

# Be an Entrepreneur ( sample )

## Contents

Preface	5
About the Author	6
Dedication	7
Introduction	8
Born or breed?	10
THE SPIRIT OF AN ENTREPRENEUR	12
Leaving your pride at home	13
The degree as a door opener	17
Have no safety net	
True passion	
Making luck	
Business is about customers	

Knowing people

Quest to be the best

Know the business at the back of your hand

Follow a floating crystal ball

Seeing opportunities in a crisis

Leading and getting things done today

Be with the force

Marketing is in your blood

Freedom to act

Paranoid about competition

Cultivating a legal mind

Work hard, play hard

Grooming a quality team

Controlling your fear

Managing risks

Failure, a stepping stone to success

One life

THE JOURNEY

Thinking about the plunge

Dollars and sense

Anytime is a good time

Finding your niche & preserving it

Working from home

Your business plan

Angels to your rescue

The art of valuation

Registering your company

Cashflow, the lifeline of a company

Keeping the focus

The power of strategy

Local before regional

Advertisements and press relations

Seeking additional funds

Stock options

Listing and the stock market

Towards the future of entrepreneurship 119

## Preface

---

The path to entrepreneurship is not one lined with gold or diamonds. Neither is it well lit with the floodlights of publicity or glamour. The true path is strewn with rocks and stones. Every now and then, the path disappears from view and mangrove swamps, with all their dangers, lurk ahead. It is also a very lonely path, as few will complete the journey with you. Many a time, only you will remain.

Every entrepreneur will have stories that will make tears flow like a river down your cheeks. Many started with a grand vision and saw their dreams melting before their very eyes. They reached a stage where all they had left was their passion and their belief in themselves. With little money left, they continued their journey barefoot through a dark path littered with broken glass.

Every entrepreneur will  
have stories that will  
make tears flow like a  
river down your cheeks.

This is the moment of truth. The moment when a person knows whether he has what it takes to persevere and run the extra mile to build his business against all odds. Such is the unyielding nature of an entrepreneur. When the going gets tough, he finds inner strength to push himself even further.

By this stage, the entrepreneur has exchanged his doubts and his pride for his belief in himself and the desire to succeed. It is not that he has not been working hard before this, but from now on, he will be working outside his comfort zone. He has now to make his business work to feed his family, as there are no more savings to depend on. It is now a do or die effort. Welcome to the land of the entrepreneur.

## About the Author

---

**D**r Michael Leong was trained as a medical doctor in Queen's University Belfast, United Kingdom. He spent five years working for the National Health Service before joining a private healthcare group based in London.

Due to a strong interest in business and computing, Dr Leong made a career switch in 1990 and joined IBM at the lower ranks of the company. Instead of having patients lining up to see him, Dr Leong knocked on doors to market IBM products. Within three years, Dr Leong was promoted to Regional General Manager of IBM's healthcare and pharmaceutical division. He was responsible for all software and

**An entrepreneur who was a medical doctor heading a regional IBM division.**

hardware revenues for this division in ASEAN and South Asia. Dr Leong introduced new products into the marketplace and within a short period of time, IBM became the market leader for healthcare systems.

Following his success at IBM, Dr Leong was invited to head a regional Australian healthcare information technology company. Over a period of two years, he introduced a new management team and transformed the business into one of the region's most promising companies.

After having successfully proven himself in building large and mid sized companies, Dr Leong launched his own companies in the finance and healthcare industries. One of his companies, ShareInvestor, is a leading financial Internet media and technology company that has gone through four rounds of funding.

Dr Leong was recognised for his entrepreneurship by being selected as a finalist in the Singapore Netpreneur of the Year 2001 award.

# Dedication

---

To my wife Irene  
who supported me emotionally  
throughout this journey.

To my daughter Annabel  
and my son Aaron  
who are the pride & joys of my life.

To my parents  
who taught me  
a set of values.

And to all budding entrepreneurs  
who are in the process of  
embarking on this journey.

# Introduction

---

The term entrepreneur is used to describe anyone who manages a business and undertakes the risks and rewards of such an adventure. However, as the years progressed, this term has matured beyond its original definition and is now more aptly used to describe the characteristics of a business person who seeks significant growth in the business that he manages.

This differentiates entrepreneurial companies from the mom and pop shops where the owners are unlikely to expand their businesses beyond the confines of the original shops. They are satisfied with their businesses and do not have strong desires to expand.

An entrepreneur, on the other hand, is an ambitious individual who has a lot of energy and who spends the bulk of this energy building up his business. His passion in his business is unmistakable and one can feel the energy in the air. An entrepreneur believes in luck but he does not wait for luck to fall at his feet. Instead, he works hard because he believes that by working hard he can make himself lucky.

An entrepreneur does take risks but he is not a gambler. He knows his business and industry so well that he knows how to manage his



risks. When he makes a wrong decision and realises it later, he knows how to swallow his pride and can reverse his decision as needed. If he fails, he will pick himself up and rebuild his business.

An entrepreneur will strive to be the market leader and not a follower. He knows that he owes his business to his customers and will go out of his way to please them. He treats all his competitors with respect and is so paranoid about them that the thought alone drives him to work even harder.

Whenever there is a crisis, the entrepreneur gets over this very quickly and instead looks for opportunities during this crisis. He knows that the world is ever changing and he has to adapt his business accordingly.

An entrepreneur wakes up every morning eager to make his business better than it was yesterday. This drive and passion to succeed is characteristic of all entrepreneurs.

The mission of this book is to reflect on the characteristics that make an entrepreneur successful. It is written by an entrepreneur who went through the various stages of becoming an entrepreneur.

An entrepreneur is an ambitious individual who has a lot of energy. His passion in his business is unmistakeable.

Born into a medical family, he followed their footsteps only to find that his heart was not in medicine. Plucking the courage to leave the most coveted of professions, he then started his journey towards entrepreneurship. The journey was rough, as he had to unlearn many of the traits of a professional and replace them with the characteristics of an employee before finally transforming himself into an entrepreneur.

The first part of this book is on the spirit of the entrepreneur - the attributes that an entrepreneur should have before he undertakes the journey. The second part outlines to the reader aspects of starting and running his business, sourcing for capital, developing strategies and valuing the company.

## Born or bred?

---

When a simple question has gone unanswered for a long time, you know that there is no simple answer. Instead, there is likely to be a combination of answers.

There is no doubt that genes play an important role in shaping an individual. One must remember that the genes in all of us have gone through a process of evolution through the centuries. This evolution is the evolution of mankind itself. As our forefathers went through many different individual experiences, many of these were captured within the genetic material that formed the blueprint of their progeny. That is how mankind improves itself as time rolls by.

One day, scientists are likely to find the genetic material that accounts for most of the traits of an entrepreneur. These will include the ability to take risks, the ability to react promptly and the ability to persevere even in the face of adversity. Interestingly, these are the same attributes that pre-historic man possessed in his hunt for food to feed the family.

It is likely, therefore, that the attributes of an entrepreneur are in the blood of all of us. Our forefathers gave them to us and how we nurture and cultivate them will determine whether, as an adult, we

will exhibit these characteristics.

That is why entrepreneurs appear from all walks of life. Entrepreneurs can emerge from the poorest of homes or from the most well-known family names in the business world. Even within the same family, only one child may mature to become an entrepreneur while the rest may prefer working for others. This strongly suggests that genes may not be the only factor in identifying entrepreneurs of the future.

How a child is brought up may be as important as genes in shaping an entrepreneur. If the child has to compete for love and attention at an early age, he is more likely to accept that competition is a fact of life and he has to do the best he can to address it. His brothers and sisters, who may not have to compete as much, may have to learn this lesson much later in life. As such, the child who has less may eventually turn out to be better prepared for real life than the child who has more. The child who has less is more likely to be entrepreneurial.

How a child is brought  
up may be as  
important as genes in  
shaping an  
entrepreneur.

The seed of entrepreneurship is in all of us, as it is planted by nature in the process of human evolution. However, it needs to be jolted to life and all of us should be aware of the traits of an entrepreneur. I call these attributes, the Spirit of the Entrepreneur.



# THE SPIRIT OF THE ENTREPRENEUR

---



## Leaving your pride at home

---

Entrepreneurs can come from two very different backgrounds. Firstly, there are those who did not do so well in school and land up working for others for a low wage. Sensing that they have little to lose, they take courage and start their own business. It does not matter to them if they have to beg for business or take the bus to work; after all, that was what they had been doing when they worked for others.

It is very tough when you start up on your own. You and your company are unknown and you have to work extra hard to win business. You have to show others that you are hungry for business and that you will go all the way to make sure that you will deliver as promised. After all, unlike the established companies, the business that they give to you is probably the only business that you currently have. Without which, you may not have enough to survive. This is the hunger that comes with starting a new business.

Those who do not have a strong educational background or have started from the bottom of the ladder, will understand this hunger as they are faced with this daily. What they have earned in the past is barely sufficient to keep the family afloat. Every dollar counts and every cent saved goes to the family kitty. Pride has little place in this family. Survival is

paramount.

When these individuals go into business, they are even more careful with their expenses. If they have to walk to work, they will. If they have to hand out leaflets in public places to promote their businesses, they will do so without hesitation. The reality is that these individuals have the survival instinct that is so critical in the early stages of forming a business.

Then there is the graduate. In university he is constantly reminded that he is the cream of the crop and that the hopes of a nation depend on him. Pride is naturally instilled in the graduate and this pride is constantly

The survival instinct is so critical in the early stages of forming a company.

fanned as the years go by. Pride rises to a crescendo on graduation day when he dons a gown that shows to the world that he has arrived.

It swells further when, as soon as he has graduated, he lands himself an executive job. At this moment in time, the graduate has little or no practical experience but employers trip over themselves to hire the graduate based on his degree. This makes the graduate feel on top of the world and he now believes all that his parents have told him is true. Get a degree and you are all sorted out for life.

For the first few years, the graduate is on cloud nine. He drives to work and buys his first house. Reporting to him are employees who are twice his age but did not go through university. Life is bliss but he starts comparing himself with his peers. Someone else is driving a Jaguar and stays in a bungalow.

The fact that this someone else has a bigger loan to pay for these luxuries does not matter. What matters is that he feels that he has not done as well as his peers. Pride has taken over his life. He goes to his boss to ask for a promotion but realises that this is not due for many years. Frustrated, he looks around for other better paying jobs. If he finds one, he is likely to move on and this will satisfy his

pride... at least for the time being.

One day, the scenario will be played out again and this time, he will not find a better paying job. By this time, one of his peers may be running a business of his own and appears to be doing very well. Full of pride, the graduate then jumps out of the corporate rat race and into the realms of entrepreneurship.

A major shock awaits as the graduate suddenly finds himself in a strange land. In the past, when he was with a large company, he could open doors very easily. Now, he finds it impossible even to get meetings with prospective clients. All his previous business partners politely tell him that they are unable to help as he is now representing a different company. Frustrated, he tries to seek venture funding only to be told that he should first prove himself by getting clients. This takes him back to square one.

With each passing day, his savings dwindle further. With housing loans and car loans as well as possibly a family to support, the pressure mounts on him to either throw in the towel or take the plunge. The plunge is truly a plunge as it may involve the selling of his car, his house and the lowering of his family's standard of living.

Having driven to work since he graduated and knowing that most of his graduate friends are still driving their cars while he has to take public transport will hurt the pride that has been building up since his university days. His pride will get pricked even more when he meets his clients in the bus or meets up with the subordinates who used to work for him. The fear of meeting someone he knows scares him whenever he thinks of taking public transport.

Even if he sells his car, he knows that this will merely extend the time he has to build up his business. There is still the need to get customers. No one is responding to his requests to grant him a meeting. With time, he will know that he has to be persistent and swallow his pride further by dropping by the offices of potential clients even without having arranged a meeting. This may mean sitting and waiting for hours with no assurance that a meeting will be granted.

Such is the hunger of an entrepreneur. He believes in himself and in his products or services. So much so that if he is granted a meeting, he knows that his passion in his business will shine through. The prospective client, having built his own business before, can recognise this passion and will give him a chance to prove himself.

It truly takes this amount of passion and commitment to start up a business. Every businessman will have similar stories to tell you. However, there is a common theme. They persevered and one day, they had a lucky break. Someone gave them a big contract and the rest is history. But before this big contract came, they continued passionately in their business regardless of the odds against them.

When the odds were against them, they took the bus to work, they

distributed leaflets in public places and waited to be seen when they had no appointments.

The ability to be humble and to be able to swallow one's pride is a key asset to the entrepreneur.

If you truly want a taste of entrepreneurship, I suggest to you to leave your car at home and take public transport to work.

Whenever I mention this, most

folks will give me reasons why their case is different. Many will tell me that they are marketing people and it is difficult not to drive a car to work. Some will tell me that their clients are in far away places or that their big clients will look down on them.

What I tell them is that I too am in marketing and go to out-of-the-way places by taxi. My experience with big clients is that they are impressed that I take public transport to see them and I am not ashamed of this fact. Many times, they ask their drivers to send me back and many of these big clients are now my personal friends as they too have been down this road and can identify with me.

Taking public transport does reduce one's expenses but even more importantly, it shows the desire and ability to be humble. The ability to be humble and to be able to swallow one's pride will be a key asset on the way to success.



## The degree as a door opener

---

The irony of our education system is that graduates are primed to work for others. As soon as they have obtained their degree, they find a job working for others and a career path is usually quite well defined once that person is in a large multinational company. Professionals like doctors, lawyers and accountants have their careers mapped out for them in university and any deviation from the norm is looked upon suspiciously as if that person has not made the grade.

When I moved from medicine to business, the first question many people asked me was why I did so. The look on their faces showed disbelief that someone who is doing well would leave the medical profession. Ironically, it is because one is doing well that one has the confidence to step into a new profession and excel in it.

I look upon a degree as a door opener to the job that I eventually want to spend the rest of my life doing. With a medical degree and having worked as a doctor for five years, it was not difficult for me to find a job in marketing that required a medical background.

Interestingly, when I joined IBM as an industry specialist, IBM had been looking for a doctor for over a year to take on this challenge.

No doctors submitted their resumes. I was immediately granted an interview and at that interview was offered what no other doctor wanted to do. Since then, many doctors have approached me and I am glad to say that many of them are now enjoying their careers outside of medicine.

Graduates must realise that the outside world is changing. For them to do well in their chosen field will get tougher and tougher unless they are prepared to take the path that is less travelled. For me,

**Your education may be more important than your qualifications.**

I felt that medical informatics, that is the application of computers in medicine, will become an important speciality in the years ahead.

When I joined IBM, there was no degree called medical informatics. Neither was there a career path for individuals who have both medical and IT knowledge. Today, this has all changed and medical informatics is recognised as one of the most exciting new areas in medicine.

However, if I had not taken the risk and followed my gut feel, I would not have been so well positioned in my career.

Graduates must also realise that the education that they have gone through to obtain their qualifications may be more important than the actual qualification itself. Graduates have all learnt the important lessons of communication, discipline, time management, stress control and many of the entrepreneurial characteristics that I will outline in this book.

Your education has given you a head start in managing your own business but at the same time, it has also created a safe career path for you. This is the recommended path, which all your peers will follow without question.

You should, however, start asking yourself whether you want to fit into this mould or whether you want to take the path of an

entrepreneur. It is preferable though, not to make any hasty decision but to start thinking about it.

I always encourage graduates to work for others first and learn what real business is all about. I can assure you that this is very different from what is taught in textbooks or in the lecture theatre. Moreover, you are likely to make many mistakes when you start working and it is better not to make these mistakes when you are running your own business.

Real business deals with real people who are your customers and business partners. They have their own interests to look after just as you have yours. You must be able to put yourself in their shoes and think like they do and at the same time, think of yourself. This ability must come as second nature to you: you have to do this all the time when you meet up with people. This is one aspect of running a business that cannot be acquired through studies. This can only come from experience.