



## Endorsements

"The vast majority of "entrepreneurship" experts in the world tell you what you want to hear. But in 50 interviews, the interviewees tell you what you need to hear. It is an eye opening and must read book if you want to know the cold hard truth about true entrepreneurship."

**-Jerèll Klaver (featured in Entrepreneur Magazine)**

"There are two ways to learn about entrepreneurship: one, give it a try, and two, talk to people who have lived and breathed it for years in the crucibles of start-ups. This book gives readers a front-row seat to the action, offering future entrepreneurs lessons learned the hard way. Read it, learn, and then go do it!"

**-Gregg Vanourek, founding partner, New Mountain Ventures, and co-author, Life Entrepreneurs**

"If entrepreneurship can be learned, this book will give you a window inside the mind of the successful entrepreneur."

**-Peter Olins, Co-Founder, Northern Colorado Entrepreneurs Network**

## Excerpts

"It isn't what you know, but what you are determined to do that makes the difference. Knowing actually gets in the way."

**-Michael Gerber, Founder of E-Myth Worldwide**

"Capitalism without conscience is greed."

**- Diane Hughes, Earth Friendly Coffee**

"When my daughter died, I decided that there was nothing else the world could ever take from me that mattered as much. It was from that experience that I developed a fearless strength to conquer the world of business and take the necessary risks to be successful."

**-Donna Visocky, Bella Spark Productions**

"My biggest fear in life was to die doing work without meaning or impact. Don't waste your time in a vocation you don't enjoy. If you woke up and were told 'Today is the last day of your life' would you go to work? If the answer is no, then you're in the wrong job."

**-Jon Payne, Western Air Enterprises**

"There are 10 things you need to look for in an employee, the first is integrity and the other nine don't matter."

**-Chad Cameron of Leap Ventures**

## About the author

Before making the transition from employee to employer, Brian Schwartz dedicated himself to interviewing over 50 entrepreneurs to uncover the truth of what it takes to be a successful entrepreneur. In the process he learned the vital keys to shifting to the entrepreneurial mindset. He discovered the distinctions that drive entrepreneurs to persevere and overcome adversity.

Brian has built a business model around the concept of 50 Interviews by mentoring others through the process, enabling them to perform a series interviews to come up with what he calls 'career cliff notes'. Whether they desire to become an entrepreneur, an actor, a scientist, a realtor, or whatever, the power of the framework empowers participants to get out of their current situations and move forward towards greater fulfillment in their life and community. To move from spectator to participant in the areas they are most passionate about.

Brian lives in Colorado and can be reached via his website at [www.50interviews.com](http://www.50interviews.com) or by phone at 970-215-1078.

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**Michael Gerber, E-Myth Worldwide**



## **BACKGROUND**

Michael Gerber is best known for his worldwide bestseller, *The E-Myth Revisited*, where he dispels the myths surrounding starting your own business and shows how commonplace assumptions can get in the way of running a business. He walks the reader through the steps in the life of a business from infancy, through adolescent growing pains, to the mature entrepreneurial perspective. He shows how applying the lessons of franchising can help any business. Michael stresses the distinction between working **on** your business, compared to working **in** your business. His company, E-Myth Worldwide, was founded in 1977 and is based in Santa Rosa, CA. With over 70 full-time employees and licensees around the world, E-Myth Worldwide provides education, consulting, and coaching to small business owners worldwide. Prior to founding E-Myth Worldwide, Michael launched a speed reading product and a stock photography company which he sold door-to-door.

**MICHAEL GERBER**

## **INTERVIEW**

**Q:** What was your initial startup cost and source?

**A:** Our first client invested \$25,000 to help get the business started.

**Q:** How long until you had reached a positive cash flow?

**A:** 6 months.

**Q:** Did you use a business plan?

**A:** No.

**Q:** What was the genesis of the idea?

**A:** A friend asked me to visit a small business (a small high-tech company) which was struggling to convert leads into sales. In that first meeting, I discovered a truth that he wasn't able to see. That truth led to the realization that most businesses are broken and a more creative approach is often needed. In that case, it was simply a matter of finding an uncommon answer to a common problem (why businesses fail). At E-Myth Worldwide in 1977, we had commission only sales people on the street filling seats in our seminars. It wasn't until 1984, when a woman we had hired insisted her fiancé attend one of our seminars. Her fiancé was a publisher at a subsidiary of Harper Publishing and suggested I put the material from the seminar into a book. I said OK, and they came back with a proposal and the rest is history. The book is actually the script for the seminar we had already been running for years.

**Q:** What came first, the problem or the solution?

**A:** It was in the moment that I finally saw the problem, that the solution immediately arose. Simply stated, it's how to design a scalable business. Failure of small business is the single biggest problem in the world. If we could make all small businesses successful, we could address all the world's problems.

**Q:** What is the passion that it fills for you personally?

**A:** I am on a mission to create a transformation of small business worldwide. I revel in seeing the success of the companies we work with. I enjoy inspiring and teaching others before they make the biggest mistake in their life. It's also challenging to design and run a company as though you were going to franchise the business. Unfortunately, most of what you hear in the world today is B.S. There is indeed a streetwise way to build and run a successful business and I feel an urgency to help other people see the truth.

**Q:** Where do you see yourself and your company in 10 years?

**A:** I'm 72 years old, and I have no desire to retire. I feel I am on a mission to fix this problem called the failure of small business. There is an urgency to solve what I see as the biggest single problem in the world. My companies are destined to

solve that problem and I'm determined to get a leg up on it between now and the day I pass.

**Q:** Looking back now, is there anything you wish you had done differently? What have been your biggest challenges?

**A:** The biggest challenge is people. Most people are looking outside themselves for the answer. The excuse to most people is always external. The entrepreneurial mindset however is always internal. It's people's inability to accept the fact they don't know the answer. There are very few great students in the world; people who are truly open and accept that they don't know everything. There is so much resistance to the truth of what I teach. People's egos can't handle it and too much determination in the wrong direction can be a significant fault. I don't live in the space of regret, but I suppose I would have financed my company differently vs. bootstrapping it. Bootstrapping is hard, but does teach you extraordinary lessons.

***"Most people are looking outside themselves for the answer."***

MICHAEL GERBER

**Q:** What have been your biggest rewards?

**A:** Watching the positive impact I've had on people whose lives and businesses were broken and had given up hope when we first met them. It was rewarding when they finally asked for help, discovered E-Myth, and made miraculous transformations. I never would have imagined that my books and my companies would be as successful as they've been or that I'd be labeled as the *World's #1 Small Business Guru* as recently stated by INC. magazine.

**Q:** Are there one or two things you can attribute your success to? Luck, timing, someone who helped you?

**A:** I attribute a lot to my earliest teachers, my saxophone teacher, my encyclopedia sales manager, the man who taught me how to build and frame a house. As a result of what my teachers taught me, I've been able to see a pattern in business that nobody else saw and articulate it in a way others could not. The answer also came from Ray Kroc (the founder

of McDonald's), Howard Schultz (the founder of Starbucks); entrepreneurs who saw the business as a scalable system. They all had an idea bigger than anyone else had ever conceived. The truth is that E-Myth Worldwide is built upon the exact principals in my books. It's no surprise that we are an exemplar for our students and the very material that we produced. In short, we do E-Myth; we don't just talk about it. When hiring at E-Myth Worldwide, we teach people who know nothing about business how to become the very best business coaches, business salespeople, and business mentors possible using our expert system.

**Q:** How do you attract and retain the best employees?

**A:** In the early days, we attracted people on straight commission; everyone in the company was on 100% commission. What attracted people to our company was our dream – the idea that if we could transform small business worldwide, we could transform the world. That idea and that commitment have continued to this day. The people who are attracted to us are not attracted to doing the work; they're attracted to the impact the work we do can have on countless people throughout the world. In short, they're attracted by the dream, they're moved by our vision, they're committed to our purpose, and they're determined to become exemplars in implementing our mission.

**Q:** Can you recommend any training or resources such as books, classes, or websites? Do you recommend an MBA?

**A:** No on the MBA. Rather, I recommend a MBD – a Masters in Business Design, which is a new degree I'm creating. The

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first and only business book I ever read was *Marketing for Business Growth* by Theodore Levitt of Harvard University. It was the inspiration for E-Myth. I strongly encourage people to take our courses, read our books, and adopt our systems at E-Myth Worldwide.

**Q:** Slogans to live by or what it might say on your tombstone?

**A:** “Never Quit.” “It isn’t what you know, but what you are determined to do that makes the difference. Knowing actually gets in the way.” “When people don’t want to come, nothing in the world will convince them until you give them a different point of view.” That’s what we have done at E-Myth. That’s what I have been doing all my life – giving people a completely different point of view that transforms the way they think and because it transforms the way they think it absolutely transforms what they do and how they do it. But, “Never Quit” is key. It’s in every message we give. It’s in every mentoring we do. It’s in every coaching relationship. “Never Quit, Never Quit, Never Quit.” So obviously what’s important as a part of all this is that you’re absolutely dedicated to the ‘great result’ you’re there to produce in the world. That’s why I focus on the great result which is what the ‘dream’ is all about. The dream is the great result. The vision is the great how. To produce that great result the purpose is the great who. Who are you going to produce that great result for and why? The mission is the getting on with the delivering and developing the systems absolutely essential for building the capability to deliver that great result. “Never Quit, Never Quit, Never Quit.”

**Q:** Anything else?

**A:** Creativity is counterintuitive. The things you need to learn are already within you. When you talk to others, keep in mind that they’re usually going to give answers they’re conditioned to give. The new entrepreneur I speak about in this age of the new entrepreneur that I talk about continuously, are finding uncommon answers to common problems. For examples of this, look at companies like Grameen Bank, McDonald’s, Wal-Mart, and Starbucks. “Imagination”, Einstein said “is more important than knowledge”, and exactly as Nike said, “Just Do It.”

***“The new entrepreneur that I talk about continuously, are finding uncommon answers to common problems.”***

# APPENDIX D

## The 5 Essential Skills Needed to Create a Great Business

By Erin Duckhorn of E-Myth Worldwide  
*www.e-myth.com*

In Michael Gerber's book, *The Power Point*, he states that there are five essential skills every entrepreneur must have in order to create a great business. Consciously or unconsciously, every entrepreneur does these things to some extent in their business. But it's the ones who master these skills that will create world-class businesses.

**1. Concentration.** The inner force and energy that allows you to focus your attention. This is the foundation for everything — without the ability to focus, you cannot live on purpose. If you have three projects on your desk and you work on all of them at once, you're not likely to get anything done. Not to mention the fact that when you spread your attention too thin, you're just not capable of doing your best work. Concentration allows you to focus with laser precision on that which needs to be done.

**2. Discrimination.** The ability to choose upon what, where and who our attention (or concentration) is directed. It's through discrimination that a business develops standards and discipline. Discrimination is about picking and choosing your battles. It's about prioritizing. It's about choosing to work on the things that will deliver the biggest return for your efforts. We've worked with tens of thousands of clients, and this is the skill that often trips people up. When you're bogged down in the day-to-day activities of running a business, prioritizing can be a struggle. The programs offered by E-Myth Worldwide include worksheets and tools to help you create systems that allow you to discriminate the work you should be doing: prioritizing around that which will give you the greatest return for your efforts.

**3. Organization.** This is the ability to turn chaos into order. Once you're able to concentrate and discriminate you need to create order and predictability so you can successfully grow your business. This involves the creation of systems that allow your business to run efficiently.

**4. Innovation.** Once you've begun to hone your focus on the right things, and you've achieved some order to your world, you can begin to innovate. Innovation is part of the Business Development Cycle. Innovation is that spark of genius that all entrepreneurs have, and should be seen as an asset. An asset that can be leveraged for the greater good of the entire organization. An asset that will add business value over time. Lots of us have ideas, but when you've developed the skill of innovation, you're able to take that moment of inspiration and capture it, recreate it, and most importantly take action on it.

**5. Communication.** The ability to transmit ideas with clarity, precision, passion and purpose. People want to be inspired and part of something important. You must communicate your passion, your vision and your ideas to your employees, your customers your lenders, your vendors — everyone who is touched by your business. Concentration provides the energy and attention needed for action, discrimination provides the intention and standards to know what action needs to be taken, organization provides the room for right action to take place, innovation spurs new ideas and communication is the channel through which the ultimate vision is realized.