



The E Myth

Reviewed by Frumi Rachel Barr

Author: Michael E. Gerber

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Author bio and credits: Michael Gerber is the Chairman of Gerber Business development Corporation, a business founded in 1977 to provide small business owners and entrepreneurs with the help they need to build a small business that works. Since then Gerber Business development has provided more than 15,000 small and emerging business-owner clients with the means to radically transform their businesses and their lives.

Noteworthy info regarding contents and chapter titles:

The book is divided into three sections.

Part 1: the E Myth and American Small Business - this section is devoted to analyzing the issues surrounding small business and the large number of business failures at various stages of growth.

Part 2: The Turn- Key Revolution: A new View of Business - a discussion of the franchise opportunity and the recommendation that all companies be set up with this end in mind regardless if a franchise is formed.

Part 3: Building a Small Business that Works - a step by step outline of the components of a successfully run business.

Author's main point:

The author dispels the myths surrounding starting your own business and shows how commonplace assumptions can get in your way of running a business. Next he walks you through the steps in the life of a business - from entrepreneurial infancy, through adolescent growing pains, to the mature entrepreneurial perspective, the guiding light of all business that succeed. He shows how to apply the business of franchising to any business, whether or not it's a franchise. Gerber draws the vital distinction between working on your business and working in your business.

A few supporting ideas which support the main point:

This book suggests that your business is nothing more than a reflection of who you are. Most entrepreneurs are a mixture of entrepreneur, manager and technician. Gerber advocated clarifying what the entrepreneur wants the business to look like in a few years. From that vision (Primary Aim) , he makes suggestions as to how to build the business prototype. He describes processes that are components of the Business development process. These include:

1. Primary Aim - Your primary aim is what you want your life and your business to look like - it is beginning with the end in mind.
2. Strategic objective - a very clear statement of what your business has ultimately to do for you in order to achieve your primary aim. It is not a business plan but rather a product of your Life Plan, as well as your business Strategy and Plan. Your business strategy and Plan provide the structure within which your business is intended to operate over time to fulfill your Life Plan.
3. Organizational strategy - organize around responsibilities and accountabilities. Look at each position as though it were a franchise prototype of its own. Consider it a system, which needs to be innovated, quantified and orchestrated. Produce an operations manual.
4. Management strategy - this is a system designed into your prototype to produce a marketing result.
5. People Strategy - the way you communicate your company's "game". It starts with your primary Aim and your Strategic Objective, and continues through your organizational Strategy and the operations manual.
6. Marketing Strategy - this is defined totally by what your customer wants. This is based on demographics (who) and psychographics (why he buys).
7. Systems Strategy - everything is a system. In a business there are hard systems (colors etc.) , Soft Systems (ideas) and Information Systems (inventory control, cash flow etc.). the Innovation, Quantification, Orchestration

Reviewer's recommendation:

This book is a good illustration of the importance of the need for thinking through the systems structures in fledgling companies as well as the importance of integration of company systems. An easy read.



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Frumi and Deborah Gaal are co-founders of the Leaderly Learning Center, a leadership development company specializing in women. We get results because our workshops are led by women who have been CEO's, entrepreneurs and certified coaches. We walk the walk.

Our unique curriculum enables leaders to achieve results through a combination of learning and implementing research-based leadership lessons, coaching to develop self-awareness, and mentoring to provide support.