

Mentoring By Audio <sup>TM</sup>  
**Millionaire MBA**  
Designed *FOR* entrepreneurs *BY* entrepreneurs



**Week 2**

# **Workbook**

## Day 6

### Habits and Systems

#### Today you learnt:

- *That habits form the basis of your behaviour*
- *That successful habits = successful results*

- *Successful people control their habits; they don't let their habits control them*
- *The habit of delegation* ■ *The importance of repeatable systems*

Our behaviour is based on our habits. If we have positive habits, then our behaviour will be positive and will drive us forward towards success. Conversely, if we have bad habits, such as wasting time, watching television and procrastinating, then these habits will negatively affect our behavioural patterns and will have a significant detrimental effect on our ability to achieve.

Successful people know themselves and know the habits that they have: both good and bad. Without question, it is more natural to be ruled by bad habits, than to proactively foster good ones, which requires self-discipline and mental strength. Such is human nature. But it is those who train themselves and nurture positive habits that form the basis of their behaviour

who are best positioned for the greatest levels of success.

Glenda Stone, founder of Aurora Gender Capital Management, understands the importance of controlling your habits rather than letting your habits control you. Today you heard Glenda emphasise the need to know yourself and to know your own behaviour. As she explained, this might include how you like to plan your day, to something as specific as where you like to sit in meetings.

**"It is very important to identify your own strengths and weaknesses as an entrepreneur. You cannot spin all the plates - delegate things that you are not good at."**

**Tim Etchells, Founder of Single Market Events**

#### Repeatable Systems

Closely tied in with habits are repeatable systems. The term 'repeatable systems' applies to any process that has been systematized to gain efficiency: for example, creating an automated

system to collect visitor information each time a new prospect visits your website. This system may then email the visitor a free ebook that you have written, creating a stronger bond between you and your prospect. Although this is an example of an IT system, the principle of automating other areas of your business life holds true.

Entrepreneurs use repeatable systems to increase efficiency, profitability, overall customer satisfaction and to reduce error. By leveraging systems they position themselves ahead of others.

Repeatable systems are simply a case of 'invent once, use many times'. It is a sad fact that most people end up reinventing the wheel each time they try to do something new, rather than learn from others.

**"Watch your thoughts;  
they become words.  
Watch your words;  
they become actions.  
Watch your actions;  
they become habits.  
Watch your habits;  
they become character.  
Watch your character;  
it becomes your destiny."**

Frank Outlaw

**Day 6**  
**EXERCISE**  
**Habits and Systems**

Our habits form our behaviour. If we apply good habits such as self-discipline, focus and hard work, then the results we achieve will be positive. Good habits lead to good results. If our habits are poor, such as trying to do

everything ourselves and not delegating or wasting time and money, then they will lead to negative results. Bad habits lead to bad results.

This simple realisation can be the difference between success and failure. For today's exercise find someone to score you out of five in each of the habits listed here. It is important to be honest with yourself, as the output from this exercise will be a good indicator to the level of success you will achieve as an entrepreneur.

Once you've identified your bad habits, consider the effect of these on your journey to success. Consider how they compare with the entrepreneurs' habits featured in the Millionaire MBA and consider what action you will need to take to control these bad habits, i.e. if you watch too much television - simply get rid of your TV.

Positive Habits	Negative Habits	
Strong self-discipline	Watch TV	
Self-starter	Lazy and idle	
Driven to succeed	Procrastinate	
Outstanding at motivating others	Waste money	
Great at making decisions	Materialistic	
Able to delegate work to others	Get up late	
Visionary (see the big picture)	Rarely read books	
Able to focus	Do not finish what you start	
Do not waste time	Do not return calls / emails	
Sensible with money	Untidy and disorganised	
Low Ego - modest	Do not stretch yourself - remain in your comfort zone	
Great communicator	Do not delegate - do too much yourself	
?	?	
?	?	
?	?	
?	?	

Identify three new habits that you can adopt and commit to which will lead you towards greater success.

1

2

3

"We are what we repeatedly do,  
excellence then is not an act, but a habit."

Aristotle

## Day 7

### Confidence & Self-Doubt

#### Today you learnt:

■ *That entrepreneurs cannot be 100 percent certain that they will succeed, they just believe they will*

- *How to build self-confidence*
- *How to overcome self-doubt*

Confidence and unnerving self-belief is at the heart of every entrepreneur. There is zero room for self-doubt.

This does not mean to say that entrepreneurs are confident in everything they do, but when it comes to their business, they are supremely self-assured and have an inner belief that THEY will make their business successful.

Confidence is not always a natural state. Many people, after years of negative conditioning from parents, schools, media and work, are plagued with doubt when it comes to starting a business. After all, starting a business is entering a world of the unknown, where huge uncertainty is standard.

#### Confidence can be developed.

Think of driving a car for the first time. The very first time you drove, it is unlikely that you had all the necessary skills and experience to feel confident on the road. In fact, it is a very alien feeling at the start, which isn't helped by the strange mix of complex hand and leg manoeuvres and a multitude of pedals and levers. It is quite reasonable to wonder how anybody ever learns to drive. But with practice, experience, increased knowledge and by modelling and learning from others, you soon develop the confidence that you are capable of driving a car on your own.

**"Anybody can make a million. It is all about self-belief. If you believe it - you can do it."**

**Duncan Bannatyne,  
Serial Entrepreneur**

Confidence and self-belief can therefore be developed in any area of your life, whether it is building the confidence to speak in public or the self-belief to start a business.

As you heard from Ivan Massow, founder of Massow Financial Services, your confidence grows as your business grows and it is only when you look back months later that you realise that you have built up a substantial company.

**Day 7**  
**EXERCISE**  
**Confidence & Self-Doubt**

The millionaire mindset is about confidence and self-belief, which themselves are products of knowledge and experience. By increasing your knowledge and experience in an area, you can increase your confidence.

It is important as an entrepreneur to speak the right language and have at least a minimum understanding of the basic concepts of day-to-day business. Any business book will provide a basic understanding, as will reading about the nuts and bolts of business on the web. There are numerous websites that provide this information.

Today's exercise is to explain the meaning of the words below to a friend or colleague. Listed are 50 fundamental business words. If you can explain these words to a friend so that they understand each one, then it is likely that you have understood them yourself. If necessary, use the web to research the meaning of the words, or follow up with more reading if you are weak in a particular area (business finance for example).

Once you are able to explain these words without ambiguity, then you will have the basic vocabulary to speak like an entrepreneur. Knowing these terms will give you confidence as you develop your business idea.

**"You must do the very thing you think you cannot do."**

Eleanor Roosevelt

Turnover	Lead Time	Gross / Net Profit	USP	Budget / Forecast
Cashflow Forecast	Break Even Point	Margin	Sales Channel	Leverage
Burn Rate	Elevator Pitch	Brand Values	Aged Debt Report / DSO	ROI / ROC
Creditor/Payable/AP	Input /Output VAT	Direct / Indirect Cost	Working Capital	Cost of Sales (COS)
Debtor/ Receivable/AR	Gearing	Depreciation/ Amortisation	White Paper	VC / Business Angel
Balance Sheet	Prospect / Warm Lead	PE Ratio / Multiplier	EPS	Corporation Tax / NI
Profit and Loss (Income Statement)	Floatation / IPO / AIM	Strategic Partner	EBITDA	Inventory
Cashflow Statement	Strategy / Tactics	Joint Venture (JV)	Operations	Sales Closing
Asset / Liability	CEO/COO/CFO	B2B / B2C	Sales Pipeline / Funnel	Intellectual Property
Equity Shares	Business / Revenue Model	PR	KPI	Stock Option



**NOTES**

## Day 8

### Risk and Judgement

#### Today you learnt:

- Risk is essential
- Judgement plays a major role in risk taking
- Entrepreneurs are not gamblers

When asked, most people would say the number one trait of entrepreneurs is the willingness to take a risk. In fact, many people would view entrepreneurs as risk takers. Of course entrepreneurs do take risks, because without risk there can be no reward, but the reality is that entrepreneurs make calculated judgements based on information, experience and knowledge. They take calculated risks, not blind punts.

Very few entrepreneurs would take a 'gamble' on a business or deal that they thought had a chance of failing. By immersing themselves in their business and knowing it from every angle, entrepreneurs are able to take bigger 'perceived risks' than others, simply because they have more information, experience and knowledge at their disposal. With these ingredients, they are able to think through all the possible scenarios, both good and bad, and consider their response in each situation. Only when they have weighed up all the

possible outcomes do they then make a calculated judgement and put their hard earned assets at risk.

You heard today from Lord Harris, founder of CarpetRight who took a risk when he made the decision to buy an established European Carpet business at a time when UK firms were not investing in Europe. Although investing in the company may have appeared to be a risk, Lord Harris explains that in fact a large part of the cost was tied up in property so the risk was dramatically reduced. To lower the risk even more, Lord Harris initially bought half the company until he was confident he was making the right decision. As he says, you need to plan ahead and consider the down sides of any potential risk before you take the leap.

This risk analysis is no different from someone buying a house, changing jobs or even getting married. All are major life decisions requiring detailed thought and consideration until a calculated decision is made which you intrinsically know is right for you. Would you make a major life decision without first spending hours on detailed research and consideration? Taking risks as an entrepreneur is no different.

**"One man sees a risk, another man sees an opportunity."**

**Tom Hunter, Serial Entrepreneur**

**Day 8**  
**EXERCISE**  
**Risk and Judgement**

Success and risk go hand in hand. Think of any successful person and consider for a moment the 'risks' they will have taken to achieve their accomplishments. As an outsider looking in, these may well be perceived to be

'massive risks', but if you ask the individual if they considered them to be immense, it is unlikely that they will see them this way. More likely, they will view them as calculated risks or judgements where they have evaluated the downside and their exit strategy, as well as the rewarding upsides.

In your own life you will have taken risks to achieve the success you have to date. In this exercise, consider the risks you have taken. Spend a few minutes answering the following questions:

1 a) What has been the biggest risk you have ever taken?

1 b) How did others perceive this risk at the time? Did they think it was more of a risk than you did?

2a) What is your risk exposure in your current employed position? Do you have a single source of income? Could you be made redundant in a downsizing or off-shoring exercise? How long do you anticipate working in your current position?

2b) If you already have your own company, re-confirm to yourself why there is more risk in being an employee.

3) How could you eliminate or reduce risk from your future business idea? What can you do to give yourself a greater chance of making an informed judgment and reduce the level of risk you take?

## Day 9

## Fear

Today you learnt:

- Fear
- Limiting beliefs
- Comfort zones

### ■ *Stretching yourself*

Fear is the primary reason that stops us from becoming entrepreneurs. Indeed, it is fear that stops us from doing many of the things we long to do. Whether it is asking someone out on a date, making cold calls, speaking in public or jumping from an aeroplane, it is the mental state of fear that stops us dead in our tracks.

Fear exists purely in the mind. It is not physical and cannot be seen. It is a learnt behaviour and developed to protect us. However, if uncontrolled, it can over protect and work against us by closing the door on opportunities that will help us grow and succeed.

An acronym that is often used for fear is 'false evidence appearing real'. In reality, fear does not exist. Ask yourself, how one person can jump from an aeroplane or speak in public without fear, when another could not even consider doing these things. It is simply because some people allow their mind to over protect them

from false evidence that appears real.

### **Limiting Beliefs**

In the same way that fear protects us from harmful future events, limiting beliefs are past events in our lives that hold us back from achieving future success. Limiting beliefs, as their name suggests, are beliefs about our past selves which have a bearing on the way we view ourselves in the future. An example of this may be that we did not do well at school, so we now believe that we will never do well in future employment. It may be that you had a past business failure, and therefore you believe you do not have the skills to develop a successful business. Like fear, limiting beliefs simply exist in the mind and are there to be challenged. The only way to conquer fear and eliminate limiting beliefs is to tackle them head on.

### **Stretch and Comfort Zone**

The way to eliminate fear and limiting beliefs is to stretch yourself beyond your comfort zone. Only when you are pushing the limits of your comfort zone are you developing and moving forward towards success. If you are in a place of comfort, then your comfort zone is shrinking on a daily basis and success is moving further away from you.

**Day 9**  
**EXERCISE**  
**Fear**

Successful entrepreneurs tackle their fears head on. They recognise that fear and failure go together, just as courage and success go hand in hand. There is no room to allow fear to creep into your mind if you want to be

successful as an entrepreneur.

For today's exercise, think about your own fears that stop you from achieving greater levels of success. Remember, fear is of the future and of the unknown. The only way to conquer fear is to take action to directly address it head on. Make a note of the fears you have that prevent you from achieving success as an entrepreneur and consider what action you can take to overcome them.

Before doing this, think through the limiting beliefs you carry with you from your past, which stop you from achieving greater future success. Remember, limiting beliefs are stereotypes that you think you should conform to, simply because that is how you felt in the past. The past is not the future - it is the future that matters. Think about what action you will take to overcome these limiting beliefs.

The key here is to be honest with yourself and to commit to taking massive action to overcome your fears and limiting beliefs. Once you have challenged them, then you will have started eliminating the mental state that holds you back.

What limiting beliefs from your past hold you back from achieving greater success in the future?	What action can you take to overcome these limiting beliefs?
1 _____	1 _____
2 _____	2 _____
3 _____	3 _____
4 _____	4 _____
5 _____	5 _____

What fears do you have about the future that prevent you from achieving the success you want?	What action can you take to overcome these fears?
1 _____	1 _____
2 _____	2 _____
3 _____	3 _____
4 _____	4 _____
5 _____	5 _____

## Day 10

### Persistence and NO

Today you learnt:

- Persistence is a fundamental quality of winners
- Entrepreneurs never accept no for an answer

Perhaps the most hidden quality of entrepreneurs and other winners is persistence and the refusal to take no for an answer. Persistence is incompatible with failure.

All too often, people hear the word no and accept this as the final word. Those who achieve success in life and business continue on a steadfast course to achieve their goals. They know without question what they want to achieve and work tirelessly to reach their desired outcome. They know that the route to success is littered with obstacles and challenges, but the only way to get to their final destination is to be persistent.

Those who give up at the first, second or even tenth attempt are the ones who will not achieve success.

Persistence is the quality that legends are made of: Churchill, Edison and more recently Ellen MacArthur,

"The difference between success and failure is just persisting."

Julie Meyer, Founder of First Tuesday and Ariadne Capital

to name but a few. All three have shown an iron will to achieve their desired goals and refused to accept no or failure as an option.

You heard today from Elena Souto,

Founder of Ooh la laa, who persisted in sending press releases to newspapers in order to get free press coverage for her products. Even when nine people turned her down, she kept on going until the tenth person said yes. She refused to take no for an answer.

Remember, it is easier to be persistent if you are following your passion and when you have total self-belief that you are right. When your goals are supported by these two elements, there is no alternative but to persist until you reach your desired outcome.

**Day 10**  
**EXERCISE**  
**Persistence and NO**

Persistence is the most hidden quality of winners. Those who reach the highest levels of success simply refuse to give in. Entrepreneurs have this quality too.

Examples of persistence are all around us. Each day in the newspaper we see people who achieve greatness, whether it is battling with an illness, sailing around the world, or reaching the highest level in sport.

In the first part of today's exercise, you will need to research the web and answer the questions about persistence for the five people. Take a moment to put these answers in perspective. Think of how you would have reacted in similar situations and whether or not you would have continued like them. Think also of the rewards they have since achieved, and what the alternatives would have been for them if they had given up along the way.

**1. Thomas Edison - Inventor of the electric light bulb and founder of GE**

How many times did Thomas Edison attempt an experiment before he was successful?

**2. Colonel Sanders - Founded KFC at the age of 65**

How many times was he refused before somebody agreed to buy his recipe?

**3. Walt Disney - Founder of Disneyland**

How many times was he refused financing before he was able to create Disneyland in California?

**4. Calvin Coolidge - Thirtieth President of the USA**

What was Calvin Coolidge's famous statement on persistence?

**5. Which famous politician said this?**

"Never, never, never give up".

In the second part of today's exercise, there are two questions to answer about your own levels of persistence. By thinking about your own experiences you will begin to appreciate the value of being tenacious and realise that it is easier to persist with things that you are passionate about.

1) Give three examples of when persistence has led to your success

a)

b)

c)

2) Give three examples of when failure could have been avoided with greater levels of tenacity

a)

b)

c)



It is important to complete each of these exercises as you progress through the course. Each activity is designed to further embed the learning from the entrepreneurs featured during the day and to show how others (and now you) think with the millionaire mindset.

If you have skipped any of the exercises, please revisit the exercise in Day 6 and review your answers. Check that they are in line with how successful entrepreneurs think.

"Persistence is to the character of man as carbon is to steel."

Napoleon Hill