## Insights from The E-Myth Revisited by Michael Gerber



"If your business depends on you, you don't own a business—you have a job. And it's the worst job in the world..." - Michael Gerber

To prevent your business from turning into a personal prison you must replace yourself (and all your unique talents) with a unique system.

The entrepreneurial perspective is about "building a business that works not because of you but without you." – Michael Gerber

If you own a bakery, you don't want to bake the best cakes in town. You want to create a system that bakes the best cakes in town. You want your cake baking system to enable the ordinary people you hire to produce extraordinary results.



How do you build such a system?

Here's how...



Imagine you want to hire a Salesperson for your business. You start by considering how you want your company to interact with its customers. You test different wording for your sales calls and modify your sales script to increase its effectiveness. You write down everything you learn in your company's Sales Operation Manual.

"Before long, the Sales Operations Manual contains the exact scripts for handling incoming calls, outgoing calls, meeting the customer at the door. The exact responses to customer inquiries, complaints, concerns. The system by which an order is entered, returns are transacted, new product requests are acted upon, inventory is secured." – Michael Gerber

When building your operations manual, ask yourself:

"What would best serve our customer here? How could I most easily give the customer what he wants while also maximizing profits for the company? And at the same time, how could I give the person responsible for that work the best possible experience?" – Michael Gerber

When your Sales Operation Manual is complete (and you've followed your procedures exactly as you've written them to get results you desire), it's time to run an ad for a salesperson.

"But not for someone with sales experience. **Not a Master Technician. But a novice. A beginner. An Apprentice.** Someone eager to learn how to do it right. Someone willing to learn what (you've) spent so much time and energy discovering. Someone for whom questions haven't become answers. Someone who is open to the possibility of learning skills he hasn't developed yet, skills he wants to learn.

"The Rule of Ordinary People—that says the blessing of ordinary people is that they make your job more difficult. The typical owner of a small business prefers highly skilled people because he believes they make his job easier—he can simply leave the work to them. That is, the typical small business owner prefers Management by Abdication to Management by Delegation.

"Unfortunately, the inevitable result of this kind of thinking is that the business also grows to depend on the whims and moods of its people. If they're in the mood, the job gets done. If they're not, it doesn't. In this kind of business, a business that relies on discretion, 'How do I motivate my people?' becomes the constant question. 'How do I keep them in the mood?' It is literally impossible to produce a consistent result in a business that depends on extraordinary people. No business can do it for long. And no extraordinary business tries to!" – Michael Gerber

After hiring an 'ordinary' person to be your salesperson, hand them the manual and walk them through it. In a few weeks you'll have your replacement performing the job just as good as you did. Now that you've freed yourself from the sales position, you can develop systems for other areas of your business.

"The system becomes the tools your people use to increase their productivity, to get the job done in the way it needs to get done in order for your business to successfully differentiate itself from your competition." – Michael Gerber

Make it your mission to work ON the business (building systems) instead of IN the business. Aim to be non-essential to any system that produces your company's product or service.

"What most people need, then, is a place of community that has purpose, order, and meaning. A place in which being human is a prerequisite, but acting human is essential. A place where the generally disorganized thinking that pervades our culture becomes organized and clearly focused on a specific worthwhile result. A place where discipline and will become prized for what they are: the backbone of enterprise and action, of being what you are intentionally instead of accidentally. A place that replaces the home most of us have lost. That's what a business can do; it can create a Game Worth Playing." – Michael Gerber