

THE POWER OF THINKING SMALL

I've been writing a section of my 2nd book this week on how you can start even the biggest business with a small project – and in fact why starting small is actually better than trying to go 'big bang'. Here's what I wrote (PS even my editor hasn't see this yet!)



Imagine you wake up tomorrow morning to find an envelope on your doorstep stuffed with enough cash to allow you to quit your job and launch your biggest possible idea.

Even then you would be better off starting small.

Why?

Because starting small gives you the greatest possible chance of making something people really want – and therefore the greatest chance of being successful and making money. You might think you know right now what your intended audience or market will like but the only way to know for sure is to create it, give it to them, and find out what they make of it. And that's best done with something small.

History is littered with stories of people and organisations who think they know exactly what is going to be popular, so they launch it

on a grand scale to be met with nothing but the sound of crickets. Even the biggest companies with the best market research in the world get this wrong (New Coke anyone?)

Don't make the same mistake. Start something small, test it out with people, improve it, then grow it and scale it towards your original big vision. Get it right while it's still small and it will grow quickly. That's the snowball effect. And some of the most successful companies today started in the very same way.

Michael Dell was a freshman pre-med student when he started building PCs to order and selling them direct to people he knew at college. Before long he had deals to deliver outside of school and he dropped out to focus on his business. In his first full year of business he ended up making \$6 million in sales. Fifteen years later he was a billionaire. When people ask him now, "How do I be an

entrepreneur?" his answer is, "go experiment and do something."

Starting small has two additional big advantages: Firstly it allows you to check you actually enjoy this project before throwing everything you have into it (no point selling your house to open a café to realise that while you love sitting in cafes, you hate running one!). Secondly, unlike trying to realize your original grand vision in one step, starting small avoids the kind of overwhelm that makes you want to put your project off for another day.

The best way to start small is to use a little trick from the tech startup world that will change the way you think about starting a business forever. It's called the "Minimum Viable Product".

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Zappos shoes is one of the world's largest online shoe retailers bought by Amazon in 2009 in a deal worth around \$1 billion. But the founder Nick Swinmurn didn't start in the way you might imagine by building an expensive ecommerce system and buying a huge stock of shoes.

Instead, he went to local shoe shops and asked the owners' permission to take photos of shoes and put them online. Once the orders started coming in he took payment, went to the shop, bought the pair that was ordered, and shipped it himself by hand.

This of course does not work as a profit-making business but it was a great MVP. And it allowed Nick back in 1999 to prove that people were willing to buy shoes online without trying them on. Once he'd done that he could prove to investors that the principle worked and get the funds to buy stock and build the automated systems he needed to make the business work.

Don't imagine that these principles only apply to businesses. They are just as powerful for creative projects like writing a book.

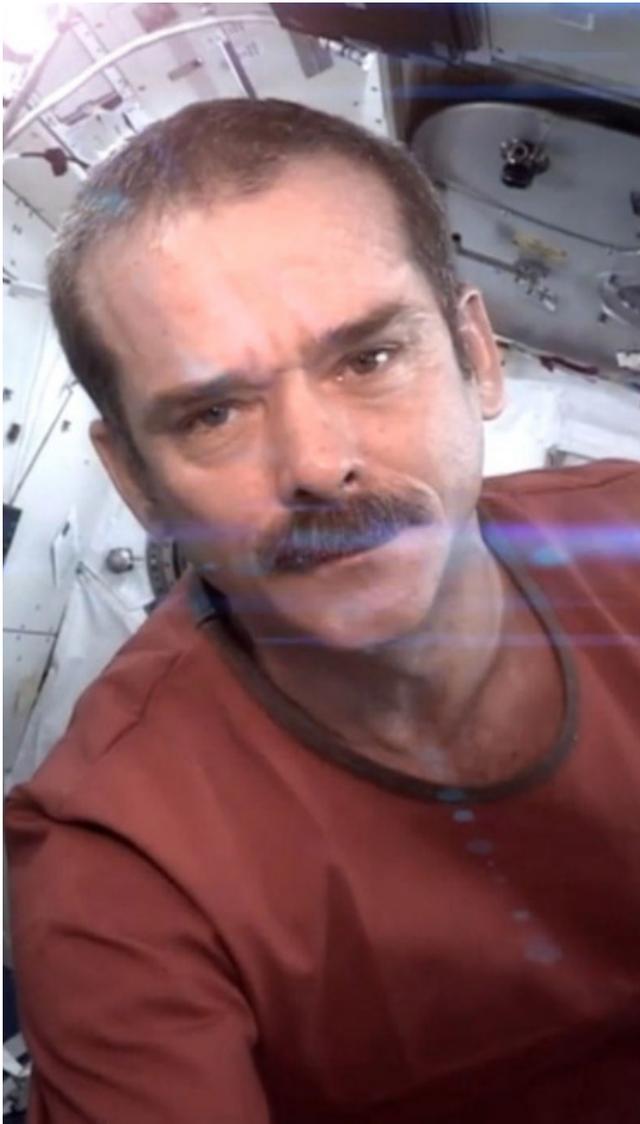
Dale Carnegie's classic book "How to win friends and influence people" has sold 15 million copies but it started as a short talk. That talk expanded to 90 minutes and Carnegie gave it multiple times to students urging them to, "go out and test it in their business and social contacts, and then come back to class and speak about their experiences and the results they had achieved". This was Carnegie's MVP.

Using everything he learned, Carnegie created a "Set of rules printed on a card no larger than a postcard. The next season we printed a larger card, then a leaflet, then a series of booklets, each one expanding in size and scope." This led eventually to the international bestselling book.

So how can you nuggetise your project? Find the heart of it and put it into action in a small project. Make sure you focus on doing the part that excites you most. Then get something done and out there in 30 days.

Of course, this might be a bit more scary than just playing around with your logo or the fonts on your business card! (Hmmm I wonder if that's why most people don't do it?)

This is why it's so important to get support. Since you're in the Academy, if you get stuck or worried at any point, just shout and we will help you out.



“If you view crossing the finish line as the measure of your life, you're setting yourself up for a personal disaster. ...

Commanding a spaceship or doing a spacewalk is a very rare, singular moment-in-time event in the continuum of life. You need to honor the highs and the peaks in the moments — you need to prepare your life for them — but recognize the fact that the preparation for those moments is your life and, in fact, that's the richness of your life. ...

The challenge that we set for each other, and the way that we shape ourselves to rise to that challenge, *is* life.”

- Chris Hadfield, Astronaut and former commander of the International Space Station