



# Lecture 13

Mindset

Mustafa Ergen



# Risk taking

*Do you strongly agree, agree, disagree or strongly disagree with the following statements?*

% Strongly agree + agree

	<b>U.S.</b>	<b>EU</b>	<b>China</b>
In general, I am willing to take risks	82%	65%	65%
I like situations in which I compete with others	77%	55%	69%
Generally, when facing difficult tasks, I am certain that I will accomplish them	96%	81%	91%

Flash Eurobarometer  
December 2009

GALLUP®

**These findings are from a Flash Eurobarometer study in December 2009 that investigated attitudes toward entrepreneurship and entrepreneurs in the 27 European Union member states, the U.S., 50 Chinese cities, and a handful of other countries.**



# Individual Attitudes

- In terms of individual attitudes related to entrepreneurship, the U.S. seems to have a cultural advantage over the European Union.
- Americans think of themselves as risk takers, competitive, and able to accomplish difficult tasks.
- Further research is needed to understand how such attitudes are related to actual entrepreneurial activity, and how important

attitudes are relative to other factors such as the **desire to be self-employed**, and practical considerations such as available capital and training, among other things.



# Self-Starter

## ■ Are You a Self-Starter?

- Nothing in business happens by itself.
- As the owner, you're responsible for everything from establishing your firm's vision to setting the daily work schedule.
- The fact that you're exploring small business ownership and asking questions is a good sign.



# Positive Thinker

- **Are You a Positive Thinker?**
- The moment you become a business owner, you represent yourself, your business and your expectations for success.
- **What you say and do must convey confidence and commitment to moving forward.**
- Employees who sense these qualities will share that determination to succeed, even under difficult circumstances.
- If you work alone, there will be days when you have to be your own cheerleader.



# Discipline

- **Are You Disciplined?**
- **Your days of the “9-to-5 routine” are over.**
- Running a small business requires a continuous commitment to quality and detail.
- You cannot afford to cut corners, miss deadlines or make promises beyond your capabilities.
- If you plan to run the business from home, you must be able to resist temptations and distractions in order to get your work done.



# Lifelong Learner

- **Are You a Lifelong Learner?**
- Entrepreneurs who continually seek information, new ideas and sound advice have the best chance for success.
- Being attuned to market trends and issues makes it easier to adjust products and services to customers' needs and preferences.
- You're also in a better position to enhance your competitive advantage and efficiency, and address potential problems before they harm your business.



# Marketing Ability

- **Can You Market Yourself and Your Business?**
- Some people have trouble with this one because of the negative (and often unfair) connotations associated with being a “salesperson.”
- No business, no matter how good, will succeed without some kind of marketing.
- The good news is that promoting your business is easier than you may think as long as you know what to do and how to do it.
- After all, we all enjoy saying good things about ourselves. When you craft and tell your story in the right way, more people will be willing and eager to hear it.





# Objectivity

- **Can You be Objective?**
- Your ideas and practices may seem “bulletproof,” but reality may be far different.
- Is there really a need for a particular product or service in your area?
- Are the hours of operation fair to your employees?
- Is renting equipment better than owning it?
- A good business owner knows how to examine an issue from many perspectives and understand that strengths and limitations of each.



# Investing in yourself

- After having the correct entrepreneur mindset, you are set to achieve great success?
- Unfortunately, life is not that simple. It takes more to achieve success.
- A lot people are willing to invest time and effort into their current jobs, hoping that their boss will appreciate it and get promoted.
- However, that is not the key to become an entrepreneur.
- People fail to realize that they need to invest in themselves, their greatest asset of all.
- Start to invest in yourself doing research and acquire the proper knowledge.
- If you need to invest some money, go do it.
- A successful entrepreneur made decision fast base on calculated risk and are dare to take risk trying different things to become successful.



# Accept Failure

- Unfortunately, life is not as smooth as one would like to be. In the process of building a business, you are bound to face a lot a failure along the way.
- You must treat every failure as a lesson and you must learn from every failure you face.
- You must have the desire to succeed, persistence and an unwillingness to quit.
- The more you fail at the start, the more you will achieve success at a later stage as you become smarter.



# Global Entrepreneur Mindset

12

- Risk/Reward
- Reputation
- Relationships

**“Actively take a risk everyday + work to spread your reputation + develop and improve your relationships”**



# Risk/Reward

- **Risk/Reward** - Entrepreneurship is built on taking risk in expectation of a reward or return.
- The entrepreneur's behavior reflects the type of person willing to put their reputation and financial security on the line and take risks because of their belief in an idea and that it will pay off.
- They consciously risk their resources of time and money frequently on an uncertain venture. Much can be said about how a culture and custom either supports entrepreneurs, encouraging risk because failure is OK, individualism, heroic icons and even the consistent stories of rags-to-riches.
- Obviously the United States is an enormous breeding and training ground for Global Entrepreneurs because the story of the successful entrepreneur is part of their culture.



# Reputation

- **Reputation** - Angel Investors invest in competent entrepreneurs not just ideas.
- Business partners join reputable business people and known leaders and even talented employees will risk working for an entrepreneur if they believe in them!
- In this day and age much can be done to enhance your reputation and spread who you are! Reputation is essential to your success, Embrace risk, don't fear failure, and manage your reputation



# Relationships

- **Relationships** - With your prospects, customers and clients.
- Your past networks of bosses, fellow employees, teachers and classmates, all your networks.
- Entrepreneurs are the PR department, the marketing department, the sales department regardless of whether you employ someone in that role.
- You are the face of the company (did we say reputation is important) Build and nurture your network of influential people, and ask for their help!!



# How To Develop A Global Entrepreneur Mindset - I

- **1- Increase Your Global IQ**
- Travel – enjoy an international lifestyle
- Watch international news everyday - BBC, CNN
- Read international blogs and newsletters everyday
- **2- Become A student of the “business model”** As you read and review businesses think about “the business model” Ask “*Would it work here?* ... *Would it work ...*” Business Models cross boundaries easier than people.





# How To Develop A Global Entrepreneur Mindset - II

- **3- Increase Your Global Network**
- Find foreigners and ex-pats in your home town, and go to dinner with them
- Eat at foreign food restaurants and go to your local community fairs
- Join networking groups with foreigners online and offline
- An entrepreneur with a global mindset enters a new and different situation, with many more questions rather than answers, assumptions, and presumptions. Ask questions wherever you go:
  - “What do you have in your home country that is great?”
  - “What do you miss most from home?”
  - “What problems do you see here that you wish you could fix?”
  - “What is missing here that you remember from home?”



# How To Develop A Global Entrepreneur Mindset -III

- **4- Develop Your Global Skills**
- **Learn a new Language** – Set a goal to add a minimum amount of fluency in a new language. As you build your fluency in one language, start adding more languages to your skill sets. I speak 6 languages and find those skills irreplaceable in truly understanding many cultures
- **Join An International Club** or Group & Seek International professionals in your social media friends – you are a reflection of who you surround yourself with.
- **Travel Overseas and take a class** while abroad! Even taking a class with other tourists from other countries will expand your global network



# How To Develop A Global Entrepreneur Mindset –IV

- Developing a Global Entrepreneur Mindset will help you understand complexities associated global competitors and customers. You will better be able to leverage global supply chain relationships, be aware of political and economic influences, and truly take advantage of the many global opportunities that others miss.
- The Global Entrepreneur Mindset is the ability to avoid the simplicity of assuming all cultures are the same, and at the same time, not being paralyzed by the complexity of the differences
- **Think Globally** – Pay attention to what is going on globally
- **Act Globally** – Live Global, Network Global – Launch companies, products and services with Global Potential!!!



# The Social Network (2010)

- Hollywood brought TheSocialNetwork to tell Facebook story...

Analyze the character Zuckerberg in the film....





# Zuckerberg's mindset

- He tried several other ideas – never worked but build experience....
- He grasp the idea from Harvard Connection and ditches that team brutally... -- because he doesn't need them...
- He gives 30% to CFO because he needs money...
- He starts coding himself, then he gives %5 percent to marketing roomie, %5 percent to software guru roomie, but nothing to Asian gals who offered their help in the beginning – he shares if he needs to..
- He gets inspirations from real world problems – facebook relationship status...
- He keeps making right decisions unlike CFO -- no ads for monetization – he fights for his decisions. He is after user friendliness. He starts to think CFO contributes nothing but money...



The movie is fictional – it doesn't need to be real Zuckerberg but character itself is a character!

Aren't we heard this about Steve Jobs and Wozniak??



# Zuckerberg's mindset

- He keeps his edge alive (plays for “exclusivity” ---initial idea)---) go from the universities to public – how facebook become more widespread then myspace, orkut etc.
- Another decision, moving to Silicon Valley, he has the ability to grasp right ideas, he doesn't insist his ideas are superior – so many examples he got from Napster guy...
- His company comes first not his friends --- he ditches CFO then Napster guy... when their contributions become useless or detrimental...
- He thoroughly understands the social network – he wants to build the platform. He starts right time, with right people, at right place.
- He is focused....
- Anything else???

