

## 5 entrepreneurial myths

~ Mark Healy / Partner / Torque

There's a great story you may have heard about a PHD student from a few years back at U of T (an institution with more colleges but fewer off-key Scottish songs than Queen's - Cha-Gheill!). It goes something like this. Every day at lunch, starting in the late spring, the student would walk out onto the football field. He'd bring with him a large bag of birdseed, and a whistle. He'd spread birdseed all over the field. Then, after twenty or thirty minutes of this, he'd blow the whistle. At first, a few birds would respond to the noise and drop in for some seeds. But gradually, over the course of the summer, more and more birds would descend on the field, expecting to be fed. And then the first football game of the autumn rolled around, and the players lined up, and the referee blew the whistle, and...

It's a great story. Problem is it's a story. It's a myth.

There are a lot of myths about entrepreneurship. Here are five I hear a lot:

### 1. Entrepreneurs are crazy free spirits, and risk-takers.

Let's start here. You'll also read a lot of stats about new business failures. Those numbers are high. For some of the failures, the entrepreneurs in charge may have been crazy free spirits – and big time risk-takers. But for many of those failures, and most of the successes, you're likely going to be surprised here.

### 2. It's about having a killer business plan.

You know what I'm talking about. The 45-page business plan. Bound. Sectioned. Great headers. With graphs. And Pro Forma's. Proclaiming how the business is the next Facebook. Uh huh. The best business plans are actually short, follow no particular order, and just get the ideas and number across.

### 3. The business idea has to be fully differentiated to succeed.

I've beaten this point to death before. This is a very common myth. It is a myth perpetuated by business magazines and business books, and, to some extent, by business schools. It's sexy. It's fun to research and write about. It sells. But it isn't true.

### 4. You can't teach entrepreneurship.

Or, as it is sometimes told, entrepreneurs are born that way. This presupposes at least two things are true: 1) there is no process to entrepreneurship. Hmm... And 2) that people can't/don't change. My old entrepreneurship professor and friend Eric Morse would have a body of work or two to say about that.

### 5. It's necessary/easy to raise \$1 trillion to start a business.

Dragon's Den. Great show. Entertaining. But... There's a reason the term bootstrap also means something other than a cord in your Dr. Martens.

The successful entrepreneurs I know are methodical and calculating. They understand their customers, competitors and the markets in which they operate. They weigh options and are actually very conservative in their decision making, from marketing to finances. Just like other business professionals.



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