often be taking action when you do not have all the information you would like to help guide you.

Being proactive further means that you are willing to take action on both the big picture and the everyday challenges. There are countless examples of individuals who have risen to these occasions with levels of energy and enthusiasm that define them as entrepreneurs.

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Tool Boxes

Tools are useful when you know exactly how to apply their best attributes. The toolboxes of the Entrepreneur EDGE give you the extra boost:

Toolbox 1: Self-Rater (Competency Finder)

Use this tool as a quick Self-Rater to determine the competencies that you most need to development.

Toolbox 2: Intrapreneur-Entrepreneur Bridge

Use this tool if you are working inside an organization (intrapreneur) and you want to develop needed competencies to build the bridge to become an entrepreneur.

Toolbox 3: Entrepreneur Blockers

Use this tool to focus on key questions (barriers) that can affect your potential as an entrepreneur.

Toolbox 4: Compensator Chart

Use this tool to identify competencies that can serve as additional strengths to help expand your skills.

Toolbox 5: 90-Day Action Plan

Create a plan for development. Make it happen. Outline the resources you need.

Toolbox 6: Assessments for Development

Throughout the Cutting-Edge Tactics in this book, we have referred you to some assessments that can help you further determine your fit and preferences for being an entrepreneur. To access these assessments, use the Web links identified for each one.

Toolbox 7: Thinking Tools

Use these proven tools to help with decisions at critical times-and with planning.

Toolbox 8: Links for Learning and Business Assistance

Use these links to locate learning and business assistance resources close to you.

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Edge Profile Pluses

Now that you understand more about how the 4 Success Factors and the 17 Entrepreneur Competencies apply to you. Get additional insight by completing the Entrepreneur EDGE™ Profile (go to www.edgeprofile.com)

Do you want to know if you prefer an entrepreneurial career or a more conventional career?

Do you want to know how your entrepreneurial behavior stacks up to other entrepreneurs?

Are you curious to explore how your current behavior needs to be adjusted to set the stage for entrepreneurial success?

Do you need clarity on the way your perspectives play into how you work and what that means for you as an entrepreneur?

If you answered yes to any of these questions, complete the Entrepreneur EDGE™ Profile.

You will get immediate feedback in a full report that covers the 17 Entrepreneur Competencies and the Family Dimensions in this book.

The report gives you specific data on your behavior, patterns, and potential actions to elevate your entrepreneurial leadership.

You get:

- A standard score on every scale that is compared with an entrepreneurial norm
- Coverage of every scale in terms of what it is, why it is important, and how to use the behavior to your benefit
- Action oriented goal planning material to aid your movement toward being an effective entrepreneur

Self-report data are useful in clarifying how you see yourself, and when compared to a norm group, you have a good sense of areas of strengths and opportunities.

Take it now! www.edgeprofile.com

Validity and Reliability of the EDGE Profile and Book

The Book

Research related to creating The Entrepreneur EDGE™ book covers 30 years of published analysis on entrepreneurs from both academic and independent organizations. The four authors have 30 years each working with startups and business acquisitions. Research summaries for the key factors are provided in the book as well as on the website.

We are most proud of the action learning tips, which we think make for an easy and practical way to move forward.

The Assessment—EDGE Profile

The 90 questions (items) that make up the EDGE Profile have been analyzed for a decade, both from the initial version of the Entrepreneur Readiness Profile to the current edition. Items were studied in terms of response rates, group comparisons, and factor analysis.

Scale analysis included looking at concurrent and discriminate correlations to confirm that the scales were measuring factors intended.

Because the scales are bimodal (one end reflecting entrepreneurial attitudes and the other end reflecting more conventional work attitudes) extra care was taken to duplicate analysis on both ends of the scale.

End of the Day

While we will continue to study the scales and item performance across multiple settings, we strongly believe that in any self-report tool, you, the learner, are the final say. Did the assessment accurately reflect your attitudes and do the implications reflect both your self-knowledge and feedback you have received from others? We are keenly aware that situational factors play a role in how any individual answers questions at any given time, which those considerations need to be applied when interpreting an assessment. So far learners are giving the report Five Stars for accuracy and usefulness.

A Word on the Authors

Your Entrepreneur EDGE™ is the result of a collaboration of writers who are highly experienced in entrepreneur development and business growth strategies. Between them, the authors have consulted with thousands of entrepreneurs in small to mid-size businesses at all stages of their business development.

The authors have had working relationships with key small business service providers including the Small Business Administration, Small Business Development Centers, Community Colleges, SCORE, Veterans Business Centers, Women's Business Centers, Procurement & Technical Assistance Centers, and Export Assistance Centers.

Roger R. Pearman: In addition to being an internationally acclaimed researcher, Roger has been an entrepreneur for over 20 years. He is the CEO of two firms: Leadership Performance Systems, Inc. that provides specialized talent management services and Qualifying.org, Inc. that provides certification training on nineteen assessment tools. Roger also serves as a Senior Adjunct Associate for the Center for Creative Leadership.

Due to his extensive global experience, he is the Visiting Associate Professor of Global Commerce and International Management at the Calloway School of Business, Wake Forest University. As a published author, Roger has articles in Inc.com, Wired, Business.com, Performance Management, and Talent Management. He is author or senior author of: YOU: Being More Effective in Your MBTI® Type (2006), Introduction to Type and Emotional Intelligence (2002), Leadership Advantage (2001), Hardwired Leadership: Unleashing the Power of Personality to Become a New Millennium Leader (1999), I'm Not Crazy, I'm Just Not You (1996, 2010).

R. Daniel Parks: Dan has been an entrepreneur, strategy, and leadership consultant for over 25 years. During his tenure with the University of North Carolina system, he has helped lead major initiatives in economic development strategy and entrepreneurship. Dan has served as a Center Director and as the Statewide Director of Strategy for North Carolina's Small Business & Technology Development Center (SBTDC).

Dan has led the development of educational products that have been applied across the SBTDC network including the Strategic Performance Series, and the SYMMETREE™ Change Management Simulation. Dan assisted the Association of Small Business Development Centers (ASBDC) with the association's strategic plan and has consulted with over 20 state Small Business Development Centers. He has provided strategic services to numerous economic development organizations including the Research Triangle Regional Partnership. Dan is the co-author of a leadership simulation, the Strategic Agility Accelerator™. And he has co-authored a series of developmental toolsets including the Entrepreneur EDGE™ Profile, Leadership Unlimited Profile™, the Ethical Decision Strategies Inventory™, and the Innovative Leader Profile™. He has operated and sold two entrepreneurial enterprises.

Barry Phillips: Barry is an Associate of the Institute of Bankers in the United Kingdom. He spent 33 years as a career banker culminating in 12 years based in Arabian Gulf countries. His banking experience has included establishing branch offices and coordinating multimillion-dollar credit facilities for multinational organizations.

After settling in the US, Barry worked with the North Carolina Small Business & Technology Development Center (SBTDC) for 17 years. He has assisted hundreds of entrepreneurs with business planning and strategy.

Barry also co-authored and developed a series of assessments designed to assist managers and entrepreneurs in their career decisions and personal development. He is the co-author of two business simulations that allow learners to experience leadership decision making and the strategic planning process. Because of his international business experience, Barry is a much sought after adviser for helping organizations think and implement globally.

Marcus C. King: Marc has over 30-years experience as an organizational development, strategy, and leadership consultant. He has worked with many entrepreneurs and high-growth businesses in areas of planning and growth strategies. For over 25 years, he served as the Deputy State Director of the University of North Carolina Small Business & Technology Development Center (SBTDC).

Marc has also been a leader in the Association of Small Business Development Centers (ASBDC) and has served as Vice Chair of the ASBDC board. Marc has provided consulting to over 20 statewide Small Business Development Centers in areas including strategic planning and accreditation. For over six years, Marc served as Vice President for the ASBDC Accreditation Committee which oversees and manages the accreditation process mandated by federal law. In that role, he helped rewrite the Baldrige-based accreditation standards and self-study documents. Marc is a recipient of the distinguished service award from the ASBDC.