



WIND IN YOUR SAILS

Vital Strategies That Accelerate
Your Entrepreneurial Growth

By David J. Greer

ABOUT THE AUTHOR



David is the catalyst who gets you to fully live your dreams now. After time with him you feel equally scared and hopeful. Scared at the audacity of your dreams and hopeful because you have someone in your corner with the experience and desire to see your dreams become real. Spend one hour reading his book, attend a one hour talk with him, or get one hour of 1-to-1 coaching and you will have 3 concrete action items that will shift and accelerate your business within 90 days. David and his wife Karalee are committed to each other and their three children, spending time supporting them in the many and varied activities they are involved with. They live in Vancouver, Canada.

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PRAISE FOR *WIND IN YOUR SAILS*

“This book energizes entrepreneurs and gives encouragement through David’s practical examples and experiences. It compels one to take action now.”

— **Mike Volker**, Entrepreneur and NAO Angel Investor of the Year

“David is the real deal. He's built companies, been an active angel investor and now he's an author, helping other entrepreneurs. In an age where there is so much information, David cuts to the point and gets you real world insights to grow your business that you won't find anywhere else.”

— **Bob Graham**, Founder and CEO Airwaves Music

“Packed with real life stories of success (and failure!), *Wind In Your Sails* is must-read for business owners and entrepreneurs.”

— **James Shaw**, Founder Twin Creek Media Inc.

“Theory is fine, but Greer brings roots-level reality to what entrepreneurs face and what they must do to thrive.”

— **Guy Smith**, author *Start-up CEO's Marketing Manual*

“If you think you know all about Entrepreneurialism, you must read *Wind In Your Sails*. This book is the best hands on business transformational system of the 21st Century. The book discusses the most innovated business strategies while providing a methods for growth and even an exit plan.”

— **Sonia Clayton**, President & CEO Virtual Intelligence Providers

PRAISE FOR *WIND IN YOUR SAILS*

“David Greer has the wisdom and experience to know that the entrepreneurial journey isn’t an easy-peasy rocket launch—it’s like sailing on the high seas. Rocky. Stormy. Challenging. David is the first mate you want by your side when you’re captain of the ship. And *Wind in Your Sails* is the map to help get you there.”

— **Nina L. Kaufman**, Ask the Business Lawyer

“I never had any idea how challenging it would be to start and build a business - that the process would be so all-consuming and emotional at times. Entrepreneurs will identify with David Greer's book, which explores the strange and wonderful path of the entrepreneur without any sugar coating.”

— **Ken Simpson**, Founder and CEO MailChannels

“I've known David Greer for many years as an entrepreneur and marketing specialist so I'm delighted to see David's book address key issues impacting businesses. As every great sailor is better with a good wind, great business owners need smart strategies to improve their company. David brings decades of relevant experience and has demonstrated he truly wants to help business owners succeed.”

— **Doug Anderson**, Founder DA Top Talent

“Perhaps this book should have been called *Wind In Your Sales* as David brings a fresh perspective to the challenge of being an entrepreneur and keeping focus on what is important.”

— **Birket Foster**, CEO MB Foster Associates

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INTRODUCTION

We were sailing in the middle of the Adriatic Sea, halfway between Italy and Croatia, more than 75 nautical miles from any land, with our whole family on our sailboat, Dragonsinger. At our average speed it would take us ten hours to reach land. We were in our third night on passage when we spotted a thunderstorm as wide as the horizon. Karalee and our daughter Jocelyn got me up at midnight to ask me what to do about the storm. I said to leave it to port (the left side of the boat) and went back to bed to get more rest.

At 0200, my ten-year-old son Kevin and I got up to take our three-hour watch. Lightning struck the water in front of us every minute or two. We continued sailing towards the storm for an hour. With the lives of our family at stake, I finally told Kevin we needed to “heave to.” This sailing maneuver quieted the motion on board while stopping Dragonsinger in its tracks pointing the stern of our boat towards the storm.

For an hour, Kevin and I watched the storm. Every fifteen minutes, we got up, took a 360-degree look around the horizon, and checked the radar for other boats and to see if the storm was getting closer. After an hour of careful observation, we concluded that the storm was moving very slowly from left-to-right. If we had continued on our port tack, we would have ended up right in the middle of the thunderstorm. We tacked the boat onto starboard and left the storm to our right-hand side, continuing safely through the night.

The lesson from this is that even when the stakes are as high as they can be (with the lives of my family at stake), the correct course of action was

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to stop what we were doing, evaluate, and then proceed. Working on a strategy for your business takes the same kind of discipline:

Slow Down to Speed Up

ACCELERATE NOW

My goal is for you to step into action to accelerate your business today. I promise that if you slow down and spend one hour reading *Wind In Your Sails*, you will have three ideas that will accelerate your business in the next 90 days.

ENTREPRENEURS

I am a successful entrepreneur who has experienced the ups and downs of running my own business. Use my experiences to inspire you to think about and operate your business in new ways, while avoiding some of the pitfalls I, and the entrepreneurs discussed in this book, learned the hard way.

Many books explain theories of leadership, strategy, marketing, or sales. This book gives you all of that plus outlines the concrete actions you can take now to create sustainable change so your business prospers. Learn firsthand about the real-life challenges that I and ten other entrepreneurs have faced and how we overcame them to be successful.

FIND YOUR ANSWERS

There is no single answer for how to successfully market and sell your products or build your business. There are ways to manage your strategic approach and tactics, and methods for how you measure and motivate your employees that can have a massive impact on your business results.

If you are feeling stuck, the answers are here. This book combines my thirty-five years of entrepreneurial experience with the hundreds of years

of combined experience shared by the entrepreneurs I interviewed to provide you with proven ways to succeed. I know that this book will get you to think and act differently today. The proof will be in the ways your business accelerates in the next 90 days.

PUTTING IT TOGETHER

I have presented the information in this book in a way that I think any entrepreneur can benefit from. Each chapter is self-contained, so if you work better by jumping into the middle, feel free to read the book that way. The book is organized into the ten strategic areas of every business. The areas are:

Entrepreneur: As an entrepreneur, you have the biggest impact on your business. Your personal growth, how you show up, and the ways you lead ultimately determine the success of your business and your life.

Corporate: A strategic plan outlines your ten-year vision. Strong plans then have concrete goals for the next three years, one year, and next quarter. High growth businesses commit to corporate strategic planning by getting off site once a quarter.

Innovation: In today's world all businesses have to innovate. Innovation isn't just about technology; it is as much about how you innovate in all of your processes and the approach you take to markets and people.

Marketing: Businesses that perform well put time and energy into understanding their markets, the key characteristics of their customers, and the critical things that make your company and your products different from those of your competitors. They then tie this into all the activities and communication channels that apply to their markets.

TEN STRATEGIES:

Entrepreneur
Corporate
Innovation
Marketing
Sales
Product
People
Operational
Financial
Exit

Sales: Predicting revenue requires that you have a proven sales process. Successful sales leaders use key measures from their sales process to monitor activities in real-time. Innovating and being creative in your approach to sales channels will give you a competitive advantage.

Product: Whether you sell a physical product, a service, or a promise, there are product strategies that can dramatically improve your sales and the success your customer's have with your product. Combining market knowledge, innovation, and product strategy lets you lead your market—if that is what you want to do.

People: People buy products and services. People deliver them. People create products. The success of your business is tied directly to how well you attract, retain, and motivate the people in your business.

Operational: Highly successful brands make a marketing promise that the brand delivers over and over again. Learn how to create a Promise Delivery System that lets you measure and deliver on your brand promise day after day.

Financial: Entrepreneurs create a business to solve a market need they identify. Few have financial training, yet the strategic management of your finances, from raising capital to managing your cash flow, can have an enormous impact on your bottom line.

Exit: To maximize your return when selling your business, start with the end in mind. Whether you plan to sell next year or in ten years, there is a process and method to thinking about your exit strategy that ensures you will be successful when you are ready to exit the business.

GET GOING

Every chapter includes a case study demonstrating the strategy for the chapter and three action challenges you can take to help you move up a level in your thinking and actions for your success. Learning and thinking

are fabulous, but action is what produces results. Jump in now. I challenge you to read a chapter in the next hour and create three specific tasks that you will take to accelerate your business in the next 90 days.

What Are You Waiting For?



ENTREPRENEUR STRATEGY

It was 1980 and I had just graduated with a degree in Computer Science from the University of British Columbia. I had been working for about seven months. Bob Green, who had hired me, and I agreed that even though I had three years of commercial programming experience I still needed to gain more. Bob arranged for me to work as a consultant to the Bentall Group, one of the largest land developers in Vancouver. I worked on the 36th floor of their iconic Bentall Tower III, at the time one of the largest office towers in Vancouver and still a landmark today.

After completing my degree, I knew I needed a break. The previous summer, I had purchased my first boat. The plan was that Karalee and I would take four weeks to sail up and down British Columbia's west coast. I started at the Bentall Group in May and no one was very enthusiastic about my taking four weeks off in the summer, but I knew it was the right thing for me to do.

In that first year at the Bentall Group, I wrote 100,000 lines of production COBOL code, compared to the industry average of ten lines of code per day or approximately 2,500 lines per year. As a junior programmer, the designs were set, reports were straightforward, and I could have probably done even more if I had used one of the 4th generation reporting tools that were then becoming available. While many questioned my decision to take so much time off, the truth

was that I needed the break to recharge myself. The proof was in the productivity I was able to demonstrate in that first year after returning from our sailing holiday.

LEADERS SET THE TONE

As the leader of your organization what you say and do is amplified a hundredfold. If you are having a bad day, your body language will reflect it, and the staff will assume that the company is having a bad day. Make yourself accountable and your employees will hold themselves to a high standard. Every day you set the tone for the business.

Most of us show up at work with our default behaviors. Have courage, look at how you are acting and behaving, and then decide if that is the tone you want to set for your business. Powerful changes can happen when you take personal leadership to a new level.

You will be challenged when you make a decision to show up differently every day. To start, just act “as if” you had already made the change to a new way of doing things. You will inevitably fall back into old habits from time to time. When you catch yourself, go back to acting “as if” you had already arrived at your new way of doing things. If in doubt, seek out feedback on how you are doing from those closest to you. You decide what your tone will be—the rest of the company will follow.

LISTENING

I like to talk. Often I like to talk a lot. To truly communicate, you need to build your listening skills far more than your speaking skills. Cultivate great listening skills by focusing on:

Speak Less: Nature gave us two ears and one mouth so that we can listen twice as much as we speak. Watch yourself as you speak. Do you speak more than 50% of the time?

EFFECTIVE LISTENING

Speak Less
Respond, Not React
Respect Viewpoints

Respond: Do you react to people's comments even before they are finished? Let the person you are listening to finish what they have to say. Take a long, slow, and deep breath before you respond. If you notice yourself becoming very emotional while

you're speaking, defer your response or at least dial back the energy in what you say. If you emotionally react in a way that makes people feel they are being attacked, they will stop sharing.

Respect: Cultivate different points of view in your business. Respect the diversity of the points of view on the challenges you face. Debates by talented people who can respectfully listen and respond to each other will lead to great solutions. Foster an environment that encourages people to provide alternate points of view.

CELEBRATE THE WINS

For decades I never experienced a sunrise. Then, I started doing overnight passages on sailboats. During the night, finding landmarks, tracking other boats, especially freighter traffic, and managing sails in the dark are huge challenges. When day breaks all of your problems seem to disappear. Huge freighters that seemed to loom on the radar suddenly look far away in the light of day. Keeping sail trim becomes a joy. On passage, the start of a new day is a big win.

We all have experiences where we suddenly realize that we have a sense of gratitude for what we have achieved. In a business context, we tend to get so wrapped up in our day-to-day fire fighting that we never pause to acknowledge our gratitude for what is working. Just like being on passage on a sailboat at night feels like one challenge after another, we need to find the equivalent of sunrise and daylight to have a sense of gratitude for what we have overcome.

To set the tone, be energized, and to feel a sense of gratitude I focus on the wins. Whether it is finishing tasks, teams that are working together, or time with the family focus your wins on:

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- What is working?
- What did you achieve?
- What challenges did you overcome?

I start every week by writing down a list of my personal and professional wins. With a few minutes of reflection I am always amazed at how much is going right in my life. Where moments before I was mired in the week's challenges, after having acknowledged my wins, I am energized and in a completely different frame of mind to write down my weekly to-do list.

When working with teams, I insist that weekly planning meetings start with the wins. I get everyone to email their list of wins before the meeting. At the start of the meeting, I get each individual to provide 1-2 of their top wins from the previous week. The immediate challenges become much more manageable once you start from a position of success.

Positive psychology works.
Start every day and every
meeting with wins.

Because I do my best work when collaborating with others, sharing my list of wins also means that I get to express gratitude to those who helped me achieve those wins. Focusing on the positive and giving thanks always sets me up to tackle the inevitable challenges which lie ahead.

Sharing successes is an act of positive psychology. If you would like to learn more about the power of positive psychology, I recommend you check out Shawn Achor's book *The Happiness Advantage: The Seven Principles Of Positive Psychology That Fuel Success And Performance At Work*.

RHYTHM

I like to ski. Once you learn the technical aspects of skiing, great ski days become all about rhythm and flow, feeling the fall line of the mountain you are on, the conditions that day, and how your skis react to the snow. If you are carving turns with someone else, you need to get into his or her rhythm, too. The result can be the most amazing dance down the mountain.

Creating outstanding business performance requires you to build the rhythm and flow of the business and the individuals in the business, including you. One of the best ways to do that is through weekly team meetings. Pick the same day and time for the weekly meetings. Some like to use Friday afternoon to plan the next week. I personally like to get the initial fires out of the way on Monday mornings so my weekly team meetings can take place on Monday afternoon after lunch. These move to Tuesday if Monday is a holiday. Find what works for you and your team.

We've all been in boring meetings, so what kind of format makes weekly meetings more lively? After taking five minutes to share the wins, take five minutes to review your progress on your measurable quarterly goals. This reminds everyone to pull in the same direction and course correct through the quarter if things get off track. Keeping your quarterly goals firmly in mind, review what needs to get done for the week. Concentrate on the 3W's — Who, What, When.

3W'S

Who
What
When

Let everyone have his or her say, while being mindful of the time. Encourage debate—that is why you have the best talent in the room together for a weekly meeting. It is okay to disagree and even to disagree a lot. In the end, a plan needs to come together for the week.

In the last five minutes, wrap up and confirm all the Who, What, and Whens for the upcoming week. Make sure that every person states their #1 take away from the meeting so you are certain everyone is aligned on their work for the week.

CONSTANT COMMUNICATION

To employees, senior management appear as if they are on top of a mountain: isolated, separated from the rest of the company and making occasional pronouncements from on high. This applies even more to the CEO. While you might think you are being clear, your messages can often sound like the teacher in Charlie Brown's classroom—"wha, wha, wha."

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Keep everyone moving together through clear and constant communication. These are techniques I've used to help with employee communication.

Management Focus: Great internal communication starts with clarity among the management team on what it is you are trying to achieve. If there is a lack of clarity at the top, it shows up in missing or muddy communications to everyone else.

Communicate Often: Numerous small communications are much better than sending out an "employee newsletter" once a quarter. Constant communication lets employees see that you care. It also ties communications to recent events, helping to keep your most important priorities as top of mind awareness among your employees.

Where's the boss: The activities of the CEO provide the strongest guidance to employees as to what is important to the company. If you are CEO, share a weekly list of key activities you are planning, especially if those include travel, industry events, and customer visits. A daily or weekly "Where's the CEO posting" can be an effective way to let people know what you are focusing your energy on.

A single voice: To provide clarity, a single person should be responsible for communicating to all your employees. This keeps the tone and content consistent, while ensuring that the right messages are flowing from you to all the individuals in the organization.

THINK AND TALK BIG

You are what you believe. If the people in an organization think the company is small, they will act that way. If they think the company is big, they will act that way. It all comes down to belief.

I remember once working with a CEO who called the company "little" while giving his monthly speech to all his employees. At the same company, I heard the VP of Sales tell his sales team during a quarterly planning session that the company is "small".

The company had more than a decade-long track record, with thousands of customers, incredible products and fabulous customer stories. Yet, the senior leaders were still referring to the company as “small”.

In the twenty years I spent at Robelle, we never thought of ourselves as small. We would show up at trade shows with our 10 X 20 booth, while the “big ones” spent hundreds of thousands of dollars on enormous booths and displays. While our booth would be lined up with customers and prospects theirs would be empty. Our booth was filled with talented individuals who answered any technical and business questions thrown our way. People came away from the “big ones” wondering if anyone in the company had any product or solution knowledge. It all came down to what we believed, as what we believed determined how we acted. How we acted was how we were perceived. Talk like you are big and you will be big.

KEEPING YOUR EDGE

The steepest run on Blackcomb Mountain in Whistler, BC is called the Blow Hole. Located at the top of Blackcomb Glacier, you have to take four lifts and hike the last ten minutes to get to it.

Standing on the lip of the Blow Hole always makes a small pit form in my stomach, no matter how well I am skiing. One year, my first time down the Blow Hole that season, I fell on the second turn, losing one of my skis. With a 54-degree slope, I was at the very bottom before I could stop myself. Thankfully, a better skier stopped at the top, collected my ski, and brought it down to me. Having been humbled by the mountain, I put my ski back on and skied the five miles (eight kilometers) down the rest of the run.

Why challenge myself by skiing down the steepest run on Blackcomb Mountain? To keep my edge honed. By challenging myself in one area of my life, I improve the capabilities I bring to the other areas of my life. If I ace the run, the sense of accomplishment I feel gives me confidence to reach new limits in my professional and personal life.

To reach our maximum potential, entrepreneurs need to constantly be looking for our edge. And if sometimes you fall down, it teaches you that you can fail, get up, dust yourself off, and try again.

TAKING THINGS FOR GRANTED

Early on the morning of May 14, 2013 I ran with a friend next to the ocean on Spanish Banks, a beach near our home in Vancouver, BC. As I got in the car after the run, I was a little dizzy. I drove through a parking lot next to the beach, which started to feel like it was undulating underneath me. I drove another block before my whole world felt like giant ocean waves were moving the car and me in dizzying circles. It was all I could do to safely pull to the curb and stop.

After both doctor and hospital visits, I was diagnosed with vertigo induced by an inner ear viral infection. While I have sailed over 15,000 nautical miles and experienced seasickness numerous times, suffering vertigo in a perfectly still car scared me and caused me to experience true vulnerability. Even three weeks later, I was only able to do a short run and walk on the beach.

This experience taught me that there is much that I take for granted. It also taught me that I have an incredible support network. Other things I learned from this experience:

Power: I am blessed with powerful energy, coordination, and physical strength. Most often, I take these for granted. This experience taught me that these are amazing gifts that I have been given and which can be taken away at a moment's notice.

Support: I have the loving support of Karalee and my three children, Jocelyn, Kevin, and Allen. All shared their strength and presence with me as I recovered from this experience. We are also fortunate to live in British Columbia, which has a publicly funded healthcare system. When I needed the system, it was there, in spades, to look after me.

Vulnerabilities: We are human and as human beings we all have our vulnerabilities. When we are vulnerable, we rely on others. As

a driven individual who often tries to “do it all myself”, it was good for me to have to ask for and rely on other people. We all need to rely on other people, whether we admit it or not.

Healing: As an individual who often lives for the next action, I learned to stay out of action in order to heal. Work had to be put on hold, and I needed to stay still and rest. My need to take on the next goal had to be tempered with listening to my body and staying in the moment.

You will have personal experiences that test your endurance or family events that will keep you out of your business for a time. Know that if you ask for help, the help will be there. Take the time needed to look after yourself and your loved ones.

AN IDEAL DAY

As entrepreneurs, we start our own businesses so that we can have the life we want. Then, we get so caught up in our business that we forget what an ideal day looks like. Family, travel, my wife, Karalee, our three children, Jocelyn, Kevin, and Allen, connection, food, time, photography, music, and gratitude are all part of my ideal day. I am fortunate that some parts of my ideal day are part of my regular day.

What does your ideal day look like?

Define your ideal day. Write it down. Make sure that some aspects of your ideal day show up every day for you in business and in life.

SHINY RED BALL DISTRACTIONS

As entrepreneurs, we are hardwired to focus on what is new and exciting. If we see a shiny red ball, we will be distracted. Shiny red balls distract many high performing people, myself included. While playing with a ball can be invigorating, more often than not it proves to be a distraction. What can you do if you feel yourself being lured by the next shiny red ball?

Strategy: Red balls are opportunities that pass by us. When feeling the distraction, return to the strategic focus you have set

for yourself. This reminds you why you are doing what you do, grounding you back to your strategic plan.

Challenge: If you are feeling overwhelmed or challenged, a bright new idea may seem like an easier path than the one you are on. Reach into your toolkit and do those things that renew your energy. I ski, sail, photograph, spend time with my family, or just spend time in nature. Find out what works for you.

Momentum: As humans we always overestimate what we can do in three months and underestimate what we can do in two years. The key is to stay true to your vision. If you keep going step-by-step, you will be amazed at how far you can go by maintaining your focus.

Leadership: Where you go the rest of your team follows. If you are constantly changing direction to chase the next opportunity, your team will be left uncertain and confused. Keeping your focus allows them to keep their focus. Even if you are uncertain, continuing to move towards your vision inspires confidence in everyone around you.

CHALLENGES ARE OPPORTUNITIES

What I have learned is that every challenge is an opportunity. As an entrepreneur, the next challenge may be something I need to learn from. In an organization, a challenging situation often shows which individuals will bubble to the top. Challenges can be an incredible proving ground for talented individuals to grow into the next level of their career, bringing the company with them.

It can be hard. I know from past experience that this will pass over time. When everything seems foggy and out of focus in the moment, it eventually comes into focus and the fog does lift. Pushing through it all is the challenge.

As entrepreneurs some of the biggest mistakes we make with challenges include:

- Trying to solve it all on our own. This is a time to work with your senior management team, advisors, and especially your employees to find solutions.
- Even in the most difficult challenges, pause for a moment. Not only will your response be better, it is more likely that you might see the edges of what could be an opportunity.

MENTORS AND CEO PEER GROUPS

While being an entrepreneur can feel lonely you don't have to be alone. There are many peer networking groups for entrepreneurs. Find one that appeals to you, then make the commitment to become part of the group. This typically means showing up for monthly meetings, and sharing openly and honestly about your challenges, while listening and responding to the others in the group. I've found that it takes about a year for an entrepreneur peer group to completely gel and trust one another. Building that trust is key to creating a safe environment for you to share problems and receive advice. Find your peer group and put in the time and effort to make it successful—for you and the others in your group.

Surround yourself with peers who can support you through thick and thin.

Case Study:

BOB PARK, PRESIDENT & CEO, FINCAD

"All businesses are people businesses."

– Bob Park, President & CEO, Fincad

Bob Park is an entrepreneur who has overcome numerous challenges and changes in the twenty-five years since he co-founded Fincad. Bob and his original partner started the business in 1990 in the early stages of the modern over-the-counter financial derivatives business. Coming

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from the brokerage industry, they saw that there was a tremendous imbalance between what the derivatives experts in the big banks knew and what their clients, mainly non-financial companies, knew. As a result, the corporate treasurers and CFOs of those customer organizations were making costly mistakes or even being cheated. Bob and his partner set out to level the playing field by providing the customers of the banks with the knowledge and technology needed to deal in the derivatives markets in an informed way. Bob started with almost no money and has weathered stormy periods to reinvent himself and his company.

BACKGROUND

Fincad created and sold Fincad Analytics Suite, a Microsoft Excel plug-in that can be applied to a wide variety of markets and problems. Their solution applied specialized financial mathematics to value or assess the risk from changes in interest rates, foreign exchange rates, volatility, and credit defaults. Bob quickly realized that in order to be successful, they would need to focus on the corporate participants in the derivatives markets, almost all of whom were thousands of miles from Fincad's office.

Unable to raise any venture capital money, Bob boot strapped Fincad. He sold his house and used his retirement savings, line of credit and credit cards to start selling initial versions of the software. Lacking the money to open remote sales offices they began with an inside telephone sales model, an unheard of way to sell business to business software at the time. They also pioneered the concept of try before you buy and were one of the first to have a store front on the Internet. As Fincad grew, over 90% of their business came from outside Canada.

A NEW CHALLENGE

While Bob and his partner had overcome numerous challenges in starting and growing Fincad, by the mid-2000s Bob had begun to feel something was wrong. He had an intuitive sense that his sales team wasn't performing to their potential. Fincad made the decision to invest in a top-to-bottom review of their sales, hiring the sales experts of The Alexander Group to analyze and report on all aspects of their selling.

The report was critical of the entire organization including Bob and the senior management team. From strategy to the nuts and bolts of their sales operations, there were problems everywhere. They had no global sales strategy. Their inside telephone sales team was spending less than an hour and a half on the phone a week. Not a day, a week. They were trying to do all their business via email. When measured, it was found that they spent 37% of their time doing service work like moving software licenses from machine to machine.

The report identified their lack of engagement with their prospects on their business problems as the root cause of their sales challenges. Most of their leads were coming from natural search on the Internet. Prospects were looking for a point solution to manage their risk and Fincad had just the product they needed. Their inside sales team serviced these sales, generating continuous revenue growth, yet Bob and the Fincad team had little knowledge of the actual business problems they were solving for their customers. The core problem was that Fincad was feature-focused and not solution-focused in everything they did, from marketing to selling.

MELTDOWN AND CHANGE

Just as Bob and his team were grappling with everything the sales review report had revealed, the 2008 financial crisis hit them. There was a six-month period in late 2008 and early 2009 where no one in Fincad's markets was buying anything. Bob had to make the difficult decision to lay some people off.

In analyzing their revenue, Bob and his team realized that many customers were not renewing their support. Their business model was based on Microsoft's model. They sold perpetual software licenses to organizations on a per user basis and charged for the first year's support, all for an upfront fee. They released new versions of Fincad Analytics Suite every year and then charged users a discounted price to upgrade to the new version. Because they built such reliable software, less than 20% would renew support after the compulsory first year and only 25% would purchase software upgrades in any given year. Even Fortune 500 customers would sometimes go six or eight years without purchasing an upgrade.

WIND IN YOUR SAILS

Bob saw an opportunity to change this model. During the downturn they modified their business model to be subscription-based. Users would still be purchasing licenses, but these would only be valid for one to three years. To entice existing users to the new model, they offered 70% discounts on a time-limited basis. The inside sales team were kept busy finding customers and interacting with them, converting them to the new license model throughout the three-year transition. These changes saw Fincad through the 2010 to 2012 period, keeping cash flow steady with the sales of the new license model. Post-crisis new sales were still few and far between, with revenue dropping by about 45% in the middle of the process and losses mounting.

The learning curve was steep. The financial crisis led to massive change in the financial industry. The inside sales team hadn't kept up and were out of touch with their accounts. In one case an account manager called an Asian bank customer to get a license renewal only to learn that the entire team had moved to a different bank more than a year before. This was a direct result of only calling customers a few months before the end of a license term.

Because inside sales now phone all current and former customers on a continuous basis, they are starting to learn a lot more about what their customers do and how they use Fincad's software. Fincad's clients were previously under-served. Now, through proper account management, they are finding out which accounts are at risk in advance instead of when it is too late.

A NEW STRATEGY

After about fifteen years in business, Bob made the critical decision to take everything they had learned and move in a new direction. Rather than continue to focus on a point solution with limited stickiness with customers, Fincad embarked on and invested in an ambitious project to develop an entirely new, legacy-free enterprise product called F3. F3 is an innovative and sophisticated product line with a price point and value proposition that is more than five times greater than Fincad Analytics Suite. F3 is targeted at enterprises that need to manage risk with multi-asset class portfolios.



In 2005 the derivatives markets were booming. There were many new complex instruments invented that were loosely called 'structured products'. An example of a structured product would be a bond that returned the minimum of either a guaranteed interest rate or the return of a stock index. Fincad were having trouble keeping their analytics up with the pace of financial innovation. Every investment bank put a new wrinkle in their new structured products. To support each of these new products, Fincad would need to sit down and start from scratch to write a new algorithm.

Bob and his team realized that they needed a better, faster, more efficient development method. Serendipitously, Bob ran into a senior developer with quantitative financial expertise at a major bank in London. He wanted to immigrate to Canada, which he could do two or three years sooner if he worked for Fincad. Bob set him up in a little skunk works and together with others on the team they invented F3.

NEW SALES TEAM

Developing F3 has required Bob and the Fincad team to gain a deep understanding of the actual business problems that their customers are trying to solve. Bob has started to build a global field sales team with in-depth domain knowledge. These sales professionals are backed up by experienced sales engineers who understand both the F3 technology and how F3 is effectively applied to specific risk-analysis problems.

Bob's sales management team has reorganized how they think and operate their entire sales. Inside sales teams consist of both a renewal team and a new sales team. The renewal team does not do expansion but refers those opportunities to the new sales team. The new sales team sells to new names and does expansion sales with existing customers.

While building a field sales team with extensive financial knowledge and contacts in their territories, Fincad has also transitioned their top performing inside sales team who are able to comprehend customers' financial challenges. These individuals are able to position and sell F3 as a complete solution in areas where they have not yet built a field sales force.

MORE CHANGE

Bob realized that in the past he didn't hire people with the experience needed for the job. He sees this as a typical small business challenge for entrepreneurs—you put somebody in place and you expect them to learn on the job because experienced people are more expensive. In addition to their new marketing, sales, and product strategy, they are going with a completely different approach to hiring. Fincad is hiring seasoned sales professionals in London and New York with the experience and contacts needed to sell F3 successfully. Bob has also made further changes to the management team, hiring senior leaders with proven experience and track records.

LESSONS LEARNED

For Bob, it has been an amazing ride. After almost twenty-five years in business, he continues to change both himself and his business. Bob is in the middle of these changes and is hopeful that they will produce amazing results. No matter how it turns out, I learned this from him:

1. It takes perseverance to last over the long term. Even when Bob and his team were uncertain about what to do next, they went forward and tried something new, pushing through their uncertainties.
2. Markets change—you have to be prepared to change with them.
3. Bob has the humility to admit that he doesn't know it all. He brought in outside expertise and took it on the chin when the analysis included mistakes in his own decisions.
4. The growth of Fincad highlights how Bob realizes that what got them to where they are today is not what will take them to the next level. He is fearless about bringing in others to elevate his and the company's strategy and performance.

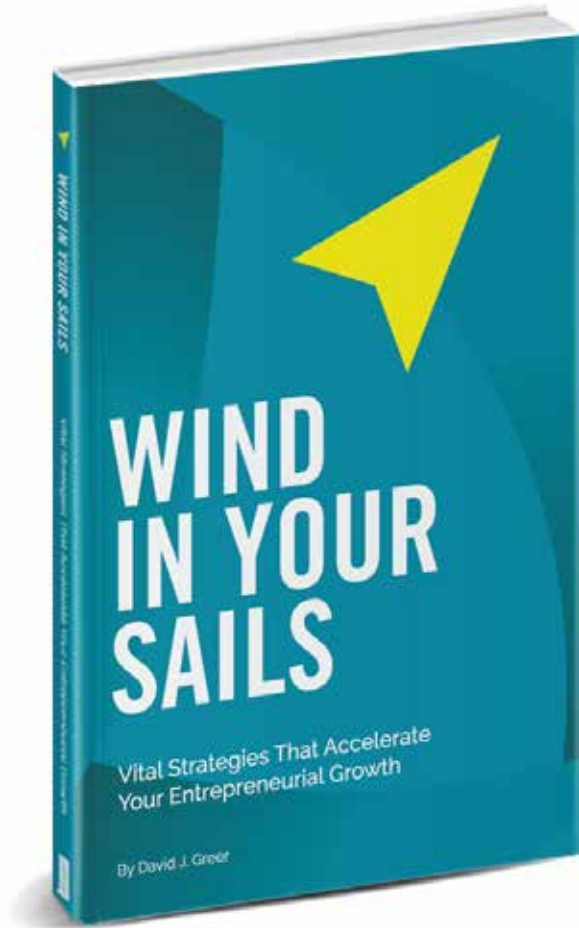
As entrepreneurs we all have much to learn from Bob's experience. Growing a business requires that we look at ourselves and change the way we make decisions.

TAKE ACTION NOW

How you manage yourself and your life has a huge impact on your business. Building daily, weekly, and quarterly rhythms keeps you at peak performance. Being clear on what an ideal day is for you will help you clear away the clutter that is dragging you down. If everyone is pulling in the same direction, you dramatically improve the chance of making progress. Use these three actions to create momentum for you, your team, and your business:

1. Create a daily, weekly, monthly and quarterly rhythm for yourself. Write it down and stick with it.
2. Define your ideal day and then ensure that you live an aspect of your ideal day every day.
3. Within the next week, ask your first reports what they think the strategy for the quarter is. Use their feedback to improve your communication to them and the rest of your organization.

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