



Activating the Entrepreneur Within

Jeffrey Weber



question asked by millions of people around the world, generation after generation, is how do I become an entrepreneur, and can I? Okay, that's two questions. Having struggled with those questions for years, set out to find an answer. I wanted to categorically provide an answer that could be proven by means of an equation.

Researchers have looked at the common characteristics of an entrepreneur and conducted psychological profiles to help identify potential entrepreneurs. They try to discover that illusive entrepreneurial DNA, and their studies determine common skill sets and qualities that make up successful entrepreneurs. They ask candidates to respond to a list of questions and conclude that, if they answered yes to 18 out of the 25 statements, they must have the qualities to be an entrepreneur. Such questionnaires tend to be more entertaining than useful. Sure, certain characteristics, traits, and skill-sets are predictive of a successful entrepreneur, but in my opinion such qualities are learned and refined along the way, not necessarily genetically implanted. I don't know if I was born an entrepreneur, but I am sure my life experiences heavily influenced where I am today.

An entrepreneur cannot be inspired "into being" an entrepreneur. You can't bring a person into a seminar, get them so fired up on the virtues and thrill of being an entrepreneur that they then go out and become an entrepreneur. An individual may get motivated and inspired by such speakers or influencers, but it is not enough for him to spontaneously take action and create a business that would be successful. If he does, it is more likely acted out of foolishness than any new-found ability. The individual has to come across situational factors that correspond to a business opportunity that often comes about at an unpredictable point in time.

Therefore, my sentiment is that entrepreneurs are made and that everyone has the potential of becoming an entrepreneur. There are those actively looking and longing to become an entrepreneur and those who seemingly stumble upon it. Those longing for the entrepreneurial experience seek out ideas, listen for opportunities, and actively strive to find the right opportunity.

To increase the odds of entrepreneurial fission, I suggest increasing your activity level in seeking opportunity. Listen to what existing business owners do, read the paper, stay current, look for future trends, and build relationships. The more information you are exposed to, the more likely you are to find that one special opportunity.

Nobel Peace Prize winner Muhammad Yunus, an economist who is known as the “banker to the poor” for making small loans in impoverished countries, stated “I did something that challenged the banking world. Conventional banks look for the rich; we look for the absolutely poor. All people are entrepreneurs, but many don’t have the opportunity to find that out.” An entrepreneur in his own right as founder of the Grameen Bank, Yunus developed the concept of microcredit as a method to help fund entrepreneurs who would not qualify for any other type of loan. He believed in creating economic development from the lowest tier of society up and saw that the entrepreneurial dream was exclusive to no man; it was a gift to all.

So you, dear reader, want to know if you are an entrepreneur. It would be so easy to draw your blood and see the entrepreneurial DNA floating about and qualitatively state, “Yes, he is an entrepreneur!” But what good would this do? There would still be so much lacking outside the control of simple DNA to activate the entrepreneur within you.

The more information you are exposed to,
the more likely you are to find that one
special opportunity.

Unlocking the Entrepreneur

“I would not have seen it if I had not believed it.”

So why the pursuit to answer the questions of “how do I become an entrepreneur, and can I?” Because the yet-to-be entrepreneur spends his time agonized by dreaming and not doing. You may be that entrepreneur who is constantly thinking of new ideas and businesses to start, but never taking that fateful step of actually doing it. I categorize the idea phase of the entrepreneur as a time of frustration. The years leading up to me starting my company were spent conjuring up idea after idea of new business ventures that never materialized. I described it as a curse—longing to start a business, but unable to because the right idea had not triggered action. A better reflection on that time spent is summed up by author Wilfred Peterson, who said, “Big thinking precedes great achievement.” That statement can provide solace in knowing that one has to go through a period of significant brainstorming before something clicks. Focus less on the frustration and more on the fact that each idea is a lesson learned to strengthen the next.

I have said on many occasions that the hardest part of being an entrepreneur is starting, or as Walt Disney said, “the way to get started is to quit talking and start doing.” The hardest part is making the move to actually do it—to move beyond writing notes on napkins and half-started business plans, and to make that move to do it full-time and rely on it to generate income for yourself. Eventually the entrepreneur makes the decision that not following his dream is worse than all of the potential outcomes of trying. He obtains courage to act through a belief in his dream. The ironic maxim, “I would not have seen it if I had not believed it,” says to me that I would not have seen my company come to life and exist if I had not believed in my dream.

Once the decision is made and supported by faith, all other aspects of the business come with comparative ease or, as I like to say, by gravity. Once the idea is put into action, things often seem to fall into place fluidly. This chain reaction *will* take place, provided you meet the requirements of what I have discovered and defined as the entrepreneurial formula, or “E-Formula” for short.

This is a very important equation to understand for those struggling to find the right idea to pursue. The equation will prompt the entrepreneur to activate. I use the term activate deliberately. Deep inside all of us lays the entrepreneurial spirit, even though it may manifest itself in different ways at different points in our lives. A stay-at-home parent may ignite their entrepreneurial spirit in the ways that they attend to household obligations and child rearing. A student may apply his entrepreneurial spirit to his schoolwork, an executive at a corporation to her job. In other words, it may not always be directed toward starting a new business venture, although that is what we are primarily concerned with here. The point is the entrepreneurial spirit exists in all of us; it is always there whether we are cognitively aware of it or not, and whether we are trying to resurrect it or not.

Those of us who have an entrepreneurial passion may try to force it out of us. We want to engage in an entrepreneurial venture so badly that we try to make it happen by creating business plans, seeking out ventures, or even going so far as to buy a business. These are the impatient entrepreneurs who are trying to make their activation happen. There is nothing wrong with these activities, and certainly many entrepreneurs do establish their base by purchasing a business that they then transform and grow based on their vision.

However, the entrepreneur has to be careful to recognize his own impatience from the real or perceived opportunity at hand. One has to recognize when the entrepreneurial formula is complete in order to feel secure that, when they activate it, they will be successful. The impatient entrepreneur runs the risk of failure by jumping into endeavors that he may not be fully prepared or educated for. Simply abiding by the thought that if you can dream it you can do it is not good enough—you need the full E-Formula.

The E-Formula, like the entrepreneur, starts with the I.D.E.A. The basis of every entrepreneurial endeavor starts with an idea that the entrepreneur transforms into a vision upon which the business is built. The idea is the building block and a successful one contains four components that increase the likelihood of success. The true measurement of an entrepreneur's efforts is success. It does not have to be a level of success measured in dollars, but a success in that the idea becomes a viable and sustainable venture. That's what we're shooting for.

The entrepreneur has to be careful to recognize his own impatience from the real or perceived opportunity at hand.

The E-Formula

We all understand what an idea is and we have them all the time. The idea is the central nuclei to a start-up. So much goes into the makeup of an idea, and this is where it all begins.

I created the I.D.E.A. as the starting equation in the E-formula and it takes the following form:

I = Innovate

D = Desire

E = Effort

A = Ability

Innovate: Innovation is the **substance** of the I.D.E.A.

Innovation is what starts the entrepreneur's journey and, aptly, it is the first integer in the I.D.E.A. component of the E-Formula. Innovation is the dominant characteristic of the idea-generation phase and it will serve as the foundation of everything moving forward. After an idea is formed, it is used to innovate. The innovation is the core deliverable of the entrepreneur's venture. Innovation is the seed of what an entrepreneur is and what he ultimately creates. The primary difference between the manager, the business owner, and the entrepreneur is that the entrepreneur seeks and uses innovation to propel his business into uncharted areas of the market or creates a new market for himself entirely in the process.

Innovation is the substance that makes up the entrepreneur's idea. It will become the intellectual property and basis for market differentiation. The innovation will separate the entrepreneur from other "me-too" businesses to create a revolutionary business that forces change upon the existing establishment.

Desire: Desire is the **emotion** needed to accomplish the I.D.E.A.

Where innovation is the substance of the idea, desire is the emotion that compels and sustains the entrepreneur to accomplish his vision. The desire to see an idea through closely resembles the passion that erupts to support an entrepreneur's idea. Starting a company is no easy task; a great deal of work is needed upfront before the doors even open. Many an idea has died on the doorstep of grand opening day. Without a long-standing desire to accomplish what you are setting out to do, your idea will fail. Desire becomes a motivation in which your thought fuels action. The desire embodies the belief and faith in the idea that this is the right project to pursue—this is the one!

The true measurement of an entrepreneur's success is that the idea itself becomes a viable and sustainable venture.

"It sometimes seems that intense desire creates not only its own opportunities, but its own talents."

—Eric Hoffer

As mentioned, the true measurement of an entrepreneur's success is that the idea itself becomes a viable and sustainable venture. Wilfred Peterson stated, "Success is focusing the full power of all you are on what you have a burning desire to achieve." Desire becomes such a critical component of the idea's development because it drives the entrepreneur to accomplish what he set out to do. He has achieved a vision of the final outcome and he can see the finished product—he must make it happen.

Desire stirs all of the internal dreams to become an entrepreneur with the viability of a sound business plan giving hope that success is achievable.

At this point, quitting is not an option for the entrepreneur. Notice that I did not say failure, because failure still may be an outcome of the entrepreneur's efforts and the entrepreneur realizes this potential. Even though the entrepreneur is driven by desire to transform his idea into a tangible reality, he is not blind.

He realizes that it will take all the components of the I.D.E.A. to be successful. Even with his best efforts he still may fail, yet he chooses to move forward anyway. He carries on because he is fully aware that it would be far worse to have quit his dream than to have tried and failed.

Effort: Effort is the **physical** needed to accomplish the I.D.E.A.

The physical construction of the business, whether it is mental exertion or actual labor, requires an investment in effort that goes far beyond normal levels. The efforts of an entrepreneur combined with desire, vastly exceed those of the average man. Entrepreneurs start with nothing and very rapidly need to create a business—every single facet of that business. They must do this in the shortest timeframe possible and, even after the business is created, they still must continue on a rapid trajectory to grow and sustain it. During this time the entrepreneur cannot rest, cannot sit back, and cannot take a break. Sweat equity and the long hours and sacrifices that accompany it are the hallmarks of the entrepreneur.

Ability: Ability is the **skill** needed to accomplish the I.D.E.A.

Everyone has certain abilities and talents that are either learned or innate. Successful entrepreneurs must identify the abilities that they lack and find corresponding talent to involve in the endeavor. Entrepreneurs must manage the collection of abilities that they and others bring to the table. They have to utilize their own self-discipline, self-confidence, financial aptitude, leadership, time-management, and exceptional organizational skills to manage the collection of abilities. It's been said we rate ability in men by what they finish, not by what they attempt.

Ability is the dominant characteristic during the running phase of the business. Once the effort and desire is poured into startup and the business is viable and sustainable, the focus centers on ability to properly manage the business. Certainly ability is needed through every phase, but this is when your skills will be called upon the most.

The I.D.E.A. alone is often not enough for the entrepreneur to be successful and may not be enough to activate the entrepreneur.

Formed but Incomplete

Now the I.D.E.A. is formed and its components are ignited and ready to deploy. The utilitarian vision of the innovation at hand will commit the entrepreneur's desire to extend extraordinary effort and complete utilization of all available abilities to see a functional result achieved.

When an idea takes hold, it is exciting. After personally assessing dozens—maybe hundreds—of ideas, you've hit one that you believe enough in to stand behind and commit resources to. This is a very exciting time. However, the I.D.E.A. alone is often not enough for the entrepreneur to be successful and may not be enough to activate the entrepreneur. A great idea alone may not make you rush out and get a second mortgage on your home to fund your start-up. There are still two more parts to the E-Formula that are needed to make it complete. The appropriate situation and the necessary opportunity must intersect to provide a fertile ground for the I.D.E.A. to grow. The complete formula looks like this:

I.D.E.A. + Situation + Opportunity = Entrepreneurial Activation

Situation

Situation represents a particular condition or set of circumstances that are happening in your **personal** and **professional** life, as well as **environmental** factors. Aspects in your personal life would include your marital status, children, health, economics, family, ability to relocate, education, hobbies, religion, and so on. Professional factors represent your current employment status and all of the circumstances surrounding it—including benefits, vacation, salary, location, prestige, title, tenure, relationships, future outlook, and level of satisfaction. Environmental factors would include things such as war, recession, inflation, taxes, global events, legal factors, resource availability, weather, and so on.

When the personal, professional, and environmental situational factors are in a neutral state, they will neither negatively or positively impact the entrepreneur's efforts in moving forward with a new venture. When situational factors are in a disruptive state, they can negatively impact the entrepreneur's efforts at starting a new business and can increase the downside costs should the venture falter. Positive situational factors will increase the upsides and enhance the entrepreneurial efforts.

Let's take, for instance, a negative personal state: you have a child that has a long-term illness. Your professional situation is positive and provides you with health insurance, and environmental factors are neutral. You may come across a tremendous idea that you know will be successful, but you fear moving forward and losing your much-needed health insurance coverage. Certainly the level of risk is greater for this individual than a single person on their own, right out of college ready to tackle the world.

Ideally, all of these factors should be in a neutral or positive state to launch your entrepreneurial dream. An entrepreneur can probably move forward if one of the situational factors is in a disruptive state. It would be very difficult, however, to move forward if a disruptive state were present in all three situational variables, not to mention multiple negative variables within a single situational state magnifying the potential impact.

Opportunity

Arthur Cole, the economic historian who organized the Center for Research on Entrepreneurial History (closed in 1958), established that there are four types of entrepreneurs; the innovator, the calculating inventor, the over-optimistic promoter, and the organization builder. He believed that these types are not traits of personality used to describe the entrepreneur; rather, they reflect the types of opportunities the entrepreneur faces.

Entrepreneurship has been defined by William Bygrave, professor of entrepreneurship at Babson College, as the “process that involves starting a business venture to pursue a perceived opportunity.”

Minorities and immigrants are well noted and documented for establishing small businesses and pursuing entrepreneurial endeavors. This group in particular is heavily influenced by situational circumstances. Often due to language, educational, and cultural barriers this group’s quickest road to prosperity is to establish a business of their own in a field that they are familiar with. The opportunity for this group is the relative ease to start a business in the US compared to anywhere else in the world. Their situation, of being the outsider, may be considered a negative to most, but in this case it actually forces a positive.

The treasure of opportunities is that not everyone can see them. They are sitting there waiting to be picked off the vine, but only by those who are acutely aware of their location. The collapse of the US auto industry shuttered hundreds of dealerships and sent General Motors, Chrysler, and various suppliers into bankruptcy. For most budding entrepreneurs, this would seem to be the industry to run away from. However, for those with the right idea and situation, this dramatic event may have been the most opportune signal to jump in the pool. The timing will be brief and the entrepreneur will have to act fast.

“Entrepreneurs are simply those who understand that there is little difference between obstacle and opportunity and are able to turn both to their advantage.” — Niccolo Machiavelli

This quote by Machiavelli makes the entrepreneur sound like a sort of business superhero. I suppose many are just that and can truly see little difference between obstacles and opportunity. What's true is that most successful entrepreneurs have removed or reduced obstacles through careful planning and understanding of their idea. The idea is closely aligned to the opportunity and both are perishable. An opportunity is present when favorable circumstances align at a suitable time. If action is not taken, the opportunity may fade or be acted upon by someone else.

What distinguishes idea and opportunity can be demonstrated by the innovation of the intermittent windshield wiper blade invented by Dr. Robert Kearns. Kearns idea was sparked through his own customer experience of the original wiper blade motor that operated at a single speed regardless of the variability of rain conditions. The opportunity was that all of the Big Three had been working on developing an intermittent wiper motor themselves with no success. There was urgency in the rival automotive engineering teams to invent this technology and Kearns had it. Idea met opportunity.

Summary of the E-Formula

I've always analogized starting a business to the act of jumping in a pool of less-than-warm water. I drew this correlation from my childhood days when I took swimming lessons at the YMCA. I must have been in kindergarten, and I still have a clear picture of standing at the end of the low diving board stretched over an Olympic-size pool. I don't know if I was afraid to swim or if the water was cold—probably both. That feeling of tension, apprehension, fear, anxiety, and on a rare occasion, excitement, would build up as I stared out into the vast pool at a height from the diving board that seemed to exceed my current height three fold. (Did I mention I don't like heights either?)

The pent up feelings in pre-jump would not leave the child until they hit the water and resurfaced paddling toward the exit ladder on the side of the pool. Those anxious feelings would be immediately replaced with relief, exhilaration, joy, and happiness. That same circulation of feelings builds up in a similar fashion in the soon-to-be entrepreneur. They too may sometimes need a push into the pool of entrepreneurialism in order to kick off their experience. Once they actually take the leap and hit the water, there too is an immediate feeling of exhilaration, joy, and happiness. It can't be explained, only experienced. It's one of the greatest feelings I've had, next to the birth of my three children.

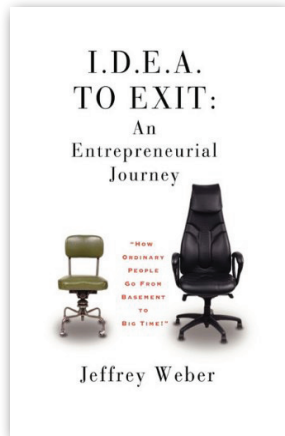
The purpose of the E-Formula is for you to be able to self-assess using the model (IDEA+S+O= Activation) to determine if you are ready to activate as an entrepreneur—if you're ready to jump in the pool. The formula does not include money, time, talent, or resources. Those are the things found in business plans. The formula is used to prevent forced or impatient entrepreneurial attempts, leaping into opportunities too soon without proper readiness. After all, you can drown.

The formula is also there to help alleviate the would-be entrepreneur's level of frustration in waiting for the right opportunity and situation to develop. By recognizing how your I.D.E.A. elements, situation, and opportunity align, you can save yourself, time, effort, expense, and energy by assessing whether your idea is viable and worthy of full commitment. Walk yourself through each component of the formula and determine if, at this point in time, this is the right opportunity and situation.

An entrepreneur takes an idea into action. That action defines the separation between everyone else who has a great idea but never acts on it. The activated entrepreneur is created when all elements of the formula are in sync, and then the entrepreneur's vision conveys how those elements will be applied. An entrepreneur cannot be categorically defined because both the circumstances and the opportunity that occur to activate the entrepreneur are variable and always changing.

For ten years, Arthur Cole researched and tried to define the entrepreneur. He was unsuccessful. He came to the realization that everyone on his team had "some notion of it," but applying personal beliefs, perceptions, and independent study to its definition lacked consistency. There are separate bodies of research, ranging from economists, psychologists, and sociologists that apply their theories and definitions to entrepreneurs from within their silo vantage points. The E-Formula postulates that an entrepreneur can be a blend of each school of thought, and that those disciplines are contained within and influence both the situational and opportunity aspects of the formula.

We all have the entrepreneurial spirit within us. We just need an I.D.E.A to realize it. 📌



BUY THE BOOK

Get more details or buy a copy of Jeffrey Weber's [*I.D.E.A. to Exit*](#).

ABOUT THE AUTHOR

Jeffrey Weber is an adjunct faculty teaching entrepreneurship at the college level, a speaker, and a coach for start-ups, existing small/medium size businesses, and corporations wishing to innovate and establish an entrepreneurial spirit. Weber serves on the advisory board for Minorities in Technology Sales (MiTS) and is a volunteer for the National Foundation for Teaching Entrepreneurship (NFTE). Weber incorporated his entrepreneurial knowledge and proprietary methodologies in his book, *I.D.E.A. to Exit: An Entrepreneurial Journey, How to go from Basement to Big Time*.

SEND THIS

[Pass along a copy](#) of this manifesto to others.

SUBSCRIBE

[Sign up for our free e-newsletter](#) to learn about our latest manifestos as soon as they are available.

BORN ON DATE

This document was created on February 16, 2011 and is based on the best information available at that time.

ABOUT CHANGETHIS

[ChangeThis](#) is a vehicle, not a publisher. We make it easy for big ideas to spread. While the authors we work with are responsible for their own work, they don't necessarily agree with everything available in ChangeThis format. But you knew that already.

ChangeThis is supported by the love and tender care of 800-CEO-READ. Visit us at [800-CEO-READ](#) or at our daily [blog](#).

COPYRIGHT INFO

The copyright of this work belongs to the author, who is solely responsible for the content.

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs License. To view a copy of this license, visit [Creative Commons](#) or send a letter to Creative Commons, 559 Nathan Abbott Way, Stanford, California 94305, USA.

Cover image from [morgueFile](#).

WHAT YOU CAN DO

You are given the unlimited right to print this manifesto and to distribute it electronically (via email, your website, or any other means). You can print out pages and put them in your favorite coffee shop's windows or your doctor's waiting room. You can transcribe the author's words onto the sidewalk, or you can hand out copies to everyone you meet. You may not alter this manifesto in any way, though, and you may not charge for it.