

Entrepreneurship: Do You *Really* Have What it Takes?

If your dream is to be an entrepreneur, don't count on your work history, schooling or degree to have much of an impact.

Although not worthless, Kelly Smith, founding partner of Seattle-based Curious Office, a seed stage investment firm and a software development company that makes early investments in and builds companies at the same time, says start-ups demand more important qualities. Smith's experience speaks volumes. With a portfolio that includes Imagekind and five other companies, he also founded RocketVox, which merged with Platform.com, and oversaw international business development for Real Networks.

Being psychologically ready for a start up is a fundamental requirement. Smith explains, "The three most important traits an entrepreneur needs are: determination, the ability to manage stress, and the ability to communicate with people." These traits create a winning psychological makeup. At a recent Northwest Entrepreneur Breakfast Meeting, Kelly Smith provided a smorgasbord of tasty details proving this point.

The Surprising Stresses

There are the obvious start-up stresses. Uncertainty over the paycheck; Getting the product to prototype; Landing the first client. Then there the hidden stresses. These relate to the psychology of doing a start up. Hidden stresses aren't talked about much, but Smith says they can make or break success. Picture the bloodshot, bleary-eyed, exhausted caricature of the overworked, over-stressed business owner. Entrepreneurs that aren't careful about the hidden

stresses of a start-up might unwittingly slip into that persona.

Hidden stressors that can impact your ability to lead:

Executive Insights



Cheryl Isen

- You spend less time with your friends and family—and longer hours mean you don't cope as well at home or work.
- You are scrutinized in a whole new way e.g. partners, staff, investors— and this increased responsibility creates more stress.
- You put your personal network on the line—and ambiguity about your success will increase your stress.
- You have to ask for things, which takes humility—these new situations and others create more stress.
- You find it harder to relax and recharge—and less focus on health creates more stress further deteriorating your well-being.
- Finally, there is the stress of finding the courage to keep the trigger pulled under compounding stress.

There's an underlying theme to this list. Most stresses will be people-centric. This makes sense. Entrepreneurs are assuming responsibility for a lot of people. Unfortunately, these stresses can't be willed away. They come part and parcel with the job. Likewise, most people don't deal well with prolonged and excessive stress. More importantly, this constantly building stress and fear often leads to poor decision making.

Entrepreneur Psychology: 101

Surprisingly, Smith says his stress relief didn't come from expected situations like a financing or partnering deal. "It was the simple things, like a nice card from your team or customer praise," confides Smith. This may not be true for everyone, but Smith assures, that's the point. The key to managing the stress of start up is to know yourself. When you know yourself the odds of getting all cylinders firing in sequence greatly increase.

This requires being honest with yourself and your own abilities. Not as easy as it sounds for entrepreneurs who share many common tendencies and misconceptions. For example, most tend to avoid their weak points and overestimate their strengths. Entrepreneurs are notoriously overly optimistic. They might overestimate their reach, or let assumptions morph into fact. First timers also tend to overestimate their risk tolerance. It's important to ask yourself: are these tendencies fact or desire?

Like in life, launching a start up really isn't about the end-game, its about the journey.

With the wisdom of experience behind him, Smith encourages making the journey fun and enjoying the decision. "Entrepreneurship isn't the crap shoot most think it is. Instead it's more like blackjack." If you know what you're doing, are honest about your abilities, and keep your priorities in order you'll have more than a fair shot at success.

These "Executive Insights" are based on monthly presentations provided by leading entrepreneurs at the Northwest Entrepreneur Network (NWEN.org), a non-profit organization dedicated to helping entrepreneurs succeed. The column is written by Cheryl Isen, founder

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