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INTRODUCTION TO CHAPTER 3.04 BEGINNING EXECUTION

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Quick Summary: In hindsight, carefully developed definitive plans typically document what did not happen.

Abstract:

The articles in this section discuss the issues that an entrepreneur will surely face once the company is funded and execution of the business plan begins. The carefully designed business plan can quickly begin to unravel, and activities can become unscheduled event-driven. The key to survival is to respond, not react, and understand that this is the new way of life in any business.

The first seven articles in this chapter discuss the only thing that matters: Revenue. Not only is it the only thing that matters, but also it is the hardest thing to predict. There are almost a countless number of variables that can and will impact it. Some are in the entrepreneur's control, but most are not. The key is to make realistic assumptions and understand the risks and sensitivities of those assumptions to the overall business. While revenue activities can quickly become all-consuming, several other issues will come up and need to be addressed. Some of them are included in this chapter and should be considered AFTER a plan for predictable revenue has been implemented.

Chapter Sections and Summaries

1. Revenue

The pursuit of revenue never stops for every company. Developing key strategies for its pursuit depends on the company's position and timing.

2. Performance Pressure

There is a marked transition from "talking" to "doing." Think about a sports team that has a well-thought-out game plan. Often, the plans must be quickly abandoned when the actual game begins. The focus quickly changes from planning to actual performance.

3. Diversions

With the pressure to perform, embracing "quick and easy" solutions to unexpected events is easy. Unfortunately, "quick and easy" seldom is!

Chapter Articles and Summaries

Number	Title	Quick Summary
3.040101	Introduction to Chapter 3.04: Beginning Execution	In hindsight, carefully developed definitive plans typically document what did not happen.
3.040201	Revenue: The Wonder Drug	A continuous, growing supply of profitable revenue is all that matters.
3.040202	Three Kinds of Revenue	Revenue develops in stages; understand where you are and what you want.
3.040203	Referenceable Revenue: What Others Do	It is not what you say that counts; it is what paying customers say to others.
3.040204	Scalable Revenue: Repeatedly Sold by Others	After initial orders are received scaling may require significant changes.
3.040205	Profitable Revenue: More Than Margin	Positive gross margin is only the first element in determining profitable sales.
3.040206	Distribution is the Only Thing That Matters	Identifying prospects and turning them into customers on a large scale can be quite difficult.
3.040207	Find a Popcorn Business	Build a recurring revenue base through anonymous sales that occur without direct engagements.
3.040301	When Things Go Wrong	Do not try to control situations; instead choose how to respond and not react.
3.040302	The Could Versus Should Trap	Creeping feature requests can easily add undue complexity and lengthen the time to market.
3.040303	Time: Is it a Friend or Foe	Break up serial events and address them in parallel to minimize overall cycle time.
3.040304	Who is Not in the Room	With today's fast pace, it is easy to inadvertently leave people out of critical discussions.
3.040305	Tiny Goals for Maximum Results	Define and focus on very short, easily attainable goals, following the adage of one step at a time.
3.040306	Ask Someone Who Doesn't Know	As they say "you can't see the forest for the trees"; ask an outsider for help.
3.040307	Quick and Easy Seldom Is	Don't replace thoughtfulness with speed; rework is always time consuming and expensive.
3.040308	Moving Out of the Garage	Moving a home-based business to a professional setting requires careful consideration.
3.040401	Selective Scalability	As you grow, focus on investing in your core competence and outsource everything else.
3.040402	Focus And Time: The Two Almost Unavoidable Landmines	It always seems to take longer to receive orders; especially if you are not focused.
3.040403	Patents: The Reality	Patents take time and money; it might be better to focus on other things.
3.040404	Legal Counsel: Necessary or Evil?	Attorneys sell their time, buy it wisely and only when necessary.
3.040405	Prepare for an Exit When You Start	Start a document archiving process on day one to avoid significant lost time searches later.