The Journey: Three Attitudes to Sustain Your Dream

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As I mentioned in my last post, I'm starting a series about my journey in building a consulting company. It's my hope that a transparent look at some ups and downs of growing my company will benefit other aspiring business owners and generate discussion that we may all find useful. Now just to be clear, I am *not* covering tax laws, employment laws, accounting or incorporation. Get a good accountant and a good attorney - that's business 101 in my view. Outsourcing payroll and relying on an accountant will allow you to breathe easier and concentrate on other things (where your skills are no doubt of more use).

With that in mind let's start at the beginning with 3 hard earned attitudes that you will do well to *settle in your mind* as immutable. They are essential to your success. They aren't technical and they haven't changed since history began. If you don't have them, put your dream away until you do.

Work Hard and Be Patient

When you are working for yourself as a single consultant and doing contracts for various customers it can seem like the most natural decision in the world to expand. After all, if I can make 90k by myself why not add another developer, make 180k and pay him 70k - keeping 20k for myself. This simple math is a fool's errand. Without laying it out for you in tedious detail let me just say that if you choose to start a consulting company and expand your staff you can expect to *work harder and earn less* in the short run. And by short run I mean at least the first few years. Yes the potential for greater income is definitely there. You *can* make that big 300k annual salary if you manage to build a successful business that runs well and is well-managed. But it might take you 10 years to get there. During those 10 years you are going to work hard - certainly harder than you would work at a 9 to 5 job.

Yes you will be in control of your schedule. If you want to take time off you will be able to arrange it - a nice perk. I can say publically that my golf game has improved since I started my company - good news for all of us I'm sure. Meanwhile as owner you are *responsible for everything*. You are responsible for payroll, benefits, bugs, customer disputes, contracts (both profitable and unprofitable), taxes, compliance with the law, crisis management, developer software, developer hardware, developer pet problems, developer spouse problems, developer hygiene problems and even lunch on Tuesdays in some cases.

Want to go to a conference? The good news is that your company will cover the cost - all expenses paid (whoo hoo!). The bad news is... you are the company. Want the newest version of CF Builder, or Adobe CS5.5 - good news... the company will spring for it! The bad news is... you guessed it, you are the company. And if your fledgling company includes investors or partners (and thankfully mine never has!) then you are going to have to justify every nickel and dime as well as chew your nails off worrying about where it's going to come from.

So before you even think about beginning down this road I want you to raise your Ipad in your right hand and repeat after the Muse:

- I am willing to work harder than a regular employee.

- I am willing to take responsibility for *everything* in my company.
- I am willing to make less for years and sink my earnings back into my company to help it grow and flourish.
- I am willing to live a modest lifestyle while I build something lasting.

After your solemn vow if you still feel good about it (and some of you do I can tell.... us old schoolers relish hard work and challenges), then read on faithful follower.

Be a People Person First

This is not just about your customers. If you are consulting successfully enough to consider expanding you already know you have to relate to customers. This is more about extending your reach through hiring like-minded staff. Indeed it would not be hyperbole to say that your first few hires will likely determine the success or failure of your business. In fact, until you get 8 or 9 folks on staff, every single hire will be crucial. You will need to find good folks and you will need to be willing to cut the cord in a hurry if folks aren't working out. You can't afford dead weight on the staff. Each of your staff members must be exceptionally productive. There's just not a lot of "wiggle room" in a small business for slackers.

And your staff needs to be good with people - not just with development. You are not going to have an appropriate division of labor to split up your staff members into neat boxes that DO or DO NOT interact with customers. When it comes to projects or war rooms or even putting together proposals, you will *need* your staff's help to get the job done - and that means they will be in meetings and on the phone and on Skype *with* your customers. So your first 4 or 5 hires are going to need to be people centered as well as technology centered.

To put it more succinctly, your initial staff will need to believe that listening to and meeting customer needs, carefully cultivating and maintaining customer relationships, and collaborating with other team members are all *more important than their pet technology*. It's a hard lesson. Some of the most gifted and technically savvy programmers I have known have been unable to come to terms with my instruction that *relationships come first*. But in my world view, relationships are how contracts are won, requirements are gathered and successful projects completed. If you have haven't constructed sturdy bridges to stakeholders and to each other you are dooming your project to failure before it has begun. I often say that *mediocre consulting firms who learn this lesson often succeed while very technically competent firms who do not learn this lesson often fail.*

So, if you are not a people person and the thought of becoming one gives you the shakes... if you want to put a fork in your eye when you think about encouraging others to their best "me they can be" then think twice about this path. If you are still in lock-step with the Muse then lead on McDuff.

Avoid Perfection Paralysis and Do What You *Can* Do

My final point is really about innovation and perseverance. Sometimes we are so enamored with getting things right that we forget there are many paths to success. This is especially true of tech businesses who depend on the "latest and greatest" technologies and approaches for everything (whether there is a cost/benefit case for it or not). But in truth starting a tech business is not a lot different from starting any service business. If you have a dream you can find a way to get it done.

In 1999 I "launched out" on my own and to see if I could support myself on consulting and hosting without working a "real job". It was grand experiment that eventually blossomed in the CF Webtools of today with some 40 servers and 18 staff members. At the beginning I would have loved to go into debt and buy all sorts of equipment, furniture, and a really big monitor (which back in those days would have been a 21 inch CRT which doubled as a tanning bed). But my God-given wife Ann is both frugal and wise. She insisted we learn to live within our means. So instead, I had had the following resources at my disposal:

- **A Windows 2000 Workstation PC** - given to me by my boss Jay at DTN before I left. He also gave me a copy of CF Studio. Thanks Jay!
- **A Decent Sony Laptop** - I talked my wife into letting me buy it ("It's an investment in our future", I said).
- **Free Office Space** - I was given an office by my good friend Rob Helling in exchange for hosting his site and caring for some of his IT needs. He also provided a phone and fax. To this day Rob and I are still together (although he now rents office space from me).
- **Ebay Server #1** - a 1U Super Micro PII dual proc with a sizable chunk torn out of the back end of the case and 2 SCSI drives. The drives were locked and I did not have the key for the box. I had one case fan that I sort of jammed into the back to provide extra air flow and I rigged it to the power supply with a couple of wire nuts and black electrical tape. This would be my production web server from 1999 to 2003. I had a copy of Windows from my MCSE days and a copy of CF 5 that I had won at MAX. Total cost - $400.00.
- **Ebay Server #2** - a 2U PIII dual proc server with 280gigs of total space on a RAID array. I used this as my DB server and I had a copy of MSSQL from my MSCE days (I eventually bought the 2 proc license to go with it). Total Cost - 1250.00.
- **Argosoft Mail server** - $70.00
- **Hosting and Bandwidth** - Free. I bartered with a customer (a rural ISP) who had extra bandwidth. I gave him 5 to 10 hours of consulting per month, he gave me 10 IP addresses and some rack space. The customer allowed me to manage their DNS server and use it for my own sites as well.

In the first few years I was usually understaffed. I had to beg borrow and steal (mostly just begging) to keep things running. My first DNS server was created using a free 4U shell (again - thanks Jay), a free PII dual proc motherboard scavenged from a throwaway server, a heat sink with some plastic drywall screw sockets holding it in place, a SCSI drive fastened to the drive cage with sheet metal screws at a 30% angle (which I modified with yes... a hacksaw) and a couple of mismatched muffin fans for extra air flow. Add OpenBSD and BIND 8 and you have a DNS server - one that lasted 3 years as I recall until Linux Super Guru Ryan Stille came on staff at CF Webtools, and after a burst of laughter and disbelief started upgrading our servers and equipment.

My point is not to dismiss well financed operations who "do things right" from the beginning. I certainly would have leapt at the opportunity to expand faster and have better infrastructure. My point is that just because you are limited does not mean there is no way to progress and grow. But you as a person have to be willing to *do what you can do* and be satisfied with it while you wait patiently for your momentum to build. If you are not well financed be prepared to run a Goodwill consulting shop until you begin to grow. But don't let a lack of funds stop you. You might just have fun along the way figuring out how to solve those intractable resource issues. My first 2 employees - Jason Herbolsheimer and Mike Klostermeyer (in those days you had to

have a 3 syllable name and be over 6'2" to work for me) - are still with me and we often think fondly of the old days. Flying by the seat of our pants was a riot at times and having good friends along for the ride was a bonus. So enjoy the journey! I know I did - and I still am.

In a coming post I'll talk about transitions. I've found that growing is not a steady process. Rather it is like steps and plateaus. We'll examine some of the phases and transitions and see if there are some lessons to learn (or still to come). As always the Muse welcome comments both negative and positive as long as they are civil.