



Publication		
KZN BUSINESS SENSE		
Page	Date	AVE (ZAR)
16	Fri 01 June 2018	1279.4



YOUR ENTREPRENEURIAL LADDER



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How often do you see the title "Entrepreneur" on business cards and as a social media status lately?

I believe entrepreneurship is a journey, rather than a title as very few reach the top rungs of success. While there are significant benefits the higher you go, there are lessons that first need to be learned, risks that need to be taken and often sacrifices that need to be made.

By understanding the concept of what we call the Entrepreneurial Ladder – you can be clear on where you are right now, and just how high you want (and are willing) to climb.

Level 0

Student

Each of us have a different foundation on which our ladder will be perched. Our schooling (public or private), our tertiary education (if lucky enough to have had access to it), and lessons learned from any family, friends and community members willing to mentor us at some level.

Think back on how much of what you learned in your student days was relevant to business and how much of it not – do you know of anyone that was taught the principles of business ownership, business finance, etc. in his/her student years?

Level 1

Employee (earning money)

This is the first rung of the Entrepreneurial Ladder and the

vast majority of us start here: in a job, working for someone else. How often do you hear people complaining about their job and/or boss, but not doing anything about it? It is a sad fact that most people don't appreciate how lucky they are to have a job – someone is paying you a wage, training you with new skills and affording you experience to take forward into your future years.

Some stay as employees their entire lives and achieve varying degrees of success and happiness, and some take the leap to the next rung of the ladder.

Side note: in the paragraphs that follow, I am not advocating for or against being an employee or being a business owner (there are pros and cons of each route), but do heed the advice of people like "Rich Dad" author Robert Kiyosaki and build a side business that can, over time, create passive income, and allow tax efficiencies too.

But back to our ladder.

Level 2

Self Employed (still earning money)

This is the point of 'spasm' that Michael Gerber describes in his book "The E-Myth revisited" where an employee hands in a resignation letter and starts out on his/her own.

This is an exciting time, with lots to learn and all the money you earn when self-employed is yours. Or is it?

What happens when you want to take a holiday, what happens when (god forbid) you get sick or cannot work?

The self-employed often reach a ceiling in business – since there is generally only so much one person can do, only so many hours in a day, and only so much the market will pay for your product or service.

Level 3

Manager (still earning money)



So the self-employed business owner now begins to hire staff. A logical step as this can allow the business to take a quantum leap – but how many people (as students or even as employees) were taught the skill of managing people?

Here the business owner is so busy hiring, firing, training and running after his team, that suddenly he is no longer doing the work he loved in the first place and starts to hate/blame his team for an unhappy situation.

Level 4

Owner (making money)

This is the point where a lot of business owners come to coaches like myself for help. In climbing any ladder, a key lesson is that you cannot reach for a higher rung without first letting go of one of the lower rungs.

To be an owner in your business, you have to stop thinking like an employee. Finding time to set off the tools and work ON

the business – planning, putting systems in place, financial forecasting, high-level marketing and networking are all roles the owner must play, but cannot if she is in the trenches.

Level 5

Investor (making money)

Imagine walking into your business (or store, or branch, etc) and the first person that sees you says "Hello. May I help you?" without recognising you and that you are the (sole or part) owner of the business?

Sounds good right? This is a great target to set yourself – think of your business/es as investments that should be bringing you passive income along with your real estate, share portfolios, etc.

Level 6

Entrepreneur (creating money)

At the top/final rung is the

point of 'true' entrepreneurship. As you have climbed this ladder, three things have happened:

- You have learned how to build profitable businesses that can work without you
- You have built a reputation for doing this successfully, and
- You have built a network of other investors and business people

At this level, people come to you with their ideas, money and opportunities and ask you to be involved as you now bring significant value to the table.

Take a little time to work out where you are currently on this journey, and where you would like to be. Then chat to your coach or mentor for help building a plan to get you there – enjoy the climb! ■

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