



CHAPTER THREE

Plan Your Life, Then Plan Your Business

Stop Before You Go

ANTOINE—STARTUPNATION RADIO CALLER

We'll never forget a call we received on StartupNation Radio early in 2004. It was Antoine from Dallas. He was filled with vim and vigor and ready to work on his New Year's resolution to create a business that would allow him to achieve his primary objectives of spending more time with his kids and having more time to play golf. So we asked him if he had a specific business in mind that he believed would achieve his objectives. He replied by telling us he was thinking of a business to import specialty foods from various countries in Europe. Apparently he had an agent in Europe who would be his partner and take him around on buying trips to acquire unique food products that he could then, in turn, import to the United States to sell.

On the face of it, it sounded like a very interesting business. However, as we began to probe the details of what this business would require of him, Antoine disclosed that it would involve a great deal of time spent traveling overseas—the very time that he told us he wanted more of to spend with his kids and to play golf. We quickly surmised that if Antoine were to start that particular business, he would probably end up with even less time to lead the lifestyle he was seeking.

Antoine's story underscores the importance of knowing what kind of lifestyle you want to lead and then picking a business that facilitates your lifestyle objectives.

Right now, you might be working on the first prototype of your invention or you might be poring over the most recent draft of your business plan.

You're about to take the same step we took nearly two decades ago. You're about to turn your dream into a reality. We know this is an auspicious time, full of hope and planning, dreaming and doing.

For as long as we can remember, we wanted to do something with our lives that was truly done “our own way.” Our grandfather, Sam, built his own scrap metal business when he landed on these shores in the 1930s as an immigrant who couldn't speak the language and had no more than a few dollars in his pocket. Our dad is a retired urologist and ran a practice on his own instead of joining in with physicians' groups. Our mom raised us to believe we didn't have to follow the traditional or conservative formula just because it was the way everyone else did it. She taught us to think big and to have confidence to do it our way. Add to this the experience of growing up in Flint. The city was wilting from General Motors' downsizing. Think Michael Moore's documentary *Roger and Me* set in Flint. For us, those were formative days. We just couldn't see ourselves “workin' for the man.”

That's why we made a pact with each other that we'd do whatever it takes to lead a life rich with freedom, family, and fulfillment—ingredients that became integral to our Manifesto.

Can you relate? Perhaps a similar set of experiences has driven you to pick up this book—an intense family influence mixed with a desire to take control of your future and to answer only to yourself. No matter what's behind your interest in pursuing entrepreneurship, we know this moment—just before you really commit yourself to running your own business—is intense. If you're like most people, add generous amounts of fear and doubt to the mix. You're probably wondering about whether you're ready to take this big step. Will you really be able to make it on your own? Is

being an entrepreneur in your blood? What will your family think? How will you finance the business without draining your personal savings? Will you be a success?

But before you travel any farther down the path to get your business started, put thoughts about “the business” on hold. There’s something more important to think about first. We know a way to help you answer all those questions you’re asking yourself and replace some of your doubt and uncertainty with confidence.

And it has nothing to do with business or your idea for that business or invention—yet. On the contrary, what we propose is something that’s all too often overlooked by people thinking about starting up their own business. It’s called *your life*. That’s right. We want you to focus first on what you really want out of this new life you’re about to create.

Why do we propose planning a life before planning a business?

We believe that you’ll be most fulfilled by running your own show if you create a business that draws on what you really enjoy doing. You’re going to spend a lot of time and energy to make a success of your new business. If you enjoy the work, you won’t regret spending that time.

Using this approach, you’ll find that the more you enjoy your work, the harder you’re going to want to work. The harder you work, the closer you come to success.

This might seem like a radical notion: Plan your life before you’ve even researched your idea or written a business plan. At this point in most books, you’d start to dive into planning your business. We’re going to get there too, but not before you know what you want. With a little bit of reflecting and envisioning, you can create a life that’s totally fulfilling *and* create a business that serves that life. We think the founders of Great Harvest Bread Co., one of the most respected franchises in existence, said it per-

fectly in their biography, *Bread and Butter*. “Your business will always model your own physical and emotional health.” We couldn’t agree more.

Getting into the Mindset

First, know what you want. Too many people fall into a condition we call “drift,” where, instead of taking life by the horns, they let life just kind of happen to them. It’s easy to lull yourself into a state of drift, unaware of how wasteful it is to live this way. Make no mistake, drifting can delay—and even worse, prohibit—you from leading the life you want and deserve.

It might be helpful for you to look at life as a series of building blocks. The days are the blocks. Each layer of blocks depends on the layer below. And just like building blocks, tomorrow always depends on today and today upon yesterday, and so on and so on. Each day counts. When you drift, you’re not building for tomorrow. The good news is that pulling yourself out of drift is actually simple. Your first step is to *create a Life Plan*.

Creating a Life Plan is a process we designed to help you understand who you are, what you *want* to do, what you *can* do, and how to get where you want to go. At this point, we recommend you grab a notebook and use it to record and organize your thoughts as we walk you through the steps. Ultimately, you’ll be asked to organize your notes into a one- to two-page document titled “Life Plan.” Once you have your Life Plan, you’ll know how to spend each day moving toward your goal, and you’ll know how different parts of your life serve your Life Plan, including your business.

First, what is a Life Plan?

A Life Plan is to your life what a business plan is to your business. It states where you want to go and what you have to do to get there. It lays out what you're trying to accomplish with your life, what rewards you'd like, and what the risks and costs will likely be. And it sets out a strategy for how to make it all happen. Your Life Plan is a guiding light that will keep you on course and free from "drift."

This Life Plan—revisited and rewritten at least annually—can help you make decisions about all aspects of your life. For example, you can use your Life Plan to figure out whether you should own a home or rent an apartment, whether you should have pets or not be tied down by that obligation, whether you should spend your money on material possessions now or set funds aside for retirement, or whether you should keep your corporate job or start up that dream business.

In the end, if you determine that your life would be best served by starting your own business, you'll use your Life Plan to help figure out the best type of business for you. Your Life Plan will literally drive your business plan, not vice versa.

When we look for shining examples of how people have created businesses in accordance with their Life Plans, all we have to do is look up and down our Main Street. Just down the way, Kate Richard, a 27-year-old successful entrepreneur, has mapped out a business that stirs her passion and affords her the privilege to do the kind of work she loves *every day*.

Kate always dreamed of owning a clothing store and living near her family. But like so many people, she feared that following those dreams seemed a little risky. So when she graduated from Miami University with a bachelor's degree in marketing, she headed first to Colorado and then San Francisco to work for big companies in their marketing departments. "I liked it well enough when I started, but I soon grew to despise it. I didn't have enough time to visit my family. I wasn't traveling like I

wanted to,” Kate says. Kate liked the work but wasn’t happy with the life she was living.

So in December of 2002, she packed up her bags and headed home to Michigan. The plan was to spend a month with her family and then head back into the corporate world. “I thought I’d move to New York and land a marketing job there. At least I’d be in the same time zone with my family!”

But as she traveled in and out of New York during the interviewing process, Kate says she began to rethink her plans. “I wanted to be close to my family. I was really happy being near home. I knew I wanted more flexibility in my schedule and to have time to travel. I also knew I loved clothes and shopping. All I needed was a way to make a living.”

What Kate did was to make her lifestyle the top priority, then figure out a way to mold a business that would fit her lifestyle. She put her Life Plan before her business plan.

As Kate looked around town, filled with curiosity and interest in the businesses she saw, she began to realize that the possibilities for a career were broader than simply heading back into the corporate world. What if she opened her own store selling clothes? It occurred to her that not only would she be dealing with fashion, but she’d have perfect justification to travel—frequenting fashion shows and the great cities of the world to find the best merchandise. The solution was staring her in the face, and it was not a “job” at all: She could open her own clothing store in downtown Birmingham.

“After that thought hit me, I quickly abandoned the idea of going off to New York and hunting for a job in the fashion industry. Once I started thinking of doing my own thing, I couldn’t shake the idea. I wanted to create a space—*my space*—where it would be fun to shop for clothes.”

Thus the store Miss Kate was born. When you step inside, it’s obvious that she’s created a business that melds her dream life

with her skills. On one wall is a big plasma television screen playing chick flicks. The clothes are organized by colors instead of by designers, since “it’s easier to shop that way.” Along the back wall is a fireplace with couches and chairs facing it to create a warm, comfortable living space. While she’s still working 14-hour days, with the manager she has on board, she’s able to take off days to spend with her family. And it’s not uncommon for her sister and parents to drop by the shop, just minutes from their homes. She often travels to places like London and New York to meet with vendors, find the best lines, and cut deals.

The melding of her Life Plan with her business plan is paying off. She’s expanded with a bridesmaid’s salon at the back of Miss Kate and also opened a new store, Shoe La La, across the street. Next move? “I’d love to have a few more stores like Miss Kate around the country.”

A Life Plan of Your Own

To get you started on your own Life Plan, first understand there’s no one “right” way to do it. Second, be aware that your plan will not stay the same forever. It’ll morph and change numerous times just as our plans have over the years. Life has a way of doing that. Your task is to think through the issues we highlight *before* you become consumed with the details of the business you’re going to start. The important thing is to be thoughtful and honest with yourself, and to be open to the unexpected. The work you do in this section of *StartupNation* might save you from heading down the wrong path or from heading down the right one but running out of steam just months after starting up.

You’ll need to be both a dreamer and a realist throughout this process. Once you’ve worked your way through it, you should finally be equipped to distill all of your thoughts and notes into a “Life Plan” that you can literally live by. It’ll be invaluable in

helping you become not only a successful entrepreneur but a more fulfilled person.

Here's what you'll address in our six-step life-planning process:

1. Your Current Status
2. Your Ideal Life
3. Your Skills: What You Do Well
4. Your Ideal Work Style
5. Your Manifesto
6. Your Key Moves

One or two pages is about the right length. You can find a sample of a Life Plan near the end of this section.

For an online form you can use to create and maintain your own Life Plan, go to www.startupnation.com/lifeplan.

Step 1—Establish Your Current Status

Rate Your Quality of Life

The first thing to do when creating your Life Plan is to take stock of your current situation. Granted, it's impossible for you to be completely objective, but try to be as candid as possible. To improve anything in your life, you have to know where you stand today. Start by simply rating your quality of life on a scale from 1 to 100, with 100 being the best possible life you can imagine. Ask yourself some simple questions:

Is life good? Where do you stand relative to your ideal? How close? How far? Are you excited to wake up and start the day? Are your relationships in good standing? Do you have enough time to yourself? Do you smile and laugh a lot? Do you feel