



Bonus #2

PROVEN SECRETS FOR MAKING LARGE SUMS OF MONEY IN YOUR OWN BUSINESS

by

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Introduction

Would you like to make lots of money?

Who wouldn't, right?

One of the best ways to do it is in your own business.

You may have heard that before, but you may have also felt discouraged or even confused by the advice you've gotten.

Well, the good news is there are some simple, straightforward truths that almost nobody talks about that can help you make a lot of money in your own business.

Let's start by stimulating your creative juices.

Think for a moment... what do you want the money for?

Is it to buy a new house? A new car? Pay off your credit cards? Take a vacation? Buy a vacation home?

Whatever you want the money for, I'm going to show you how to make lots of money in your own small business so you can buy whatever it is you want.

Are you ready?

My Credentials for Writing about Small Business Success:

You're not alone.

We've all had money challenges.

If you have had or are currently having a problem in your business, chances are good that I've encountered the same problem myself. I've been in the same position you are now at one time or another.

That's because I've started seventeen of my own businesses, and started as well as run businesses for many companies, governments and investment groups, including the U.S. Government, Standard Oil of Ohio and major venture capitalists.

In the course of starting, running or consulting to hundreds of small businesses and in conducting extensive research on how to make them successful, I've noticed that there are many things required for small business success that are never written down.

In doing difficult turnarounds and creating businesses from scratch, I've had to come up with solutions under extreme pressure. I know what you're up against. And I've come up with some ways to work things out where failing would be the only alternative.

First, let me tell you what I've seen most businesses go through, and why they don't work. Then I'll show you some neat little tricks to eliminate 99% of the problems you might have, and all but guarantee success and huge profits.

That's right. I said guarantee.

What you're about to read works.

The Normal Small Business Experience

Did you know that in the first five years, 95% of all new small businesses will fail?

This is because:

- they don't understand their markets and how to effectively deal with them
- they don't know where they are making and losing money and by the time they figure it out, they're already down the tubes
- they hire and trust the wrong people
- they spend their time and resources trying to sell to people who won't buy
- they don't take advantage of the knowledge resources that would help them do the successful things and avoid what makes them fail
- and they make lots of other avoidable mistakes.

But it doesn't have to be that way.

Here's the good news---

The Cybernetic Transposition Small Business Experience

As a small business owner, how would you like to improve your odds by almost 20 times?

I can show you how. I say that with confidence because I have trained and mentored hundreds of small business entrepreneurs, and instead of 95% of them failing, fewer than 10% closed in their first five years.

Think of that---

That's a big jump – from 5 percent probability of success to over 90 percent.

This report you're reading presents a series of concepts and very concrete techniques that allowed my clients and trainees to achieve that nearly 2000 percent increase in probable success.

You ought to be getting pretty excited about now!

One of the tools I used in helping my small business clients achieve this increased performance is the *Cybernetic Transposition Three-Step* that you learned in the ebook, *How to Get Lots of Money for Anything – Fast*.

Most of techniques I will describe require the prior mastery of these *Cybernetic Transposition Three-Step* techniques.

So to get the best results from these techniques, you're going to want to learn and use the powerful *Cybernetic Transposition Three-Step*. Make sure you take the time to become thoroughly familiar with it, and even use it on other projects before you start to apply them to the more ambitious project of creating a massively profitable business.

So if you haven't done so, please go read the first part of my book before you read any more of this Special Report.

Why Is It Worthwhile to Spend the Effort?

How would you like to save 100 to 1,000 hours of hard work?

If you want to have your own successful small business, increasing the probability of success by nearly 2000 percent is a pretty good incentive.

If you're really asking why you should put in so much effort at the beginning, the answer is that *for every hour you put into what I describe, you will save 100 to 1,000 hours once your small business is in operation.*

Think about a rocket taking off for the moon about 250,000 miles away. A very tiny error in the launch trajectory will potentially cause the rocket to miss the moon by tens of thousands of miles.

Similarly, if you proceed the way small business entrepreneurs normally do, you have a 95 percent chance of missing your destination, small business success.

You would never hit your target!

However, if you do what I suggest in the way that I describe, you have an over 90 percent chance of hitting your target.

It's really worth the effort.

Some Words About Terminology

For those of you who haven't yet mastered the *Cybernetic Transposition Three-Step*, I'll briefly summarize some of the elements that I refer to in this ebook.

- A *Wish List* is a set of extremely desirable and concrete *imaginary experiences* that describe various aspects of something that you want.
- The *Target Process* is a way of translating conscious objectives and *Wish Lists* into unconscious plans that I call *Targets*.
- The *Inner Anchor Point* is an imaginary tool that activates parts of the brain that set and maintain a very high unconscious priority on *Targets*, other *imaginary experiences* and instructions that you imagine placing within it.
- The *Base Reframing Process* is a way of permanently changing self-defeating unconscious habit patterns into ones that are self-supporting.

Chapter One

Four Essential Criteria for Small Business Success

What does it take to be a success in business today?

My personal entrepreneurial and managerial experience is consistent with research on producing small business success that I conducted for the U.S. and other governments and on behalf of myself and other clients.

One key point that I discovered is that there are four absolutely essential criteria for small business success.

If you want to be a successful small business entrepreneur:

- You must have a very clear and appropriately permeable *conscious and unconscious vision* that matches market needs and potentially generates significant profits.
- You must have a *network of relevant peers* that you can consult and brainstorm with.
- You must have a *relevant mentor* who will tell you when you are on the right track and will stop you from making the predictable mistakes that small business people traditionally make, perhaps doing so quite firmly.
- You must be *very persistent*.

Although meeting these criteria won't guarantee small business success, failing to meet them all will take you a long way toward failing.

In the following chapters, I'll discuss each of these criteria in detail and tell you how, specifically, to do what's necessary to meet each.

Then I'll detail the major skills that will take you the rest of the way toward successfully making a lot of money in your own small business and how, specifically, to develop them.

Chapter Two

The First Success Factor:

A Clear and Appropriately Permeable Conscious and Unconscious Vision

What determines your behavior in life?

What determines your behavior in your business?

You are guided by your *unconscious visions* in everything you do.

When our *unconscious vision* matches our conscious one and is accepted by all major parts of our conscious and unconscious minds, we have a *clear and effective vision*.

However, for our *unconscious vision* to lead to small business success, it must also *precisely match market needs*.

Market needs are, simply stated, what a meaningful number of potential customers want or need.

A “meaningful number” is determined by the economics of the business and your intentions for the business.

If your business requires economies of scale and/or you want to grow a large firm, then the meaningful number of potential customers must be large.

If your business allows high profits per unit sold and you care more about profits than size (like me), then the number of meaningful potential customers can be relatively small.

For example, my brother, Phil, started a company while we were in college. I occasionally advised him. The company designed and manufactured large professional astronomical telescopes. Since my brother was very skilled at designing these large and complex devices and had won a fellowship at Harvard in Astronomy, he had both the skills and reputation required for success. The target market was universities that, at the time, were receiving NASA funding for such purchases. The cost of each telescope was quite large as was the profit margin. Therefore, the required number of potential customers was small and that matched the actual marketplace of perhaps 2,000 potential customers, max. The business was quite successful and Phil sold it to an English firm for a good price after only two years of operation.

In contrast, there are many small businesses that require a large number of potential customers in order to be successful. For example, many consumer businesses, such as gas stations and grocery stores, make a very small profit on each unit sold and have rather high overhead expenses. Therefore, they must sell many units to make a profit and that requires a large number of customers. Of course, in these two cases, there are a lot of potential customers. For gas stations, they are everyone who drives a car and enters or lives in the local area and for grocery stores, everyone in the local area.

Usually, where there are lots of potential customers, there's lots of competition. That can be a big problem unless you come up with an "angle" that differentiates your business from all the rest.

For example, gas stations are usually very marginal businesses, usually barely profitable enough to earn their operators a modest living. However, I encountered a highly profitable, very high volume gas station in Orange County, south of Los Angeles. It required and had a very large number of customers. They were drawn by the fact that the gas was sold at cost so this gas station had the lowest gas prices in the area. However, this gas station was also quite profitable because it incorporated another business that required large numbers of customers and had a good profit margin. Two fast food franchises were located in the fueling area and while gas was flowing into their cars, the drivers were drawn to buy food by various clever marketing tactics.

Another example is a supermarket near where I live. In this area, there are three major supermarket chains. A friend of mine, who had started a chain of specialty supermarkets in another city, moved to town and decided to replicate his model here. After suitable market and location research, he set up in an area of town that lacked significant supermarket competition and had a large number of middle class potential customers. His operation emphasizes high quality and organic foods, personal service and specialty items including a large selection of fine wines. He charges significantly higher prices than the competition but, because he tuned into the growing consumer desire for healthier foods and fine wines, his middle and upper class customers are quite willing to pay. Therefore, his supermarket has gained a large number of customers and is quite profitable.

What Does It Take to Create A Clear and Permeable Vision?

Okay. So just how do you create a clear vision that will help you make money?

Creating a vision that you can turn into a successful small business is a sophisticated process that revolves around two factors:

- research
- invention

Alfred P. Sloan, who single handedly created the discipline of professional management in order to build General Motors from a small collection of nearly bankrupt entrepreneurial ventures to the largest and most profitable corporation in the world, once said:

Of course all good business decisions are made intuitively but the best ones are made intuitively after a good deal of study.

I agree with Sloan and the study that he refers to is, in this case, what I call research.

Be aware that every successful business incorporates a tremendous amount of knowledge and skills.

If you or your team lacks sufficient relevant knowledge and skills, your chances of success are extremely low. That's one reason why over 95 percent of small businesses fail during the first five years of operation.

Their owners almost always make predictable errors that an expert in that business could have identified at the outset.

For example, I once saw a study conducted by Success Magazine. A range of supposed small business experts evaluated and predicted the probable success of three startup ventures. Of the group - small business lawyers, small business consultants, bankers and venture capitalists - all were totally wrong except the venture capitalists when their predictions were evaluated at the end of the first year of operation of the three small businesses.

In contrast to the others, the venture capitalists accurately predicted the specific problems and how the entrepreneurs would successfully and unsuccessfully handle them.

Why were they the only ones of the supposed experts who knew what they were talking about? It's the difference between having "on the firing line" experience and simply watching from afar. When your money is on the line and when you consider yourself a mentor to the entrepreneurs you have invested in (as the venture capitalists), you make very sure that you know what is actually going on in the business. And if you do this with lots of small businesses (again, as venture capitalists do), you know a lot about what makes for small business success and failure.

An Appropriately Permeable Vision

This brings me to what I mean by an "*appropriately permeable vision*."

One way to fail in creating a small business is to get a good idea and then steadfastly refuse to update it based on good advice.

Another way to fail, however, is to update it based on poor advice.

For example, in the study of SBA (U.S. Small Business Administration) operations that I conducted, using my Artinel artificial intelligence data analysis system, we not only evaluated the SBA's complete set of small business clients over a seven year period, we also evaluated the operation of all of SBA's 60 plus offices and the way that they had changed over time. We then evaluated the relationship of small business success or failure to what SBA had provided in the way of financing and consulting advice. In the process, we developed models that were 90 to 99 percent accurate in determining the causes of success or failure of these small businesses.

Unfortunately, we found that two-thirds of SBA's offices did more harm than good and that, with certain types of small business clients, involvement of SBA meant almost certain failure.

When we investigated why this was so, we found two primary reasons. First, almost none of SBA's personnel and the non-SBA personnel who worked for them under contract or as volunteers had ANY small business operating or startup experience. Second, SBA was evaluated by Congress on the number of people they could say they had helped, rather than the quality of services or the results they produced and, as a result, SBA almost completely lacked the ability to evaluate whether a small business would be successful or unsuccessful.

Obviously, in my book, SBA gave and probably still gives very poor advice.

One of the biggest errors that small business owners make is to think that someone who has worked as a manager in a big business is qualified to give them good advice.

That's almost always NOT the case.

Large business managers have tremendous resources readily at hand that they take for granted. They typically never face the types of challenges faced by small businesses that usually can't afford such resources – people and systems.

For example, during the 1980's, I conducted a study of firms in Silicon Valley whose venture capital investors had replaced the founding entrepreneurs with professional senior managers from IBM.

Unfortunately, the ex-IBM managers I studied had a 100 percent failure rate. They just couldn't cope with the difference between a small, even if well-funded, venture and what they were accustomed to.

So beware!

On the other hand, someone who has worked “on the firing line” in a big business, in the nuts and bolts of making things or delivering services, may have some very good advice to give but only with respect to what they have personally done.

Unfortunately, the Peter Principle often prevails here.

(For those who are unfamiliar, the Peter Principle is that people rise in organizations until they hit their level of incompetence or, in this case, in what they say they know when giving advice.)

You will often encounter well meaning people who have worked in large businesses pretending to be experts in areas they are not.

This Peter Principle tendency is true not only of large company managers but also of investors, even venture capitalists. For example:

At one point, some years ago, I was monitoring a technology venture for a number of New York City venture capitalists. When chatting with one of them, he told me the following story.

His firm had invested in the earliest and most successful (at the time) developer and manufacturer of small fixed (hard) disks for personal computers, Shugart Associates. Shugart Associates had been started by Al Shugart, a brilliant entrepreneur.

As venture capitalists often do, my client assumed that he knew more about Shugart's business than Shugart did. That's a really fine line that few venture capitalists know how to tread. They often know more in general about how to make ventures successful and how to keep them from failing but they often lack the finely tuned intuition about a specific industry and product that a good entrepreneur has.

In this case, Al Shugart proposed to his board that the company develop a significantly different hard disk product. The venture capitalist, who were most of the members of the board, vigorously disagreed. Shugart pushed. The venture capitalists resisted to the extent that my client talked about having to “get rid” of Shugart, the troublemaker. (This is something that venture capitalists often do to founding entrepreneurs, sometimes correctly and, more often, incorrectly.)

Finally, in disgust, Shugart left and started another firm to do what he had proposed. He called it Seagate. Seagate is now the big gun in hard disks and Shugart Associates no longer exists.

In this case, the venture capitalists followed the Peter Principal – they reached their level of incompetence.

The point is that you can and should listen to advice from almost anyone but **you are totally responsible for what advice you take seriously, from whom and what you do with it.** After all, it's your small business.

Later in this report, I will show you how to develop a very specific and effective **B.S. Detector** which is really the only tool that small business entrepreneurs can have to determine when they are receiving good advice and when it is **B.S.**

Where Can You Get Relevant Knowledge and Advice?

The first place is, hopefully, by carefully analyzing your own experiences.

Most **successful** small businesses, whether high-tech entrepreneurial ones that are intended to become giants or mom and pop operations that will never grow much beyond a survival level, are extensions of their founders' prior experience.

For example, Prof. Arnold Porter of Purdue University studied the evolution of the first, second and third generations of Silicon Valley firms. He found, universally, that they had been started by entrepreneurs who had seen opportunities at a prior company whose managements would not take what the entrepreneurs saw seriously. The entrepreneurs had then either pushed what they saw so vigorously that they were fired or they became so disgusted at their managements' lack of vision that they quit. Then they implemented what they had seen as employees but, now, as founders of own businesses.

Similar research found that this was true of all major clusters of entrepreneurial businesses throughout the U.S.

The Absolutely Best Way I Know of Getting Good Advice for Your Small Business

Who is the best person to advise you on your business?

Answer: Any **successful** small business owner in the field you are considering.

Someone who is currently successful is very good. Someone who was once successful but subsequently failed is even better.

Call, ask to speak to the owner, tell them you are considering starting your own non-competitive business in the same field and would like a little advice from them. Usually, they will give it gladly. Then ask them the following question:

- ***What was your experience or knowledge that prepared you for this business?***

Chances are very high that they will describe having worked in a similar business that was different in some key ways.

Then describe your background and that of your team and ask:

- ***Do you think that I/we have the background knowledge and experience to be successful in this business? If not, what else do we need?***

This one question may make the difference between success and failure if you don't know that some critical component is missing.

Next ask two key questions, questions that you should learn to ask of everyone who is successful in the area of business you want to enter:

- ***What are the things that I absolutely must do to be successful in this business?***
- ***What are the things that I absolutely must avoid to avoid failing in this business?***

These are VERY powerful questions.

Let me give you an example of the power of these questions. I once received a contract from the U.S. Department of Commerce to study a significant number of consulting organizations funded by that agency to deliver effective consulting services to minority small businesses. We were to study the clients of these consulting organizations, clients operating in four industries, and we had to do the whole project in four weeks during the Christmas season.

That meant I had to invent a methodology for evaluating the actual and potential successfulness of a large number of small businesses in a very short time using a large number of interviewers who were very skilled in getting answers but had no formal knowledge of or experience in business.

I interviewed 10 to 15 experts in each industry, successful or previously successful but failed business owners, asking only the two questions identified above. I took lots of verbatim notes. Then I transcribed the interviews and intuitively identified the major topics discussed in each industry area.

Next, I grouped all of the verbatim comments made by all of that industry's experts under each of the topics I had intuitively identified. (The process is known as Content Analysis.) This resulted in 1 to 3 models of what was required for success and an equal number of what was required for failure in each industry, models that our experts confirmed when they reviewed them.

From each set of industry models, I extracted a series of questions designed to show us how well each of the small businesses we were to study fit the models. A good fit with the success model and poor fit with the failure model indicated probable success, a poor fit with the success model and a good fit with the failure model indicated probable failure.

Then our interviewers got on the phone and spent about 90 minutes with each of about 1,600 small business owners asking the set of questions for their industry. They also asked these questions of the consultants who were the supposed industry experts.

One of the outcomes was that we found that the government was wasting its money and significantly harming the small business entrepreneurs they intended to serve because the people giving the consulting advice didn't know how to be successful or how to avoid failure in the industries in which they were giving advice. In other words, they didn't know what they were talking about.

The more interesting outcome was that the small business owners were so impressed with the questions, with the changes in the way they thought about and dealt with their own small businesses as a result of the interviews, that over 40 percent invited the interviewers to consult for them.

The interviewers were flattered but, unfortunately, none of them had any expertise in any business at all. They were all liberal arts college students or housewives who had been selected purely based on their ability to connect with people.

The intelligence was in the questions they asked, the models that had arisen from asking the two questions I listed above.

Memory Is A Treacherous Friend

Take careful verbatim notes when you get responses to these questions.

Memory is a treacherous friend. It will usually eliminate anything from your recall that doesn't fit your preexisting conceptions. In fact, there are brain systems that specifically operate to achieve this.

So take careful, verbatim notes of what your experts say or tape and transcribe them. Build a database of these notes. They are your *research*. Add to them by interviewing other people who are successful in the specific type of business that interests you. Keep these notes for future reference. You might need them years after you start your business.

Of course, you will have to prove to your experts that you won't be their competitors. This might require going to another geographic area to do your research.

Finally, ask the following question (if they haven't already answered it) and, again, take detailed verbatim notes:

- ***What are the primary things you did right and wrong, the important challenges you faced and the way you handled them during the development of your business – and when did these things occur in months or years from the startup of your business?***

You are looking for a historical description of their challenges, successes and failures and the ways that they handled things, a time-based map of what you might encounter.

If you ask these question of at least 10 successful and relevant small business owners, you will find that there are one or several patterns of ways to be successful in that business and about the same number of ways to fail.

Their responses will also highlight the pitfalls that most of them encountered and that you should watch for. That can serve as a very effective early warning system.

If the people you talk to name other entrepreneurs or other businesses, study them, talk to their owners. If they suggest reading particular books that they found very helpful, read them.

This is your key research.

The only people who are experts on small business are, really, those who have been on the firing line, the people who have started and run them. One person can mislead you. Talk to enough **relevant and successful** small business people and extract the patterns. Then you'll find the right tack.

While what I have described may seem a lot of work, it will probably save 100 to 1,000 times as much work when you actually start and operate your small business. In fact, it will probably save you from failure.

What If You Have No Idea of the Business You Want to Enter?

If you want to go into business for yourself but don't know what kind of business would be best, you have to first do another kind of research. This research, however, will be best conducted in cooperation with your unconscious mind.

The following process works well and is based on the fact that the most successful small business people are doing things that they enjoy, that they are enthusiastic about.

In fact, that's one of the keys to my success in running all sorts of businesses. I find out what people like to do and structure their work so they are doing just that.

I end up with teams of very effective, very enthusiastic and very successful people. So, to find out the things that will produce the same results in you, do the following:

1. Comb through your memory for all of the things that you have enjoyed doing anywhere in your life, both leisure and work. I'm talking about those things where you felt great enthusiasm and satisfaction. You're looking for those things that required effort and involvement and left you feeling enthusiastic and satisfied.

Make a list of those things on a clean piece of paper, in the *Wish List* format along with a specific memory for each of doing whatever produced the feelings of enthusiasm and satisfaction in you. Leave out the parts that you did not like, if any.

The *Wish List* format is:

Memory:

Rating:

Metastory:

Rating:

Write a description of the key points of the memory. Then rate how *desirable* you find that memory using a 1 to 10 scale where 1 equals "totally undesirable, the pits" and 10 equals "totally desirable."

If your rating is less than 10, daydream the memory into an intuitively *perfectly desirable imaginary experience*, a 10.

Then write a description of this new *imaginary experience* and record a rating for it. If the rating you record is less than a 10, edit your written description until it is a 10 and bring your *imaginary experience* in line with it.

I call the result a *Metastory*.

2. Continue identifying memories until you have an intuitively complete list of 10 rated *Metastories* describing the idealized versions of those things that have given you the experience of enthusiasm and satisfaction.
3. Select the *Metastories* that you would ideally like to be incorporated in your small business. Typically, I use all of them. DO NOT eliminate *Metastories* because your logic says that you can't create a successful small business that includes them. THAT'S VERY IMPORTANT.
4. Using the ***Cybernetic Transposition Target Process***, translate the set of *Metastories* you selected into a *Target*. Include *Metastories* about finding the type of business that would be right for you.
5. While *anchoring* this *Target* in your *Inner Anchor Point*, ask your unconscious to bring to your conscious attention types of small businesses that fit this *Target* and to do so in ways that are for the highest good of you and of all concerned.

Having set this up in your unconscious, you will be drawn to the information that you are seeking. But because this will happen unconsciously, you have to be consciously alert for what comes up. Otherwise, you'll probably miss it.

One way of staying alert to good potential small businesses is to note your ideas and thoughts, the businesses you enter or look at, what you notice in what others say – include what you overhear in others' conversations. These are all ways that your unconscious mind will try to consciously draw your attention to what it is trying to communicate.

For example, the Greek scientist, Archimedes, was give a consulting assignment by his King. The King had just had a new crown made and had an intuitive feeling that he had been gypped by the goldsmiths who had made it.

So he told Archimedes to figure out whether the crown was pure gold, as ordered and paid for, or adulterated with lesser metals.

Archimedes really stewed over this one. He thought and thought. As time passed with no solution, he worried and worried.

Finally, one day after another frustrating series of failures, he decided to take a bath to relax himself.

As he slid into the water, he noticed that the water level rose. Suddenly, he had a breakthrough, an “aha!” What he realized was so exciting, he jumped out of the bath and ran through the streets of Athens yelling, “Eureka, Eureka!”

What he realized when he saw the water rising is now called Archimedes Principle and it says that when you put an object into a fluid, the level of the fluid will rise by a volume exactly equal to the volume of the object that you put into the fluid.

In other words, all Archimedes had to do to solve the King’s problem was to fill a jar with water, right to the very top so another drop would cause the water to overflow, then put the crown into the jar and catch all of the water that spilled.

That would give him the exact volume of the crown. If he then compared the weight of the crown with the weight of that volume of pure gold, he could determine whether the crown was pure gold or not.

In fact, the King’s intuition was correct. The crown was made of adulterated gold. The goldsmiths were thrown in the clink and Archimedes became a hero.

The point of this story is not that Archimedes became successful. It is the indirect way that his unconscious communicated the solution. It put him into the bath and showed him the solution.

If you don’t get the message directly from your unconscious, it will probably communicate the identity of appropriate small businesses to you in a similarly indirect fashion.

So take notes during the day. Before you go to bed, compare your notes with the set of *Metastories* that you created in the process described above.

Use a 1 to 10 rating to indicate fit with each *Metastory* where 1 equals no fit at all and 10 equals a perfect fit. Any small business idea that scores 8 or more on all *Metastories* is something you should investigate.

In some case, you will have to do additional research to check out industries and opportunities that aren’t familiar.

If you do what I’ve just described, pretty soon you will come up with at least one good possible small business idea that fits your criteria.

And that idea will make your heart sing.

Inventing Your Small Business

The process I just described for identifying a set of criteria for a small business that you would enjoy building and running and then instructing your unconscious to find possibilities that meet these criteria is a process of *invention*.

In fact, *invention* is at the very core of entrepreneurship.

Everyone who starts any business is an entrepreneur (or entrepreneuse, the female form), a French word that originally referred to the small business founders who developed weapons for the French army around Napoleon's time and has come to mean anyone who creates a business.

The Merriam Webster dictionary defines an entrepreneur as: "Someone who organizes, manages and assumes the risks of a business enterprise."

Organizing or creating anything is a process of *invention*.

Having studied over 100 successful inventors and worked with over 50 of them, I have developed a model of how invention works and how to teach you to rapidly invent on demand using the ***Cybernetic Transposition Three-Step*** techniques.

This is described in detail in the **Unadvertised Bonus #3** that you will shortly receive.

In brief, to invent you create a ***search target*** in your unconscious mind, one that reflects the problem that you want to solve with your invention as well as the constraints on an acceptable solution.

That's what Archimedes did with all his thinking, worrying and stewing.

Then instruct your unconscious mind to find possible solutions that match the *search target*. If you've done this using the ***Cybernetic Transposition Three-Step***, your unconscious mind will follow your instructions and search for solutions that match your *search target*.

When your unconscious finds relevant solutions and presents them to your conscious mind, you will get an "aha" experience of insight.

While you are sleeping, you can unconsciously evaluate about 20 billion possibilities in 8 hours. So it's no surprise that you often awake with the solution to a problem that had been bothering you before you went to sleep.

All of the thinking, worrying, study and emotion that you were involved in before you went to sleep actually constructed and prioritized a search target that your unconscious used to guide it in searching for a solution.

This is an example of the inventive process in action. With a properly constructed and prioritized search target, the process becomes much much more powerful.

When your unconscious mind (right brain) has formulated a response that matches your search target and passes it to your conscious mind (left brain), an EEG map of the brain first shows intense right brain activity and none in the left brain (where your conscious mind is located).

Then, about 30 seconds before the “aha” conscious experience of recognizing the solution, there is a sharp increase in left brain activity. That’s when the solution is being passed from the unconscious to conscious minds.

Often the unconscious mind has difficulty getting the message across directly. It keeps ringing the bell but you don’t consciously answer. So it then starts tinkering with your body to get your attention. That’s something like waving signal flags when your voice can’t be heard.

*When your conscious mind recognizes these unconsciously generated body signals, it calls them **intuitive feelings**. Using the **Cybernetic Transposition Super Achievement Clearing Process**, you can rapidly turn those intuitive feelings into clear conscious awareness, an “aha!”*

The most effective way to create an appropriate **search target** is through research and analysis (as above) until you can *frame* the criteria of a successful solution in writing. Then, use the **Cybernetic Transposition Target Process** to create a Target.

When properly prioritized, that Target becomes your *search target* that will lead you to the inventive solution you desire, assuming that you properly instruct your unconscious mind and follow through with the rest of the **Cybernetic Transposition Three-Step**.

How to Invent the Small Business That You Really Want

One of the saddest things I see is when people work very hard to get something that they then discover they don’t want.

What can you do about this so it doesn’t happen to you?

By building an appropriate *search model* you can avoid this kind of an outcome.

The process for ensuring that the small business you invent is what you want is the same one I suggested for identifying potentially appropriate small businesses, above, applied slightly differently.

1. Comb through your memory for all of the experiences that left you with a feeling of enthusiasm and satisfaction, both at leisure and work.
2. Make a list of them on a clean piece of paper, in the *Wish List* format, along with a specific memory of doing each.
3. Follow the *Wish List* process until you have a comprehensive list of *true* 10 Metastories describing, in very concrete fashion, those things that have given you the experience of enthusiasm and satisfaction.
4. Select those of these items that you would ideally like to be incorporated in your small business. **Include those in your search target.**
5. Include *Metastories* that cover the important functional aspects of your business such as profit, how many hours per week you will work and such.
6. Also include *Metastories* about finding what you are seeking as well as a time frame for identifying your ideal small business.

That's a pretty simple and extremely effective way of ensuring that you create a small business that you want. It is a process that I have used many times with great results. It has consistently worked well for my trainees and I am sure that it will produce good results for you.

Try it and see!

Obviously, once you identify the small business that you want to build, you'll use the ***Super Achievement Three-Step*** to implement it.

A Clear Conscious and Unconscious Vision for Your Small Business

As noted above, the first must-have criteria for small business success is that you have *a clear and permeable conscious and unconscious vision for your small business*.

When you *invent* your small business as described above, you have already started creating *a clear conscious and unconscious vision* for your small business.

As you identify additional relevant factors through your research, you can expand and update this vision. Within the *Cybernetic Transposition Target Process*, each new factor becomes an additional *key element*.

This keeps your vision a current, relevant and growing guide to your success in your small business.

Turning Your Conscious Vision into a Successful Small Business

In the following sections of this report, I will cover all the key factors involved in producing small business success.

But, before applying them, you have to set the context of what you want to achieve.

To do so, do the following:

1. Using the *Objectives Process* form, set a conscious objective for you and your small business. Include all of the factors that are important to you, such as fun and enthusiasm, especially including quantitative measures of profit, payments to you and time.
2. Using the *Cybernetic Transposition Three-Step* process, turn this conscious objective into an effective unconscious Target.
3. Practice and monitor as instructed.

Chapter Three

Success Factor Two: A Network of Relevant Peers

The second must-have factor in small business success is *a network of relevant peers* that you can consult and brainstorm with.

These are people who love their businesses as much as you will love yours, who live and breathe them, whose enthusiasm is as great as yours will be. These are people who really get off on rapping with you about your and their businesses.

You need *live* advice from people like this who have actually handled the challenges that will face you at each stage of developing and operating your small business.

Peers are people who are building similar businesses and are facing the same problems that you face.

They are your “right now” experts.

Imagine that you are faced with a challenging problem in your business.

Would you rather just think about it and try to fix it yourself or would you prefer to ask five people who have successfully handled the same thing and get their help?

If you immediately request and receive that kind of help, you are on your way to success.

If, instead, you decided to try to think things through and then chose to solicit advice from your peers, you are also on your way to success.

But if you said that you'll try to solve the problem just by thinking about it in isolation, you are probably on your way to failure.

This process is called “reinventing the wheel” and, since humans are designed to learn by failing, that will probably be your experience too.

Remember: Most first time entrepreneurs fail. I'm showing you how to avoid that.

Develop a relevant group of *peers* with whom you can brainstorm solutions to your problems and share what you they and you have learned. It's not only fun and immensely satisfying, it's an extremely effective way of increasing the probable success of your small business.

How You Develop a Peer Network

So, how do you go about building your team?

The first way is through your *research* project of talking with successful and formerly successful entrepreneurs in the business area that you intend to enter.

After an expert has answered the questions listed previously, which – because they are sophisticated questions – will garner their respect, ask them the following questions:

- ***Do you know any people who have recently started or are otherwise developing young businesses in this field with whom I can develop a working relationship so that I can get their input on day to day problems when I need help?***

If they give recommendations, get as much specific contact information as you can and ask your expert's permission to refer to them when you contact the people they have recommended.

Then ask:

- ***May I contact you if something comes up where I think that you have the knowledge or experience to help me? If so, I'll be respectful of your time and will let you know my questions by email before I call you.***

My experience is that you'll get almost 100 percent yes's because, as you will find, it's a great kick to share what you have learned with someone who is really interested and wants to use your experience effectively.

That's called a psychic reward and it's one of the strongest motivators around.

In general, successful people are always willing to help out sincere people. They've been where you are at, too, in most cases.

So don't be afraid to ask.

A Second Way of Developing a Peer Network

The second primary way of developing your *peer network* is by using the complete *Cybernetic Transposition Three-Step* to create it. To do so, do the following:

1. Develop a conscious objective, using the *Objectives Process* form, of finding and developing good working relationships with a group of relevant, successful small business *peers*.
2. Make a *Wish List* comprised of all of the experiences in your life, from any source at all – school, parents, siblings, friends, co-workers, managers, relationship partners, etc. – where you have received advice in a way that works for you.

You are looking for *communication style* examples that work for you not specific expertise. People can have wonderful expertise and be totally incompetent in communicating it.

For example, when I was at M.I.T., Edwin Land, the inventor of Polaroid photography, taught a class that I took. Although he was obviously brilliant, it was very hard to understand what he was trying to communicate. So that would not be the type of example I want you to identify.

Conversely, while still a student at M.I.T., I met John Doerr, a Partner in the first American venture capital firm, American Research and Development Corporation. John was an excellent communicator and taught me the most important thing I ever learned about venture capital.

He said, “The money we invest is the least important thing we bring to the table. The experience, contacts, and nurturing of the entrepreneur is the most important.” (Too bad most venture capitalists haven’t learned that lesson.)

Edwin Land would not be on my Wish List while John Doerr definitely would be.

3. After you “tune up” the examples on your *Wish List* to *true 10’s*, add them to your *key elements* on your *Target Process* form.
4. Add the following two additional important types of *Metastories* to your list of *key elements*:
 - at least two experiences of **having found** something or someone important to you, from any part of your life, experiences that will clearly show your unconscious what you mean by finding the types of peers indicated by your *Wish List*.
 - at least several experiences of the small business experts you interviewed that **exemplify the type of peers** you would like to find.
5. Using the *Cybernetic Transposition Target Process*, translate all of these *key elements* into an unconscious *Target*.

In *anchoring* this *Target*, instruct your unconscious to lead you to people who match the *Target* and who are also small business peers. Also instruct your unconscious to let you know whenever you meet one of them. And ask that all of this take place in ways that are for the highest good of you and of all concerned.

Soon, you will be unconsciously drawn to potential peers who match this *Target*.

In order to be sure that you consciously recognize them (and this could otherwise be a problem), each evening before you go to bed, make a list of everyone you met during the day and compare them with the list of *key examples* on your *Target Process* form.

Rate the fit with of each person with each *key example* on a 1 to 10 scale where 1 equals no fit at all and 10 equals a perfect fit. Someone who is all 10's is obviously someone you are looking for. Anyone who is at least 8 on all items is someone you should investigate further.

Of course, to do this, you have to get the names and contact information for the people you meet. If someone else introduced you to them, you can just ask that person whether they can give you contact information if you want it.

Otherwise, you'll have to ask directly. Usually, the easiest way is to offer them a business card with your name and your new business's proposed name on it. (You can buy precut cards that will run through your computer printer and make your own for a total investment of perhaps \$20.) They will almost always give you one of theirs in return. If not, tell them you might want to contact them in the future and ask for their contact information.

A Third Way of Developing a Peer Network

A third effective way of finding relevant people to include in your *peer network* is the obvious one of tapping into the *peer networks* of anyone you recruit into yours.

Just ask them whether they know anyone else who is successfully creating or operating a business at a similar stage of development as yours, someone with whom you could trade ideas and insights. Chances are very good that you will find lots of relevant *peers* this way.

Maintaining Your Peer Networks

How do you keep your network alive and well?

It is essential that you maintain contact with your *peer network* so that your relationships with its members don't decay.

The easiest way is to develop an email mailing list of all the members of your *peer network* and, every two weeks or so, send them a brief email describing what's happening in your business and providing links to any valuable resources that you have identified. If you have any currently important questions, ask them.

But don't waste your *peers'* time with wordy or irrelevant comments or unimportant questions.

Chapter Four

The Third Success Factor: A Mentor

Do you have a mentor?

Most successful people do.

The Merriam-Webster definition of a Mentor is “a trusted counselor or guide.” My definition also adds the following. Your Mentor must:

- be a small business expert, someone with “live” hands-on experience in a business that is generally similar to what you are planning to do.
- have relevant industry experience; if not in your industry, in a similar one.
- have a communication style that works for you and who finds your communication style comfortable and effective.
- works for you; in other words, the “chemistry” must be right. You have to like and feel comfortable with your Mentor and they with you in order for them to do their job.
- be strong and interested enough to tell you what you need to hear when it is important information.

What Is Your Mentor’s Job?

Do you remember the study by Success Magazine that I mentioned above? Some people could predict the problems and the successful and unsuccessful responses that the entrepreneurs would make.

That’s your Mentor’s job. He or she should provide a knowledgeable outside reference point, sort of like a lighthouse. They should have enough knowledge and contacts to keep you off the destructive shoals and to guide you to a safe harbor.

To do that, they have to become intimately familiar with your thoughts, aspirations and fears and with your areas of expertise and weakness.

To assist them, give them the *success* and *failure* models for your business that you should have developed through your research. Give them the time-based list of early warning events that you should also have developed from your research.

You should meet with or talk with them on the phone. Do not limit your communications to email. Your and their tone of voice, facial expressions and body language will communicate a lot more than the words. Face to face is the best.

When I'm mentoring someone (and even when coaching the CEO of a multi-billion dollar firm), my first question to them is "What's up?"

What tumbles out of their unconscious is exactly what I need to deal with to assist them. So, if you pick a good Mentor, don't be surprised if that's the way that they start out a conversation.

When you have contact with your Mentor on a planned basis, in some consistent pattern, your unconscious stores up things to discuss with them. When they ask something like, "What's up?" your unconscious responds.

And their unconscious will often bring forth what you need to know. So take detailed notes.

DO NOT rely on your memory. If you do, you will probably filter things unconsciously in a way that eliminates most of the useful information and turns your Mentor's input into junk.

You can avoid this by taking on-the-spot detailed notes or tape recording the conversation and transcribing the notes. THIS IS VERY IMPORTANT!

How Do I Find My Mentor

If you've ever had a Mentor, in any field in any way, do the following:

- Create a *true* 10 *Metastory* of that Mentor mentoring you.
- Create a *true* 10 *Metastory* of one of your *research* respondents who seems particularly knowledgeable about your type of small business.
- Create a *true* 10 *Metastory* of one of your excellent communicators (from the *Wish List* described above).
- Create a *true* 10 *Metastory* of anyone from any aspect of your life with whom you have felt extremely comfortable and open in communicating to them and in receiving input from them.

Set a **Cybernetic Transposition Three-Step** conscious objective using the *Objectives Process* form. Translate that into an unconscious *Target* by using the **Target Process** to integrate these four Metastories and all other *key elements* of your conscious objective. As you *anchor* that Target, ask your unconscious to find someone who matches the *Target* and who wants to be your *Mentor*. Ask your unconscious to do so in ways that are for the highest good of you and of everyone else involved.

What If You've Never Had a Real Mentor?

If you've never had a real Mentor, the easiest way to get started is to find a model in a movie, a character who intuitively fits the criteria I have described.

When you think of such a movie character, watch the movie again, taking notes as you watch. This *frames* the mentoring tasks you see performed that you would like to have your *Mentor* perform for you.

Remember: a Mentor has to be likeable but also has to be able to kick your butt when you are about to do something that will get you in trouble. That's one of their most important functions.

So look for that in your model.

I have two favorite movie examples of mentoring. The first is the role played by Michelle Pfeiffer in Dangerous Minds. She plays a new schoolteacher who successfully mentors a class of "troublemaker" students to success. Her primary mentees are a pregnant teenage girl and a seemingly tough boy who is threatened by another kid.

The second of my favorite examples is the role played by Haley Joel Osment in Pay It Forward. He plays a youngish junior high school student in a new city who, when given the assignment by his teacher, played by Kevin Spacey, to do something that will change the world comes up with the idea of "paying forward" someone who needs support instead of paying back someone for a good deed. In this movie, we see him mentoring a drug addict, his mother and the teacher played by Kevin Spacey.

Both of these are excellent examples for me. Perhaps you already have your own examples in mind.

Then set a **Cybernetic Transposition Three-Step** objective of finding and developing an effective relationship with a relevant Mentor. In doing so, as above, include the different aspects of a *Mentor* that you have noted into a series of *true* 10 *Metastories* and combine those *Metastories* with *Metastories* about *small business experts* and *expert communicators*, as described in the previous section, to create a **Cybernetic Transposition Target**.

Just as with the potential members of your *peer network*, a Mentor will pop up. They may be one of your small business expert *respondents*, someone you have know for a long time or someone you have never met before to whom your unconscious mind has guided you. They may even be someone you were considering for membership in your *peer network*.

Again, compare on a daily basis everyone you have met with the *key elements* of your *Mentor Target*. Anyone who scores at least 8 on all aspects should be actively considered a possible *Mentor*.

Chapter Five

The Fourth Success Factor: Persistence

Have you ever noticed that you don't learn much from successes but learn a great deal from failures?

However, to learn from failure, you have to be *persistent*.

The saying: "He prevails who endures to the end" could be the entrepreneur's watchword.

Human beings seem to be designed to learn by failing. In other words, "failing" is usually a successful learning experience.

However, without *persistence*, that learning is never applied.

In fact, most successful entrepreneurs have failed, some a number of times. Some succeed the first time and then fail when they reach their level of incompetence.

For example Steve Jobs was initially very successful and became a celebrity. But he was kicked out of Apple Computer by his chosen top manager for nearly killing the company a number of times. So he created Next Computer which he killed despite more than adequate financing. Now he seems to have learned his lessons and has come back to apparently successfully retake the lead of Apple.

A couple of what I think are very interesting examples come from the early years of the auto industry in this country. Both Henry Ford and Will Durant, who founded General Motors, failed.

Will Durant created General Motors by talking a lot of hard-headed automotive entrepreneurs, like Walter Chrysler, into trading ownership of their firms for General Motors stock. Durant was a remarkably successful promoter. In other words, with his tremendous enthusiasm and vision, he could sell almost anyone on anything. That's how he managed to create a public market for General Motor's stock.

However, Durant was a totally incompetent manager. In fact, since management hadn't yet been invented as a discipline, he didn't even think of it. As a result, General Motors had no inventory control. Each company built as many cars as it could and tried to force them down the throats of their dealers, independent of sales to consumers. When the economy

cyclically got into trouble and car sales dropped, General Motors found that all of its cash was tied up in inventory that it couldn't sell.

After a number of these crises, the banks that had lent General Motors lots of money threw Durant out.

Throwing an entrepreneur out of his or her company is something like taking a baby away from their mother. Durant was enraged and vowed to do something about it. So he found another automotive entrepreneur and made a deal. He, Durant, would generate the financing and sales to make the company successful in exchange for a major portion of ownership. The entrepreneur agreed. Durant quickly took the company public. Five years later, the company had become extremely successful, the stock price had soared and Durant had used his stock to buy 51 percent control of General Motors. At that point, he threw the bankers out and regained control.

By the way, the entrepreneur was Gaston Chevrolet and his company was called Chevrolet.

That's a neat story but Durant never learned his lesson. A few years later, General Motors got into the same sort of problem of having all its money tied up in inventory that wasn't moving, but with much more severe ramifications. In fact, the only people who had the money to bail General Motors out were the Duponts. They threw Durant out again and pretty soon put Alfred P. Sloan in as president.

In order to deal with the warring personalities of so many strong entrepreneurs, Sloan harkened back to a similar situation in American history, the creation of the U.S. Constitution. This was a near thing where the interests of the north and south conflicted terribly over slavery which was vital to the economy of the south and repugnant to the Puritanical leaders of the north (even though most of the slave ships were owned by northerners). Sloan framed the ways that our founding fathers had resolved their conflicts and turned the results into the discipline of management.

The second little-known story also shows what happens when the entrepreneur's vision isn't permeable.

Henry Ford was born on a farm and virulently hated the life. As soon as possible, he got himself apprenticed to a blacksmith. Through this, he became interested in engines – because they were originally made by blacksmiths. Then he got his vision – of a car for the farmer that would relieve the unrelenting backbreaking toil and drudgery of the farm.

Since about 90 percent of Americans then lived on farms, he had a good market but since farmers had very little cash, Ford's car would have to be very inexpensive. He developed his ideas and started a company – and he failed. Finally, after a couple of disastrous

experiences with starting companies and having them taken away by the investors when they didn't perform as promised, Ford started Ford Motors and vowed to keep control.

He did so with an iron fist. Ford Motors had no management. It was run totally by cronyism. And even Ford's cronies were banned if they dared to suggest even the slightest change in the Model T. Ford was determined to minimize costs by building the same thing forever and to ensure that unions didn't increase his costs, he hired 1,000 thugs to beat up anyone, employees or others, who mentioned unions or related ideas on his property.

As such, Ford was courting disaster. He simply wasn't keeping up with the times. He also wasn't keeping up with his market. In about 1928, General Motors came out with the first reasonably priced closed car, the first that wasn't a convertible. When Chevrolet offered a closed car at a price competitive with the Model T, Ford's sales plummeted, almost to zero. Suddenly, he almost could not give the Model T away.

And, due to Ford's unwillingness to open his vision, he had absolutely no alternatives developed. The Model T's frame was not strong enough to handle a closed body.

So the entire Ford Motor Company, with its almost totally integrated structure from iron ore mines and transport ships, steel mills and an amazing array of manufacturing plants had to completely shut down for a year and a half while Ford designed the Model A.

Only the fact that Ford had previously almost monopolized the entire inexpensive car market and had banked tremendous profits prevented the failure of the company.

In the process, he lost more than half the market to General Motors.

Did Ford learn from that? Not really. His personality remained the same, his management style (if I can call it that) didn't change. And he became an ardent and outspoken supporter of Adolf Hitler and the Nazi's because, as far as I can tell, their personalities were almost identical. And, not surprisingly, Hitler never learned from his mistakes either.

What successful investors look for in an entrepreneur is how they have handled failure in the past and probably will do so in the future. Do they learn, reinvent and *persist* or do they give up.

Since essentially every venture, every small business, has numerous opportunities to fail, the question is what the entrepreneur will do when something doesn't go right.

Mentors, Peer Networks, success and failure models and temporal maps are early warning systems to avoid failures and sources of valuable advice when failures occur. However, without *persistence* on the entrepreneur's part, he or she will give up when things get really tough – as they often do in small business.

Of course, like most things, *persistence* can be a two edged sword.

I've seen lots of entrepreneurs persist at small businesses that lacked the essential ingredients to more than survive. In my opinion, that's not successful.

By doing appropriate *research* and *invention* you will prevent that outcome.

Chapter Six

Educating Your Intuition

What is intuition?

Intuition is the name we give to the experience of consciously *framing* (identifying) *body signals* that indicate that our unconscious is trying to get some important information across to our conscious minds.

Intuition is one of the greatest benefits of experience and having a finely tuned *intuition* is incredibly important for achieving entrepreneurial success.

Using the *Cybernetic Transposition Three-Step*, you can rapidly and effectively educate your intuition and using the *Cybernetic Transposition Clearing Process*, you can rapidly turn intuitive feelings into conscious awareness.

One of the most important types of *intuitive tools* for a small business entrepreneur is a **B.S. Detector**.

Creating a B.S. Detector

Unfortunately, a lot of people give bad advice, often to boost their own egos and sometimes because they want to make the person receiving the advice feel good. Such advice is almost always destructive.

Potential employees, consultants, lawyers, CPA's, subcontractors and investors are almost always hyping themselves, selling you on how great they are. Often this hype is more wishful thinking than fact.

For example, the latest statistics I have seen are that over one-third of resumes submitted by job applicants contain major lies – such as degrees that were never earned and jobs that were never held.

Even some prospective customers lie. They waste your time by lacking the courage to tell you they won't buy. They don't want to make you feel bad by saying "no," not realizing that wasting your time is even worse.

You can't afford to be deceived by such people in a small business. Your margin for error is very thin.

To be successful in developing and operating your own small business, you have to be able to weed out the intentional and unintentional con artists and focus on the truly relevant experts, potential employees and prospects.

To do so you need a finely tuned **B.S. Detector**. You can either develop one through painful trial and error or by the following quite rapid and effective process:

1. Using the *Objectives Process* form, set an objective of developing a very effective intuitive model of someone who is a *clear, honest and relevant communicator*, a **True Communicator** model and an associated unique and comfortable *body signal* that tells you when you have encountered a *True Communicator*.
2. Identify everyone in your life who you know in retrospect has been *clear, honest and relevant* in their communications with you. Select the 10 of them who best exemplify this type of communication.

Record their identity and, for each, a memory of them behaving in the way that caused you to select them.

3. Create a *true* 10 Metastory of each of these people communicating in an extremely clear, honest and relevant way. These are the *key elements* that you will use in creating a Target.
4. Using the **Cybernetic Transposition Target Process**, translate these Metastories into a *Target*.

On your *Target Process* form, change the instructions under number 11. to read:

“**Tune up** each of the above memories so that it accurately represents the associated key element of someone communicating in an extremely clear, honest and relevant way. Then anchor the result in your *Inner Anchor Point* as you say to yourself the exact wording of your associated *key element*.”

When all have been anchored, unconsciously integrate all of the examples you just anchored and ask for the experience of someone communicating in an extremely clear, honest and relevant way. Tune that up until it is a *true* 10.”

Then, while anchoring the resultant Target, say to your unconscious, “This is a model of clear, honest and relevant communication. I call it my **True Communicator Model**.”

5. On your *Target Process Form* change the instructions under number 12. to read as follows and complete this item:

“List the key aspects of **the experience of your True Communicator Model**.”

6. On your *Target Process Form* change the instructions under number 13. to read as follows and complete this item:

“Write a detailed and extensive description of **being with a True Communicator**. Write this description as if it were occurring right now.

7. Anchor in your *Inner Anchor Point* the experience that is described by what you just wrote and ask your unconscious to give you a very clear, unique and comfortable *body signal* that it will, in the future, give you whenever you encounter a *True Communicator*.

Become consciously aware of this *signal* (you’ll receive one as soon as you ask). If you don’t immediately recognize the *signal*, ask again and keep asking until you do receive a *signal* that you recognize.

If this *signal* is unique in your experience and comfortable, record it alongside the description of your Target on your form. If it isn’t unique or comfortable, ask your unconscious to give you a unique and comfortable *signal*.

Keep this up until you have received a unique and comfortable *signal* for your *True Communicator* and have documented it.

8. Using the *Objectives Process* form, set an objective of developing a very effective intuitive model of someone who is *dishonest, just wrong or irrelevant communicator*, a **Deceptive Communicator** model and an associated unique and comfortable *body signal* that tells you when you have encountered a *Deceptive Communicator*.
9. Identify everyone in your life who has intentionally or unintentionally misled you through communications that were *dishonest, just wrong or irrelevant* to what you were inquiring about. Pick the 10 clearest and most relevant examples.
10. Create an *imaginary experience* of each such person communicating in ways that are *deceptive or communicating deceptive, wrong or irrelevant information*. Work with these *imaginary experience* until they are very clear examples of exactly what you **don’t want**.
11. Using the ***Cybernetic Transposition Target Process***, translate these *imaginary experiences* into a Target. When anchoring the Target, say to your unconscious, “This is a model of deceptive, dishonest, wrong or irrelevant communication. I call it my **Deceptive Communicator Model**.”
12. On your *Target Process Form* change the instructions under number 12. to read as follows and complete this item:

“List the key aspects of **the experience of your Deceptive Communicator Model.**”

13. On your *Target Process Form* change the instructions under number 13. to read as follows and complete this item:

“Write a detailed and extensive description of **being with someone who is communicating deceptively with you.** Write this description as if it were occurring right now.

14. Anchor the imaginary experience you just created in your *Inner Anchor Point* and ask your unconscious to give you a very clear, unique and comfortable *body signal* that it will, in the future, give you whenever you encounter a *Deceptive Communicator*.

Become consciously aware of this *signal* (you’ll receive one as soon as you ask.) If you don’t immediately find the *signal*, ask again and keep asking until you do receive a *signal* that you recognize.

If this *signal* is unique in your experience and comfortable, record it alongside the description of your Target on your form. If it isn’t unique and comfortable, ask your unconscious to give you a *unique and comfortable signal*.

Keep this up until you have received a unique and comfortable *signal* for your *Deceptive Communicator Model* and have documented it.

15. Now review the list of small business experts that you interviewed and anyone else who gives you advice. Give each a 1 to 10 score with respect to both the *True Communicator* and the *Deceptive Communicator Models*, where a 1 equals no similarity at all and 10 equals a perfect fit.

Do so by checking the fit with the associated *body signals*. Someone who is a 9 or 10 fit with the *True Communicator Model* body signal and a 1 or 2 fit with the *Deceptive Communicator Model* body signal is someone you can probably rely on. Someone who is higher than a 7 on the *Deceptive Communicator Model* and lower than a 4 on the *True Communicator Model* is someone you should avoid and whose input should be regarded as probably wrong.

Adjust your success and failure models accordingly.

Together, your *True Communicator* and *Deceptive Communicator Models* provide you with an excellent **B.S. Detector**.

If you’ve followed the instructions above, you will find your *B.S. Detector* to be quite accurate.

Do the check process with everyone you meet, especially potential Mentors and Peers, prospective partners and employees, potential professional advisors, potential customers and potential investors. Then deal with the person accordingly. Pretty soon you will instantly recognize whether you are dealing with a *True Communicator* or a *B.S.'er*.

Chapter Seven

Other Important Skills

There are four other sets of important skills that you need to be successful as a small business entrepreneur:

- The basics of financial and management accounting.
- Effective selling and negotiating.
- Conflict resolution and creating shared-visions.
- Nuts and bolts of management.

Let's look at each –

The Basics of Financial and Management Accounting

In a real sense, money is the basic language of business.

To properly manage your small business, you must be able to express everything in money terms.

That doesn't mean that everything has a price tag. Far from it. Most obviously, the loyalty and commitment of the people who work for you.

But you must be able to estimate the value of their contribution and the costs associated with them in dollar terms in order to know whether they are helping or hurting your business.

Then you can make informed management decisions, thus the term *management accounting*.

Financial accounting involves the detailed tracking of the flow of money into, out of and through your small business.

Income is the money that your small business earns. Expenses are what it costs to generate that income. Profit before taxes is what's left when you deduct expenses from income.

That much is pretty obvious.

Complexity can arise from a number of factors:

- When you recognize income.
- When you recognize expenses.
- How you allocate (or assign) expenses in calculating costs.
- How you allocate the cost of components of your business (such as computers) whose life is longer than one year.
- Minimizing taxes.

The best way of handling these things is to find a CPA who is recommended by a number of small business entrepreneurs with similar businesses and who is familiar with the accounting software that you will use.

Discuss the in's and out's of your small business and have them set up a *Chart of Accounts* (the structure of your financial accounting) at the very outset of your business along with a set of procedures that tells you how to handle the various transactions that will frequently occur.

If you have the right CPA, you can call them whenever a type of transaction occurs that you haven't previously encountered.

If you and your CPA develop a list of procedures and add to it, religiously, whenever you determine how to handle new types of transactions, you will save yourself a lot of money and aggravation in the long run.

If you have your CPA review your *books* (your financial accounting records) after a week, two weeks, the first month and every month thereafter until your financial accounting becomes relatively routine, you will also save yourself a lot of money by avoiding the significant aggravation and cost of having to redo things when tax time arrives and the possible failures that can result if your accounting reports are incorrect.

Of course, in selecting a CPA and receiving advice from them, use your ***B.S. Detector*** to ensure that the advice you're receiving is accurate and relevant. Sometimes, even the best CPA will give you erroneous information. With the right CPA, this will occur only if they misunderstand what you are asking or describing.

One way of ensuring that this problem is minimized is by asking your CPA to tell you what you told or asked them, to have them describe their understanding of your question or issue. Then, if there's a failure of communication, you can correct it at the earliest and least expensive time.

Effective Selling and Negotiating

One of my small business friends once said:

Until you have sales you don't have a business.

In other words, until there is money coming in, you don't have a business, you instead have a research and development operation or a hobby shop.

As the owner of your small business, you must be effective at selling and negotiating.

Yes, you may be able to afford sales people but unless you can do what you want them to do, they will sell as hard against you as for you.

In other words, a sales person has a difficult job. It is mentally, emotionally and physically demanding. To be effective, they have to create a personal relationship with the customer, what I call a ***trust pipeline***. To do so, they have to extend themselves in ways that often make rejection a more or less personal thing.

To minimize rejection and maximize their compensation (which should be based on how much they sell, so called *commissions*), they want to give the customer a price as low as possible so as to make it easiest for them to say yes. But, as the small business owner, you should want to get the highest workable price.

A good sales person will spend as much effort trying to convince you to cut the price as trying to get the customer to pay the price. That's working against you unless you know enough about selling and about your customers to intelligently evaluate your sales person's input.

How do you get that knowledge?

By selling to the same types of customers!

Moreover, knowing your customers intimately, how they think, and how they *construct value* (see below) is critical to your success. You get that knowledge only by dealing directly with your customers, by selling.

Beyond that, some types of customers will only deal with the boss. In those situations, you may be able to use a sales person to get things going but only you will be able to get the contract, to *close* the sale.

So, if you don't now know how to be an effective sales man or woman, it's time to learn. In the chapter on selling, I will show you some of the most effective ways of quickly doing so.

Conflict resolution and Creating Shared-Visions

One of the things that you will learn using the *Cybernetic Transposition Three-Step* is to resolve your inner conflicts, the conflicts that frequently occur among your conscious mind and the various major parts of your unconscious.

When these conflicts occur, you experience the signs including:

- Fatigue
- Insomnia
- Acid stomach
- Aches and pains
- Headaches
- Worry and anxiety

And most of the other uncomfortable and familiar experiences in your life.

Similarly, when you have more than one person in your business, you usually have conflicts but, in this case, *interpersonal conflicts*.

The symptoms of *interpersonal conflicts* are:

- Lack of productivity
- Sales dropping and conflict with customers
- Price erosion
- Delays in production and delivery
- People within your business sabotaging each other or sabotaging programs they don't like
- Supposed misunderstandings that cost you money and time
- Waste of money and time such as hanging around the coffee or copy machines and lots of personal phone calls

And many other symptoms of things not working right.

A good way to look at these signs of conflict is to see dollar bills burning up whenever you see one.

As the CEO of your own small business, they're your dollars going up in smoke and it is up to you to resolve those conflicts.

One of the most important and dangerous types of conflict occurs when your team lacks a *Shared-Vision*.

A *Shared-Vision* exists when everyone on your team is intuitively and consciously in agreement and pulling in the same direction for the same results.

A *Shared-Vision* never just happens. It takes a lot of work to develop it. However, the procedure I describe in a later chapter is the fastest and most effective way of developing a *Shared-Vision* that I've ever seen.

I invented it fifteen years ago and have since successfully applied it with numerous large and small businesses. When combined with the *Cybernetic Transposition Three-Step* techniques, it has consistently yielded results that amaze all concerned.

I describe it in the Chapter Ten.

Nuts and Bolts of Management.

Now we're back to NOT reinventing the wheel.

Essentially every management challenge you will face in running your own small business has been faced by numerous other small business entrepreneurs.

However, most of them don't know that or don't know how to find out what other small business entrepreneurs have done to solve the problems they face. So they try to come up with their own solution.

Usually, these home grown solutions to common problems are ineffective. That's one reason why the failure rate of normal small businesses is astronomical.

One definition of management is "getting things done through others." Another definition comes from the military, it is "command and control to produce results." This is different from leadership which is "getting others to want to do what you want done."

In another eBook, *The Nuts and Bolts of Small Business Management* that I am currently writing, I will provide step-by-step instructions on how and when to use these techniques, some of them never before described in print. Because I want you to be successful, I will give this eBook free to all of my customers, the purchasers of *How to Get Lots of Money for Anything You Want – Fast*.

Chapter Eight

The Basics of Financial and Management Accounting

Your financial accounting should involve buying, installing and using Quickbooks on your computer combined with construction of your *Chart of Accounts* and *Accounting Procedures* and an hour or two of hands on instructions by a relevant and competent CPA.

The best way to learn financial accounting is by doing it under the guidance of an effective and relevant CPA, one who has been recommended to you by successful small business experts and who has sufficient experience in your industry to know what to do and how to do it with respect to financial accounting.

There is, however, one aspect of financial accounting that is really the basis of small business management accounting and is an *extremely* important factor in achieving small business success, the application of *Marginal Contribution* analysis.

A Primer on Marginal Contribution

Marginal Contribution (or Contribution Margin) is calculated in the following way:

Dollar Marginal Contribution = Net Price of the product or service less its Direct Cost.

Percentage Marginal Contribution = Dollar Marginal Contribution divided by Net Price.

The *Net Price* is simply the price that you charge less any discounts and rebates.

The *Direct Cost* is the cost of the actual product or service. It DOES NOT include any *Indirect Overhead*.

In other words, if you are selling something that you purchase from someone else, use the Internet to sell it and UPS to deliver it, your Direct Cost for that something would be:

- *what it costs you to buy it*
- *any incoming shipping charges that you pay*
- *what it costs in labor and direct labor overhead (e.g., social security taxes and benefits that your business pays – including the cost of sick days and vacation) to unpack, repack and ship it to the customer*
- *any credit card fees that are charged you*
- *what UPS charges you to deliver it.*

Direct Cost does not include any of your selling (except commissions), advertising, facilities, interest, utilities, management (including you), warehousing expense or indirect labor overhead.

If you add up all of the *Indirect Costs* just listed and divide them by the *Percentage Marginal Contribution*, you get the *Breakeven Sales Level* of your small business.

The *Breakeven Sales Level* is the dollars of sales you have to make before your business starts earning a profit.

For example, if your Percentage Marginal Contribution is 50 percent and your Indirect Overhead is \$160,000, your breakeven is \$320,000 sales (\$160,000/0.5). At this sales level, your profit is zero. Below it, you are running at a loss.

After you reach the *Breakeven Sales Level* (assuming you don't then increase your *Indirect Overhead*), the dollar *Marginal Contribution* of each unit sold goes directly to *Profit Before Taxes*.

For example, if your Indirect Overhead is \$100,000 and your Percentage Marginal Contribution is 40 percent, you will have to make \$250,000 in sales (\$100,000 divided by 0.40) before you actually make a profit.

However, if you make \$300,000 in sales which is \$50,000 over the Breakeven Sales Level, all of the 40 percent of selling price that is your Percentage Marginal Contribution will go to Profit. In this case, on \$300,000 of sales, your Profit would be \$20,000.

But on \$400,000 of sales, your Profit would be \$60,000 and on \$500,000 of sales your Profit would be \$100,000.

Keep Your Indirect Overhead Low!!!!!!

If you are considering increasing your *Indirect Overhead* by, for example, leasing a car, divide the annual leasing cost by the *Percentage Marginal Contribution* to determine how much you will have to increase your sales to pay for it. (After that, you'll probably decide not to get a car or to get the cheapest one you can find.)

For example, using the same Percentage Marginal Contribution of 40 percent, if you lease a car whose cost is \$500 per month or \$6,000 per year, you will have to increase annual sales by \$15,000 just to pay for it.

The same thing goes for when you consider giving yourself or anyone else a raise. And for facilities expenses, furnishing, advertising, additional employees, etc.

One of the most basic causes of small business failure is excessive *Indirect Overhead*. So be a tough guy. Ruthlessly scrutinize any *Indirect Overhead* expense. Evaluate what each proposed increase in *Indirect Overhead* will yield in increased sales or reduced expenses.

For example, an adequate personal computer yields a big decrease in accounting and secretarial expense (if you can use part-time people) but a more expensive model (e.g., a laptop vs. a desktop or a fast, high capacity machine when a slower, lower capacity machine will do) will probably decrease your Profit. A fancy copying or fax machine may or may not yield an expense reduction while always involving an increase in expense. Only if you need the added capacity should you get a fancier model when a less expensive one will work.

The basic rule is that the decreased expense resulting from an improvement in efficiency must be equal to or greater than the increased expense resulting from any equipment or personnel involved in generating that increase in efficiency.

I'm sure that some of you are saying that this is obvious. If so, I'm pleased. However, most small business owners only learn these things through very painful lessons, frequently including bankruptcy. Need I say more?

KEEP YOUR INDIRECT OVERHEAD LOW!

The Value of A Customer

In Quickbooks, you can easily determine the *Dollar Marginal Contribution* that each customer contributes and, if you properly allocate your sales and support expense, what it costs to *sell to and support* each customer. If the cost of *selling to and supporting* that customer exceeds the *Dollar Marginal Contribution* generated by that customer, you have four intelligent choices:

- Increase your prices to that customer enough to make a reasonable *Contribution to Overhead and Profit* (*Dollar Marginal Contribution* less what it costs to *sell to and support* that customer).
- Increase the volume of your sales to that customer which is something you can often do by telling them that their prices will increase if their monthly sales fall under a certain figure. In this case, the minimum sales level that you specify should generate a big enough total dollar marginal contribution to ensure that they yield a meaningful *Contribution to Overhead and Profit*.
- Reduce your *selling and support* costs for that customer so that they are less than the dollar marginal contribution that customer generates.

- Get rid of the customer if they won't agree to any of the first three alternatives.

In a **very few** cases, the prestige of having a particular customer makes it worthwhile to accept their business at zero or very little *Contribution to Profit*.

You should **NEVER** retain a customer that has a *negative Contribution to Profit*. Doing so is one of the most frequent ways that small businesses fail.

That is **NEVER**. Period. Full stop.

If you want to make a charitable contribution, make it to an organization that provides you with a taxable deduction for that contribution.

Chapter Nine

Marketing and Selling

What is marketing?

What is selling?

Marketing involves:

- understanding your market, especially the needs of your intended customers
- matching your small business' capabilities to your market in the form of products and/or services
- understanding how your intended customers *construct value*
- the intimate understanding of your competition and how to effectively deal with it.

Selling involves:

- identifying specific prospective customers who will probably buy (*qualified prospects*)
- creating a *trust pipeline* with those prospects, one at a time
- communicating with them through that *trust pipeline* in a way that focuses them on their needs that you can effectively meet and
- closing the sale.

Most efficiently, *selling* involves doing these things repeatedly with the same customers. That requires *customer support* to ensure that customers once sold stay sold and that they are open to being sold again.

Customer Support involves:

- ensuring that your customers know how to easily and effectively use your product and/or service
- ensuring that they know that your small business stands behind what it sells and wants to ensure that its customers get value from what they have bought
- effectively resolving any potential conflicts with your customers in ways that make them happy they have dealt with you and make you happy that they are your customers.

Constructing Value

This is a very important concept that is best illustrated by thinking about the last time you bought a car.

Rate the importance of each of the following factors to you personally using a 1 to 10 scale where 1 equals “of no importance whatever” and 10 equals “of maximum importance”.

- Body style
- Body shape
- Exterior color
- Type of engine
- 0 to 60 mph acceleration time
- Type of suspension
- Type of brakes
- 60 to 0 mph braking distance
- Type of transmission
- Number of gears
- Tinted windows
- Power windows
- Power steering
- Power brakes
- Air conditioning
- Aluminum wheels
- Materials covering the seats
- Interior color
- Quality of the sound system
- Reliability
- Gas mileage

Obviously, this list could have been much longer.

Now make a new list of everything you rated 4 or below and a second new list of everything you rated as 8 or above.

Imagine an auto sales person spending all their time selling you on the merits of everything on your 1 to 4 rating list.

That would be a pretty total waste of time, wouldn't it?

Even if they prove that what they are selling is excellent with respect to all of those factors, it wouldn't have much if any effect on your buying decision.

But if they spent all of their time proving to you that their product was best with respect to all of the factors on your 8, 9 or 10 rating list, you'd probably think they'd done a pretty good or even excellent job of selling to you.

The difference is that, in the first case the sales person was trying to prove the value of the car's selling price by focusing on things that had little value to you. If he or she were to have asked you to put a dollar figure of what you would be willing to pay for each of the features on your 1 to 4 list, the total would be far lower than the purchase price of the car.

But, if they did a good job of proving to you the excellence of their product in terms of each of the items on your 8, 9 or 10 list and they asked you to do the same thing, your total would probably exceed the price of the car.

An effective sales person will understand the items that would be on your 8, 9 or 10 list and be able to prove the excellence of their product with respect to each. In so doing, they will be *constructing value* and when the value that you intuitively perceived exceeded the price of the car by about 20 percent, you will probably buy.

That's exactly what you have to do with your prospective customers. You must understand how they intuitively *construct value* and sell your product features by proving the excellence of your product with respect to each of the items incorporated in their intuitive value model.

In order to do this, you have to intimately understand your customers.

The best way to do that is by querying your peers and experts, selling to your customers, *framing* the knowledge that you gain by doing so, integrating that knowledge with other people in your small business who also sell or provide customer support and putting all of that knowledge into a useable framework.

Let's explore this a little deeper...

A Way to Better Understand Your Customers

One of the tests that I use to find out whether a sales person knows their market is to see how many *customer clusters* they understand.

To determine this, I have them do the following exercise which you can do to see how well you understand your prospective and actual customers.

1. Think of any specific one of your customers or prospects and write their name on a clean piece of paper. Put a 1 next to their name (indicating the number of the cluster they represent) and a brief description of their personality.

For example, I'm thinking of one of my major customers. He liked to be called C.G. So I'll write that next to the number 1. on my paper. Then I'll write a brief description of him next to that:

Great leader, compassionate, great ability to see the main points, willing to eagerly do new things, great ability to pick people, great at resolving potential conflicts, great manager, great at selling in a management context, great coach, an entrepreneurial personality.

2. Now think of one of your customers or prospects who is intuitively different from the first. Then write a number 2. on your paper, that person's name or initials and a brief description of his or her personality.

For example, I'm thinking of Brian. So I write his name. Then I'll write a brief description of his personality next to that:

Good leader, very good product salesman, entrepreneur, modestly good manager, moderately good understanding of his market, procrastinator, great sense of humor, real family man.

3. I'll continue to repeat that process until I have identified all of the **different** customer or prospect personalities that I can.

When I find that someone I initially thought was different is actually similar to one of the *clusters* I have already identified, I'll assign the person to that existing cluster.

4. Then, for each specific member of each cluster, I will write a brief description of the most effective way I've discovered to sell to them, the *selling cycle* (the time from the beginning of selling to signing of the order) and the *average value per sale*.

If you have followed the instructions and if you know your market, you will come up with at least five or six different clusters of customers, prospects currently active and prospects who never bought.

The best salesman I ever met was able to come up with nine.

How many can you come up with?

What These Clusters Tell You

The first thing the clustering exercise tells you is whether you understand your market.

Someone who doesn't understand their market will come up with only two or three clusters.

But the research that I did around the world using my *Arintel* (artificial intelligence data analysis process for mapping unconscious minds) consistently demonstrated that in all of the many cultures studied, the same twelve unconscious personality types were present.

Cluster Characteristics

I found that national cultures (e.g., French, German, Swedish, Spanish) differed primarily in the percentage of each cluster.

And once you know a cluster type in one culture, with very little added information you will be able to understand someone in the same cluster in a totally different culture.

That's how, with a two months of Arintel-based research and three 3 days training sessions, I was able to empower salesman who had never sold outside of the U.S. to sell so effectively in Europe that they tripled their whole industry's exports in 18 months.

So if you are good at selling your spouse on doing something that initially didn't interest her, you should be good at selling a prospective customer from the same cluster on buying your product and/or service.

When you understand how to apply your life experiences to selling using this technique, your results will probably increase sharply as well.

More on Cluster Characteristics

If you followed instructions, you will find that the effective sales techniques, average value per sale and the selling cycle are very similar for everyone in a given cluster.

Take the average of the selling times, value per sale and the effective sales approaches for a given cluster and you know how to proceed with other prospective customers who fit the same cluster and what to expect.

One of the most important things you learn through this process is which clusters to avoid. Most sales people spend a majority of their time trying to sell to people who won't buy. Among the sales teams I have trained, about 70 percent of their prospects were in clusters that were almost certain to say no.

By focusing on only the clusters that are likely to say yes when you ask for the sale, you will probably at least double your productive selling time and rate of success.

Then, if you focus on applying the techniques that have worked successfully with a prospect's cluster in the past, you'll probably double your rate of success again. And if you use the ***Cybernetic Transposition Three-Step*** to develop an intuitive signal for each cluster and to set a sales objective, you'll do significantly better than that.

Trust Pipeline

You may recall that earlier I mentioned something called a "trust pipeline."

To be really effective in selling, one of the most important things that you must learn is to create a ***trust pipeline***.

Think about your own experience of being sold. Haven't you had the experience of seeing a print or TV ad or receiving a telemarketing call that you ignored and then someone you knew and trusted recommended exactly what those ads and/or telemarketer was selling?

Remember how your attitude toward that product or service almost instantly changed when someone you trusted said, "This is a good thing"?

That's a common experience.

In this example, by definition, the person that you knew and trusted had established a ***trust pipeline*** with you. Therefore you trusted and put positive weight on what came through that pipeline.

It's the same thing with your prospective customers.

You can make the best selling pitch in the world and achieve very little unless you first establish a ***trust pipeline***.

Unconsciously, you already know how to do that with everyone in any cluster in which you've created a ***trust pipeline*** with even one member.

The following instructions tell you how to expand this to selling to anyone in that same cluster.

1. Assign all of the people with whom you have already established some sort of business or personal relationship to the appropriate cluster (i.e., the clusters developed in the previous section). Also, identify anyone else in each cluster with whom you have already established a ***trust pipeline***.

2. For each of these people, remember at least three times when you felt that the *trust pipeline* connection was especially strong. Write that person's name next to a description of each of these memories.
3. In your imagination, enhance the first of these memories until it is a *true 10* experience of the *trust pipeline* between you and the other person and the other person and you.
4. In your imagination, surround that *true 10* experience of your *trust pipeline* in action. Anchor that in your *Inner Anchor Point* and, as you do, focus your attention on your *Inner Anchor Point* and say, "This is an example of a *trust pipeline* between (the person's name) and me." Then breathe in and imagine that experience becoming a part of you.
5. Repeat the preceding two steps with each of the remaining memories of experiencing your *trust pipeline* in action.
6. Now focus on your *Inner Anchor Point* and say, "Please integrate all of the *imaginary experiences* of my *trust pipeline* in action and produce a very clear *imaginary experience* of the essence of all of those *imaginary experiences*. Please do so in ways that are for the highest good of me and of everyone else involved."
7. You will now get the *imaginary experience* you just asked for. It will probably pop up immediately and may appear as an enhancement of one of experiences you anchored, another memory may pop up or it may seem entirely new. Whichever it is, *tune* that up to a *true 10 imaginary experience*, surround it with an imaginary ball of white light and anchor it in your *Inner Anchor Point*. While you do, focus on your *Inner Anchor Point* and say, "This is an experience of my *trust pipeline* in action. Whenever I talk or think about my *trust pipeline*, this is what I mean." Then breathe in and imagine making this *true 10 imaginary experience* and your instructions a part of you.
8. Create an extensive and detailed description of this *true 10 imaginary experience*. Label it, "My Trust Pipeline in Action."
9. Now, using the *Objectives Process* form, create a conscious objective of creating a *trust pipeline*, effectively selling to and getting an order from someone who matches a *buyer cluster*, someone with whom you don't currently have a *trust pipeline* and to whom you have never sold anything.
10. Using the ***Cybernetic Transposition Target Process***, translate your conscious objective into an unconscious *Target*. Be sure to include the *imaginary experience* of your *trust pipeline* in action as one of the key elements.
11. Follow through with the rest of the ***Cybernetic Transposition Three-Step***.

Pretty soon you should have your sale in hand.

You also have the enduring tool of your *Trust Pipeline in Action* that you have documented and can include in future *Targets* for sales success.

How to Become Better at Selling

Here are some tips on becoming more effective in selling.

First, recognize that effective selling isn't jamming something down somebody's throat in the classic used car salesman image. In my experience, effective selling involves:

- perceiving the intended customer's needs that your product or service can fulfill.
- focusing the intended customer on the pain of their unmet needs until they realize that your product or service can eliminate that pain.
- asking for the order.

David H. Sandler has written a wonderfully informative book about the selling system he developed that centers on these activities. It's called *You Can't Teach a Kid to Ride a Bike at a Seminar*. The title gives you some idea of the flavor. The book is very experience based and very wise. I recommend that you read it and implement what it teaches.

If you read Sandler's book and put what it recommends into practice using the ***Cybernetic Transposition Three-Step***, your selling ability will skyrocket - once you have found the right prospective customers and have developed the awareness and courage to ask for the order at the right time.

The skills I just mentioned are the other key aspects of effective selling.

Again, they are:

- finding and focusing on only the right prospective customers.
- knowing when to ask for the order and having the courage to do so at the earliest appropriate time.

Finding and Focusing on the Right Prospective Customers

I have trained lots of sales teams to sharply increase their performance.

The best improvement was an 812 percent increase in sales during a 12 month period.

The worst was a 223 percent increase during a 6 month period.

In these trainings, I first taught the team members the *Cybernetic Transposition Three-Step* and a process that I superficially describe in Chapter Ten (that I call *Shared-Vision Leadership*) that integrates all of the knowledge of all members of the team about the types of customers who would or would not buy and how to most effectively sell to the ones who would.

I then focused the sales team members on the types of customers who would most likely buy what they were selling (usually about 30 percent of those that the sales people were currently spending their time on), selling to these qualified prospects most effectively, sharply raising their unconscious performance limits (which had limited their performance), resolving the *blockers* that prevented them from having the courage to ask for the order at the earliest appropriate time and developing intuitive *signals* that told them when to ask for the order.

Putting Other Good Selling Techniques to Work for You

There are lots of books and tapes that provide excellent advice on and techniques of selling. However, most people who buy them don't put into practice what they present.

Following the approach presented in Unadvertised Bonus #4 you can rapidly and effectively put into practice nearly any advice you receive and that you deem worthy of inclusion in your repertoire.

Unconscious Performance Limits

Let me talk a little about *unconscious performance limits*.

It's a very important subject and not only in selling. But it's most obvious in selling.

For example, a study that IBM once conducted was described to me by one of their Sales Managers.

Because IBM is so large and worked in so many industries, they could do this study. Probably few other firms could have.

IBM salesmen/women have dollar quotas. They are graded on the percentage achievement of their quotas. These sales quotas vary between industries based on the average value of a sale.

Common sense suggests that a sales person who consistently achieves 120 percent of quota in an industry having an average sales value of, say, \$100,000 would, if transferred to an industry with an average sales value of \$500,000 and properly trained, also achieve 120 percent of quota after getting used to things.

That wasn't what happened. For example, the sales person might plateau at 75 percent of quota in the new industry and nothing management did would get them above that level.

However, if the same sales person had been put into an industry where the average sales value was only \$50,000, they would typically become a superstar, hitting, for example, 240 percent of quota.

In the case of the good performer who turned into a less good one when moved into an industry that required a higher dollar volume of sales to maintain the same percentage of quota (moving up from \$120,000 to \$600,000), they were only able to hit a dollar level of \$375,000. This is a clear example of bumping into an Unconscious Performance Limit.

On the other hand, the good performer who became a superstar when moved into an industry that required a lower dollar volume of sales to maintain the same percentage of quota (moving down from \$120,000 to \$60,000) didn't fall in dollar terms at all. This is a clear example of what I call an Unconscious Performance Floor.

In the case of bumping into the *Unconscious Performance Limit*, the salesman's unconscious decided that it would not be beneficial for her or him to exceed that figure.

Perhaps somewhere in their life they had failed when they reached "too high."

Perhaps they had seen someone like a parent experience the same thing.

In any case, whatever the cause, this person's unconscious refused to let them do better than their *Unconscious Performance Limit*.

On the other hand, their unconscious mind deemed it not beneficial to allow this person to fall below their *Unconscious Performance Floor*.

My clients and trainees were able to substantially raise their *Unconscious Performance Limits* by using the **Cybernetic Transposition Base Reframing** process, essentially 100 percent of the time.

It will work for you as well and I strongly recommend that you use this technique with respect to both your *Sales Unconscious Performance Limit* and to your *Unconscious Performance Limits* related to managing, inventing and other relevant areas required for small business success.

How to Raise Your Unconscious Performance Limits

Here's how to raise your *Unconscious Performance Limits*.

I'll use selling as an example.

I'm assuming that you have sold something somewhere. If you say no, how about selling your wife on buying something you wanted and she didn't or selling your kids on keeping quiet? No? How about selling your boss on a raise or selling yourself to get a job or selling a traffic cop on not giving you a ticket? Selling is really an integral part of our lives.

I'll use an example of selling a product. Suppose you have pretty consistently sold 100 units of a product per month at a price of \$50 apiece. I'm going to ask you to imagine that next month you will be required to sell 250 units of the same product at the same price.

How does that feel? Not so good for most people.

Let's look a little deeper. I want you to observe and *frame* your *body feelings* when you think of having to sell 250 units next month. Use a 1 to 10 scale where 1 equals "sure thing" and 10 equals "impossible."

On a clean piece of paper, write 250, the associated *body feelings* and next to it the rating you got, for example a 9.

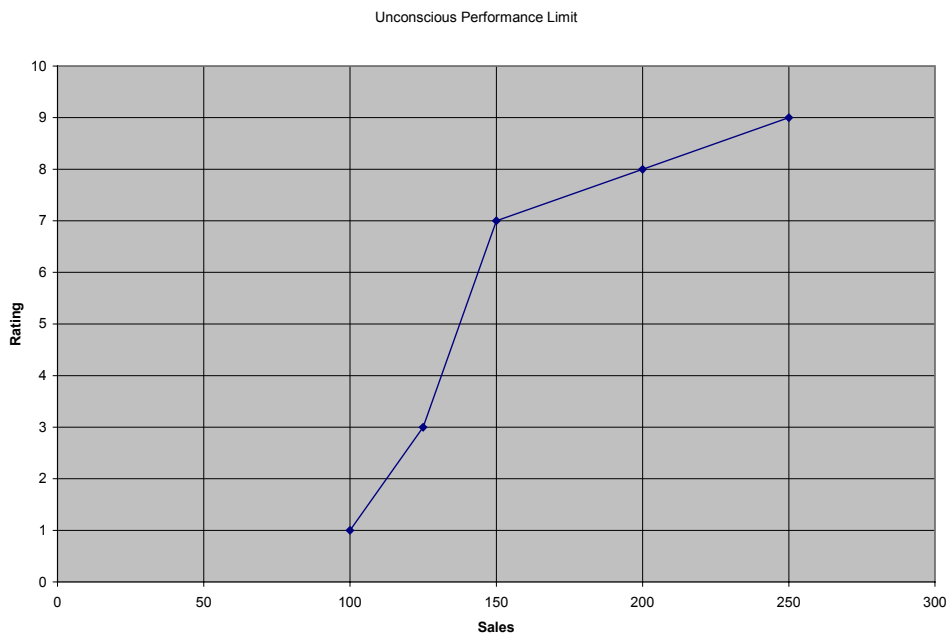
Now imagine having to sell 200 units next month, *frame* and rate the *body feelings*. On the same piece of paper write 200, the associated *body feelings* and the rating you got, for example an 8.

Next imagine having to sell 150 units next month, *frame* and rate the *body feelings*. Again, on the same piece of paper, write 150, the associated *body feelings* and the rating you got, for example, a 7.

Now imagine having to sell 125 units next month, *frame* and rate the *body feelings*. On the same piece of paper write 125, the associated *body feelings* and the rating you got, for example, a 3.

And, finally, imagine having to sell 100 units next month, *frame* and rate the *body feelings*. On your piece of paper write 100, the associated *body feelings* and the rating you got, for example, a 1.

Now graph your results where the vertical axis is your rating with 1 at the bottom and 10 at the top and where the horizontal axis is the required sales level, from 0 on the left to 250 on the right.



Note that with a drop in sales from 150 to 125 units per month, the slope of the graph line changes abruptly. It becomes much steeper.

The point where that occurs is the *Unconscious Performance Limit*.

You can determine your own *Unconscious Performance Limit* for anything that can be quantified and where you can rate your *body feelings*.

In this case, our hypothetical sales person's *Unconscious Performance Limit* is at 150 units per month (or slightly less).

To sharply increase your own *Unconscious Performance Limit*:

1. Using the *Objectives Process* form, set a conscious objective of sharply increasing your *Unconscious Performance Limit*, quantifying how much as appropriate for you.
2. Using the ***Cybernetic Transposition Target Process***, create an unconscious Target from this conscious objective.
3. Note the *body feelings* that are present at your *Unconscious Performance Limit* but not at lower levels (in this case, at 150 units per month but not below).

4. Record these *body feelings* and the situation in which they arose (in this example, sales of 150 units per month).
5. Perform a ***Cybernetic Transposition Base Reframing*** on these *body feelings*.

Through this process, you will change your unconscious assumptions that previously limited your performance. Then, when you tell your unconscious to increase your performance, it will do so.

How to Find Prospective Customers

In brief, here's a way to find the right prospective customers that's a lot more effective than the norm.

- Identify all of the people that you know who have actually bought the types of products or services you intend to sell. Don't guess, ask them if they bought, what, at what price and where.

Ask them to identify the major things about the product or service that convinced them that they would receive enough value to pay the asking price.

- Also identify people who tell you that they absolutely won't buy that type of product or service. Don't be shy, ask them whether they would or would not.

Ask them why they wouldn't buy, why there wasn't enough value there.

- Build unconscious models of each of these types using the *Wish List Process* and the ***Cybernetic Transposition Target Process*** as in creating the ***B.S. Detector*** already described and then create associated sets of *body signals*.
- Instruct your unconscious to find people who fit the buyer model and to avoid those who fit the will-not-buy model.
- When you meet or have phone contact with a prospective customer, evaluate which of these two models they fit by becoming aware of your *body signals*.

Your unconscious has the ability to evaluate people whenever you contact them in person or by phone. Learn to rely on the *body signals* and you'll become much more effective in your selling activities.

Developing these model is very similar to the process of developing the *True Communicator* and *Deceptive Communicator* models described above.

For example, I did just the process I described in about an hour with a friend who wanted to start an architectural business. Since he had been in that industry for a long time and knew the kind of people he wanted as clients, we developed the models based on his memories.

During the process, he established models for those who would easily pay the rates he wanted to charge, would easily cooperate with his artistic sensitivities and who would otherwise be great clients. Within a few months, he had all the work he could handle from clients all of whom were at least a 9 with respect to all of the factors just noted.

Knowing When to Ask for the Order

Do you know when to shut up?

One of the things that kills more sales than anything else (other than trying to sell to someone who will never buy) is when the salesman or saleswoman keeps talking beyond the point where the prospect is willing to make a buying decision.

Pretty soon, the salesman almost always say something that kills the sale.

The reason the salesman keeps talking rather than asking for the order is that they are either too inexperienced or insensitive to know when the customer is ready to say yes or they lack the courage of asking when appropriate.

Here are a few tips on knowing when to ask for the order.

- Watch your prospective customer's body language. They almost tell you with their bodies when they want you to ask for the order.
- Listen very carefully to their tone of voice. People often get excited when they are about to buy something.

In your discussions with buyers and non-buyers (above), ask them to remember the buying or non-buying situation.

When they do, their unconscious minds will reenact the situation and you can observe their body language, tone of voice and behavior.

OBSERVE CAREFULLY AND TAKE NOTES. Then find the common patterns among each group, note it and keep a copy with you. Before you go into a selling situation, review these notes. Pretty soon, you won't have to.

Also, when you actually make a sale (after you've received payment), you can say to your customer something like, "I'm always trying to improve myself. Would you help me by answering a question? Did I keep talking past the point where you were ready to buy or was my timing good for you? What was the most important thing I said that influence you buy?"

You can learn a great deal from their answers.

Always take very careful verbatim notes. This *frames* the response for your unconscious and provides records that you can later use to create unconscious models.

And, based on memories of when you did and did not ask at the right time, you can unconscious models and trigger *body feelings* that tell you when. The process is that same as the one that you used to build your *communicator* models.

Having the Courage to Ask for the Order at the Earliest Appropriate Time

You're probably aware of the power of hindsight, the ability to run through something that just happened and recognize where you made the wrong choices.

Most people use that ability to beat themselves up. I'm going to suggest that you use it in a different way.

Your unconscious operates at a much more sophisticated level than your conscious mind. Hindsight is one of the ways that it lets you consciously know what it has observed.

After each selling attempt, with hindsight run through what took place, what you did, the arguments you made and how the prospect looked and sounded and identify the earliest point where you could have appropriately asked for the order.

Frame that by recording it on a piece of paper along with a note that identifies the specific selling situation. You may be able to use that information later.

Then, in hindsight, reflect on whether you asked for the order at the earliest appropriate time. If so, put an "S" for successful next to what you just wrote down. If not, put a "U" for unsuccessful next to it.

When you have done this for a number of selling situations on a clean piece of paper, list all of the selling situations with a "U". One by one, use hindsight to run through each situation until you find the earliest appropriate point where you could have asked for the order.

Then document the *body feelings* associated with the unconscious habit pattern that *blocked* you from recognizing and acting on that opportunity.

Do this for each of your examples. Then intuitively, extract the one or more sets of *body feelings* that you've identified.

Finally, perform a ***Cybernetic Transposition Base Reframing*** on each of these patterns of *body feelings*.

That should remove the unconscious barriers to asking for the order at the earliest appropriate time.

Next, with hindsight, review the examples marked with an "S". Identify the *body feelings* that told you that it was time to ask. Build these into a model with *body feeling signals* as you did in creating your *True Communicator* and *Deceptive Communicator* models.

Thereafter, while you are selling, be attuned for these "It's Time to Ask" *body feelings*. You will find that these signals are quite accurate if you've properly constructed your model.

Those signals mean money!

Chapter Ten

Conflict Resolution

Do you feel helpless when I tell you that it's your job to resolve the conflicts that exist within your team?

That's not surprising. Most people don't know how.

Of course, you would be wise to resolve the *blocker* that triggers that feeling of helplessness.

However, conflict resolution is usually extremely difficult.

My experience is that there are only two effective ways of doing it.

Either you are or you become a charismatic leader who leads the team into agreement. That's requires a very major change in personality for most people although, by using the *Cybernetic Transposition Three-Step* and doing lots of *Base Reframings*, it is possible.

The alternative, that's a lot easier and quicker, is to use the *Conscious Group Alignment Process* that I invented quite a few years ago and have used successfully with a large number of initially highly conflict teams.

In almost all cases, they emerged from the process highly integrated and aligned in conscious and unconscious support of a single, detailed *Shared-Vision*. For the first time ever, I'm presenting that to you in writing.

Wild-Horses Management

Most teams act something like four people, each standing with his or her back against one wall of a four-sided room.

Facing straight ahead, each one accurately describes what he or she sees, producing four quite different and quite true descriptions of the room from four different perspectives.

And each will argue for and pursue the truth of his or her perception, quite ignorant of the validity of the others' points of view.

The result? Conflict. Hurt feelings. Withholding. Or supposed agreement followed by each person heading in the direction that accords with their personalized version of the agreement. Familiar? Definitely!

If you are leading such a team, chances are you often feel like you're being pulled apart by wild horses.

If instead of four walls, we substitute you, your sales person, your accounting person and your manufacturing or service delivery person, you'll see how most of the conflicts in your small business arise.

Leadership via *Shared-Visions*

Leadership is the process of empowering all members of a team to achieve the team's goals. Some leadership is charismatic, a function of the leader's personality. In contrast, ***Shared-Vision*** leadership involves leadership by the whole team. It revolves around a shared- vision that actively incorporates the views, suggestions, and concerns of all team members.

Working with a ***Shared-Vision*** is analogous to seeing all sides of the room at once. Awareness of the whole picture gives each team-member the freedom to pursue his or her own objectives in a way that supports and is supported by the efforts of all his team-mates.

Creating a *Shared-Vision*

A comprehensive ***Shared-Vision*** integrates several component ***Shared-Visions***, each of which triggers complete intuitive and intellectual agreement among the team.

To create a ***Shared-Vision***, each team member starts by describing his or her point of view in the *Wish List* format, creating a description of the way they'd ideally like things to be in the area under discussion. The various team members' sets of descriptions are then integrated using the ***Conscious Group Alignment*** process.

In this process, the entire team is divided into groups of three. Each group sits in a triangular arrangement with one person designated "A", one "B", and one "C".

Person A starts the process by reading and concretely describing his or her "perfect" ***Metastories*** while B and C silently record their reactions.

The *CGA Clearing Process*

Usually, B and C have some rather negative reactions to what they hear and would normally communicate their agitation to A, getting him upset too! But that's not allowed in this process. So

they have to resolve their upset themselves. This is accomplished through the ***CGA Clearing Process***.

This ***CGA Clearing Process*** is a paper and pencil exercise that easily and quickly generates remarkably creative resolutions of conflicting perceptions.

It combines a process of homing-in on exactly what is troublesome with the skill of editing to generate new alternatives that are "perfect" from the points of view of the person doing the process and the other two members of his or her team.

For example, imagine that B is quite upset about something that A has proposed. She is not allowed to talk about her upset. So she writes a detailed description of what she thinks A has said and her reaction to it in the ***CGA Clearing Process*** format, a variation on the ***Basic Alignment Clearing Process***. This consists of:

- writing the key points of what she thinks she heard. (Usually people don't really hear what is said, they listen very selectively. Often, therefore, they react to what wasn't said.)
- Then she carefully reads what she has written and circles any word or group of words that cause a negative reaction.
- Next she "edits" her original description until she is entirely comfortable with her new version of what A has proposed.
- Now she role-plays A, figuratively moving to "his side of the room." As A, she repeats the process of homing-in on troublesome points and editing.

This involves reading through her own "perfect" version of what A has said and circling anything that would upset A, followed by editing until her new revised version seems perfect for both her and A.

- Lastly, she repeats the process while role-playing person C. (She circles the words and phrases that would seemingly upset C and edits what she has written until it seems perfect for A, C, and herself.)

A and C also perform the ***CGA Clearing Process*** to resolve any upset that they may have experienced. This leaves all three members of the group in a state of inner harmony and intellectual clarity.

Completing The Three Person *Conscious Group Alignment*

The group has now completed the first of four steps in the ***Conscious Group Alignment*** Process.

In step two, B acts as "sender," reading and describing her list of strengths and weaknesses while A and C record their reactions.

When she is finished, all three members of the group perform *CGA Clearing Processes*.

Step three involves sending, receiving, and clearing a third time with person C as the "sender" and A and B as the "receivers."

Integrating Three Points Of View Into One

Now we come to the fourth and final step in the three-person *Conscious Group Alignment Process*. A, B, and C have now shared their opinions with each other and have experienced each other's points of view. This makes it rather easy for them to creatively integrate their separate perspectives into a single shared vision.

This is done in "round-robin" fashion. A first picks a *Metastory* from his or from B's or C's list that he thinks B and C will easily accept and proposes it. If B and C agree, it is recorded on a *Shared-Vision List*. If not, they try to quickly resolve their disagreement. If not, it is quickly (within 3 minutes) set aside for later consideration.

B then suggests a *Metastory* that is either accepted by A and C and added to the *Shared-Vision List* or set aside. And then C repeats the process. This round-robin continues until all *Metastories* have been considered.

Since many of the *Metastories* partly or wholly overlap, ones that do are integrated during this step.

Next, A, B, and C briefly discuss the *Metastories* that have been set aside, the ones they couldn't rapidly agree on. They may now agree on *Metastories* that previously generated conflict. If so, the newly agreed *Metastories* are added to the *Shared-Vision List*. Remaining disagreements are resolved through *CGA Clearing Processes*. This quickly leads to completion of the *Shared-Vision List*.

Finally, the group's agreement is tested by asking everyone of the team answering three questions: 1) "Is there anything on the *Shared-Vision List* that you intuitively or intellectually feel or think should not be there?" 2) "Is there anything missing from the list that you intellectually or intuitively think or feel should be there?" 3) "Do you experience anything other than agreement with and enthusiasm for this *Shared-Vision*?"

If the answer to any of these questions is "yes," new *Metastories* are submitted or existing ones revised, occasionally with the help of the *CGA Clearing Process*. Soon the answers to all three of the questions are "no" indicating complete intuitive and intellectual agreement.

Integrating The Three-Person *Shared-Visions* Into A Whole

At this point, the team is divided into a number of three-person groups, each of which has a *Shared-Vision*. Now the task is to integrate the three-person *Shared-Visions* into a single one for the entire team.

This is accomplished by repeating the *Conscious Group Alignment Process* with one three-person group at each corner of the triangle. If the team numbers about 9 persons, this process ends with the creation of a group-wise *Shared-Vision* concerning the strengths and weaknesses of the team.

Summary

The preceding description briefly and in simplified fashion outlines the *Conscious Group Alignment* process of moving a team from confusion and conflict into agreement and productive cooperation. During the past 10 years, this approach has consistently led to rapid improvements in the effectiveness of the participant teams, especially when combined with the *Cybernetic Transposition Super Achievement Three-Step* process.

Chapter Eleven

How to Raise Money for Small Businesses

This is an issue that many inexperienced entrepreneurs think is the most important one.

It isn't. I've already identified the important ones.

First, be aware that there is a very good chance that you will not be able to get any outside financing for a small business. After all, would you invest in something that had a historical 95 percent of failure? Most potential investors are aware of that number.

The bottom line is that it is very tough to raise money for a small business. The failure rate of small businesses is very high so, unless you have either an outstanding track record in similar businesses, a remarkable business plan and find someone who's looking just for that or a business that's got a proven record of making money, most outside financing is closed to you.

Most small businesses are financed through credit cards, homeowners loans or loans from family members. An infinitesimal number are financed by venture capitalists, incubators or angel investors, all of which have pretty much the same criteria – at least if they're successful.

Basically they look at the people and the product/service intensively. As far as the product/service, they want something truly unique that is protected by patents or in some other legally binding way and they do not want a one product company.

As far as people, their requirements are pretty obvious. They want leaders with seasoned successful teams that have extensive relevant and successful experience, proven luck, and a demonstrated ability to successfully handle the unexpected, potentially venture-killing things that always come up.

And they want entrepreneurs who are good enough at selling to sell them, the investors.

However, in making their decisions they put the most weight on the people. As one of my venture capital friends who was previously a banker puts it, "it's a character decision."

Even then, out of 10 investments, they expect about 3 to 4 to completely fail, 1 or maybe 2 to be a big winners and the others to be breakeven, meaning that the investors just get their money back by the selling the company to anyone who will buy. If you're in the 3 to 4 they think will fail, they'll pull the plug at the earliest opportunity, which can be very early since they often put in their investment in stages, each subsequent stage conditioned on performance in the present stage.

It's a tough business.

The Small Business Administration, which started out to support small business people is not a lot better. After experiencing a high loss ratio, they have started to demand so much collateral and guarantees from startup businesses that you generally aren't better off with them than you are without.

SBA may be useful at the stage where you have been making a good profit for a while and need financing to expand.

That brings us back to a bootstrap situation, meaning doing it yourself without outside help. I actually prefer bootstrapping to having investors looking over my shoulder but that dictates low overhead, low startup cost, high profit margin ventures in which you usually pay yourself or anyone else anything nothing or at least very little in the beginning.

One of the best ways of bootstrapping, if feasible given the nature of your business, is to start it on a part time basis while still holding a job. While this may be as tiring as raising a baby (human, that is), it is also the safest way and the way that gives you the highest probability of success – in the absence of significant outside investment.

Whether it's bootstrapping or having investors conditioning the next chunk of cash on your performance, your chances of success are immeasurably improved when you follow the outline presented above and use the *Cybernetic Transposition Three-Step* to the greatest extent possible.

Doing so, only the very first of my small business ventures have failed and almost all have prospered greatly. The same is true of my clients.

My personal formula is to seek unique market niches, provide more value than you charge for, provide ways to reduce the customer's perceived risk, charge prices that yield high margins and seek and nurture long term customers. Your formula will be the one that suits you.

How to Find Investors

The process I'm about to describe won't work for everyone. It is basically a psychic process and, for it to work for you, you need already developed abilities to psychically find things.

If you're uncomfortable with the idea of psychic skills, you don't need to be. Not only have they been repeatedly proven to exist by some of the most reputable universities and research organizations in the world (e.g., Stanford, University of Chicago, Princeton, University of London, etc.), they are totally natural. They're what wakes a mother just before a baby cries or alerts you just before an elevator arrives or causes you to pause at the curb just before a fast moving car careens around the corner.

Research demonstrates that the psychic connection between mothers and infants is extremely high and that it degrades with age in most people.

However, it remains in everyone and can be rekindled with appropriate training.

So, if you have any of the kinds of experiences I list below, you might be successful in using the process I will describe.

Typical indications of active psychic skills:

1. You know who's calling before or when the phone rings.
2. You know who's at the door before or when they knock.
3. You know where you will find parking places or are good at "creating" them.
4. You know when the elevator is about to arrive and which one in an elevator bank is coming.
5. You know what someone's going to say before the words leave their mouth or you accurately complete their sentences for them.

These are just examples. There are lots more that I could have suggested.

If you can do these things, have a good specific venture in mind, have documentation that you can present to a potential investor including financial projections and want to raise investment capital, do the following:

1. Using the *Objectives Process* form, set a conscious objective to find whatever amount of investment capital you need, on whatever terms you desire and from the kind of person that you want as an investor.
2. Using the *Cybernetic Transposition Three-Step*, turn this into an unconscious Target and follow through with the rest of the process.
3. Each day, practice according to the *Cybernetic Transposition Three-Step*.
4. Each day, imagine placing a ball of white light around you and, while focusing on your *Inner Anchor Point* say, "Please make the process I am about to do take place in ways that are for the highest good of me, of my potential investor and of all concerned."
5. Imagine your potential investor. It's not necessary to imagine their appearance or even their sex. You can imagine them as a ball of white light.
6. Invite them into your ball of white light. Explain to them that it is for the highest good and that they are to do nothing other than what's right for them.

7. When they agree to enter, focus on your *Inner Anchor Point* and say, "Please bring my potential investor into my white ball in ways that are for the highest good of them, of me and of all concerned." Then imagine them coming in surrounded by a ball of white light.
8. Imagine placing your *End Point Success Imagine*, your imaginary experience of having just achieved your objective, in a ball of white light.
9. Imagine handing that ball of white light to your imaginary potential investor.
10. Ask them to rate, on the 1 to 10 *Desirability* scale, how right for them that imaginary experience is and to let you know.
11. You will become aware of their rating intuitively or by hearing or seeing their rating.
12. If their rating is less than 10, ask them to *tune up* that *imaginary experience* until it is a 10 for them and to then give their 10 *imaginary experience* back to you in the white ball.
13. Now rate how *desirable* their 10 is for you. This will probably be an entirely intuitive process. If your rating is less than a 10, *tune it up* to a 10 for you. Then hand it back to them in the white ball.
14. If both of you haven't yet gotten a 10 rating on the same *imaginary image*, repeat the previous three steps until you both reach a 10 on the same *imaginary experience*. Usually this will occur after only one to three rounds.
15. As soon as both of you give a 10 rating to the same *imaginary experience*, go to the next step.
16. Now imagine placing the ball of white light with the 10 level *imaginary experience* into your *Inner Anchor Point* and ask your potential investor to place it into their *Inner Anchor Point* and imagine them doing it.
17. Then ask your imaginary investor to join you in focusing on your respective *Inner Anchor Points* and saying, "This is the way I would like things to be in this situation. Please make that happen in ways that are for the highest good of me, the other person in this white ball and everyone else involved."
18. Ask them to join you in breathing in that experience and making it a part of you (and they, them).
19. Now ask your imaginary investor to tell you how to proceed on the physical level to make the 10 level *imaginary experience* into a reality. If you don't understand them, rephrase the question and/or keep asking as you would with a physical person.

20. When you get the answer, write it down. Then ask them if you have gotten it right.
21. When you've gotten it right and it makes sense to you, proceed to the next step.
22. Thank your potential investor, imagine them surrounded by a new ball of white light and imagine them returning whence they came while focusing on your *Inner Anchor Point* and asking that this take place that is for the highest good of you, them and all concerned.
23. Imagine a tremendous flow of white light flushing out the white ball around you. Take a deep breath and, as you breathe out, imagine that white ball disappearing.
24. Follow the instructions that your potential investor gave you.

If you've found the right person, they will immediately respond positively to you and to your business.

For example, when I wanted to raise \$2.5 million to start a new venture, I did this process.

The instruction was to call a specific person whose name I knew from conversation but I'd never met. The instruction was to then tell them a two sentence description of my venture and the people involved.

When I did this, my potential investor said he was extremely interested and would have his executive vice president call me within the hour. That call came and a meeting took place shortly thereafter which resulted in a 1 ½ page letter agreement and a check for \$2.5 million.

Don't be afraid to ask for the money at the appropriate time.

Summary

Anyone who tells you that being successful in a small business is easy is lying. For most people, it is a *seemingly impossible* objective, at least at some point in the process.

Your best odds in a *consumer business* are with a **good, proven** franchise but the investment requirements are very high and your freedom is very limited.

The most interesting and potentially the most rewarding small business ventures are the ones based on a unique, high profit margin and well protected concept that is implemented by people who know what they are doing and that requires little investment capital.

This can be either a consumer business or an industrial one.

For example, I have a friend who used to be a marketing manager at a large company and, while there, developed the idea of a new way to access the massive data bases that large companies have. He's good salesman and has a good idea. He initially bootstrapped the business and then got a major firm to give him a series of contracts that allowed him to build the product at their expense.

Thereafter, the contracts ended. An incubator wanted to fund him but wanted too much ownership. So he has built and financed his business in a continuing bootstrap fashion, by building a valuable home at low cost and then getting homeowners loan on it.

He is now clear on his marketing strategy, is about to get another big contract from his original client and looks ready to take off.

His product has a high profit margin and his overhead is almost zero at this point. His process is unique and has high value to his customers.

This is another form of bootstrapping.

However, I know lots of successful small business that were successful primarily only because of their owners' personalities.

For example, I have a friend whose business is furnishing and maintaining plants and trees in businesses and in the homes of wealthier individuals. She has a wonderful personality, is pretty and does a very nice job. While her business won't set records, she is very happy with it and enjoys the work and freedom. She bootstrapped the business.

There are many ways to be successful in small businesses. The most successful ones are those that follow the recommendations presented above.

Using the *Cybernetic Transposition Three-Step* and the advice I've given you, you should be way ahead of the crowd.

Have fun! And enjoy all of the money that your efforts generate.

Let me know how well you do in your business!