

HOW TO BE A BETTER START-UP FOUNDER IN 2016

By Ashish Mittal

The year 2016 holds a lot of promise for the start-up community in the country. In the ecosystem that is gradually maturing, start-ups need somewhat different qualities and approach in their businesses.

Traits

Focus on Idea, Not on Funding: Early last year was a dream period when it came to funding. Suddenly, every start-up seemed to be raising nothing short of million dollars in seed funding. This enthusiasm, however, was short lived as investors pulled back and lofty valuations came crashing down. The scenario today is different, not so much for the seed stage, but certainly for Series A and B. It will be a difficult year to raise money so concentrate on your idea, polish it, make it work and ensure you have a solid revenue stream. At the same time, check your expenses and conserve cash.

Have Patience: There is so much happening around start-ups, and there is so much buzz that it is easy to get carried away. Start-ups may be all about speed and execution, remember it is important to do it right. Have patience to do things right and understand that there is a difference between swift execution of a plan and having the patience to first come up with one.

Understand the Term 'Out of the Box': The word is used so often that it tends to get jarring, but is often not completely understood. Out of the box is not limited to the idea of a business alone. A level of innovative thinking will be needed in 2016 to the execution of the business, marketing it, tackling expenses, approaching investors and probably every facet of a business.



Have patience to do things right and understand that there is a difference between swift execution of a plan and having the patience to first come up with one.


Tactics

Align With Emerging Trends: There will always be sectors that are hot and others that are past their prime. For example, a start-up in the e-commerce space will find the going tough when considered to current favorites like IoT, M2M, cloud and SaaS. If your start-up is in sync with what is popular and hot, your chances of doing well are that much stronger. This, however, does not mean you forsake the core beliefs for your business to merely exist in a sector that is doing well.

Think Global, Stay Local: The world economy is not doing well and while it is vital you think globally, it may make more sense to stay local. Operating on a global scale also calls for money, resources and bandwidth, but by staying local, you would not spread yourself too thin. Focus on your home market, gather

the experience of operating in a tough market and expanding to other countries will be a lot easier.

Year of consolidation: In 2016, look to consolidate your business by making sure you have a compelling story for your consumers, investors and employees. If you have been operating in the "garage" or incubator mode, start consolidating and building your systems, processes and human resource. Consolidating your workflow will streamline your business so that you can provide the best service or

product. It can also mean identifying and collaborating with your peers (competitors) for a stronger holistic story about the sector you operate in. A strong narrative around your sector will help build a good investor interest. 

Ashish Mittal is the Founder of TurningIdeas Ventures.

LET'S MOVE WITH TIME IN A BETTER WAY

By Ravi Venkatesan

Our choice to change makes us who we are. Often, choosing to not taking a decision brings about a change, too. In other words, there is no getting around change and not being affected by it. But how do you ensure you can keep your head when those around you are losing theirs? How do you manage to stay grounded when the winds of change threaten to bring about irreversible changes to your life and your work? And how do you make sure the change that is afoot works in your favor. Here are just five ways to make sure you come out tops:

1. Be proactive: Change is much easier when you are driving it, as opposed to when it is happening to you. If there is a trend in the market, try to be at the front of it, rather than adapt to it later. If you are not enjoying your job, it's better to seek something else that is more fun, rather than wait, be fired, and then look around. Same goes for an entrepreneur. Be it your personal or professional life, one of the most important principles is the idea of being proactive – make the changes that are necessary before they become inevitable.

2. Develop support networks: Change is hard. It is emotionally difficult. It also requires that you may need access to opportunities and different types of help. There are people who get to a certain stage in their life and have no network at all; they become lonely and find it tough to navigate the change. Work on making your family ties stronger. Have friends and mentors who can advise you and help you make connections with other people. These people become constant in your life.

3. Develop resilience: The world has never been so turbulent. The fashionable word for it is, VUCA (volatility, uncertainty, complexity and ambiguity). Also, you can't expect to be successful all time. But you can't get crushed by the failure either. So you must develop tenacity. Tenacity is like a



If you don't develop the ability to constantly learn new things and reinvent yourself, there is a big risk of becoming obsolete.

muscle – the more you stretch it and work it, the stronger it becomes. So you train yourself to overcome disappointment and failure. For instance, it took me two attempts to get into the department of my choice at IIT. I got into Harvard Business School after two attempts. The transformation of Cummins and Microsoft in India took many years; you just have to keep at it until you taste success.

4. Develop a reputation or personal brand: What is it that you take with you professionally? Two things – your network and your reputation. If you have a reputation for being dishonest, it will travel with you. If you have a knack for attracting great talent, people will know. You have to be conscious about how you wish to be perceived, and build a track record along these things. This is true both as an employee and entrepreneur.

5. Develop learning agility: The total knowledge in the world doubles every year. There are huge advances and new developments every year. So if you don't develop the ability to constantly learn new things and reinvent yourself, there is a big risk of becoming obsolete. As it is famously said about Darwin's theory of natural selection, "It is not the strongest of the species that survive, nor the most intelligent. It is the one that is most adaptable to change." So you must develop curiosity about everything, learn to learn new things, become comfortable with ambiguity. Again, learning agility is a muscle that can be developed. You train yourself to be curious, read more, learn about other businesses, take online courses and so on. I highly recommend that every few years do something totally different. [®]

(As told to Prerna Raturi)

Ravi Venkatesan is the Chairman of the Board at Bank of Baroda. He is the Founder Chairman of Social Venture Partners India.

4 SALES NUANCES FOR ENTREPRENEURS

By Karthik Rajan

Is there a key nuance of a great salesperson that is not often talked about that could be useful for entrepreneurs? After all, both are in the revenue generating function with varying degrees of involvement. Let's consider the following four points:

1 Framing the context: An entrepreneur meets a customer.

Now imagine that you meet a potential customer under two circumstances – when your customer pipeline is brimming full, and when your customer pipeline is empty. Would you handle the two situations differently? How you could rate your self-esteem under the two scenarios? Will your communication send different messages under the two scenarios?

Great salespeople do not let paucity or an abundance of business dictate how they handle a potential client. How do they do that? It is a riddle worth exploring and sharing. At the root of it is a deeper understanding of passion – quintessential for connecting with your audience.

2 A page from the best sales peoples' playbook.

Best salespeople are always even-keeled in their approach toward a prospect, whether they are exceeding goals or starting the year afresh. They have a firm handle on the degree of passion. They go so far, but no further. They are passionate but have a healthy detachment to the outcome and more importantly their current performance status. Although, such small nuances are lost in translation, it aligns with research on harmonious passion.

3 The degree of passion.

There is an interesting empirical research by psychologist in the European Journal of Social Psychology that explores the relationship between passion and self-esteem. What is unique about this research is that they do not talk about passion as one word, but split it into degrees of passion. Their research



Great salespeople know where to draw the line between being passionate and being married to an idea.

concludes that lower the variability of passion in a person, the higher the self esteem. In other words, lesser the yo-yo of passion dictated by circumstances, the more positive self-esteem. They even coin a phrase for that – harmonious passion.

4 It all starts with the handshake.

The bigger question is – how does a great salesperson pull it off, while the same situation will confound the average salesperson?

- It starts with the handshake. A great salesperson matches the pressure the customer exerts in a handshake. Being extra conscious of the most basic gesture is a starting point.
- Most passionate people are interesting first and interested second. The very best people flip the order. Great salespeople know their chops. Catch them in a social setting and express an interest in what they do, and their depth of domain expertise will amaze you.

However, when they get an opportunity to meet a prospect who may be interested in what they have to offer, they temporarily suspend their urge to share the synthesis of their knowledge and hard work. In essence, they restrain themselves from doing the natural thing. Instead, they let their passion ebb into the natural flow of conversation that mirrors client's wavelength.

In a nutshell, great salespeople know where to draw the line between being passionate and being married to an idea. That nuance takes them afar from the rest of the pack. Entrepreneurs, the passionate kind, can take a leaf out of their playbook.

If a coin toss is a metaphor for meeting different customers, outcomes of past coin tosses have no bearing on the outcome of the current toss. Yet, when it comes to people and their success, history has a way of creating a mental euphoria or a baggage. Unshackling it is easier said than done, but being self-aware is the first big step – mirroring the magic handshake is where the harmonious passion begins. [®]

Karthik Rajan is a keynote speaker and writer who covers the intersections of analytics with entrepreneurship, economics, education and human relationships.