

The Third Eye

I was coaching with my friend and client, Steve O'Donnell of Hill Country Bakery, when he offered a third required trait. He called it "the ability to navigate in the fog." I thought, "What a great way to phrase it!" (Moreover, like any good consultant, I immediately appropriated it for my own use.)

Some folks call it vision, but the hunter's third eye is more than just knowing where you want your business to go. It is knowing how to keep moving in the right direction when you don't have a compass and there aren't any signposts. It is innately comprehending what will get you closer to your goals and what will distract you from them. The third eye of entrepreneurship is a sixth sense for when to listen to advice from others and when to ignore it. It's having a sense of direction in your gut that lets you instinctively choose the right path.

Many religions have the third eye concept. It appears in Taoism, Hinduism, Confucianism and Gnostic Christianity. It refers to an instinctive knowledge that cannot be explained by the usual five senses. It may be clairvoyance, or psychic vision, or foretelling the future. It may be all of those things. In an entrepreneur, the third eye is often referred to as a "gut feeling."

Entrepreneurs hire the person who may not best fit the qualifications, but who has some experience that shows the right attitude. They take on the customer whom their competitors consider too demanding, in the belief that their company can raise its game to the level necessary. They sell the job that is too big for them to handle, with the confidence that they will deliver as promised, somehow.

Chaz Neely owns a wholesale supplier of steel products. An Acquirer, for over a decade he was very successful in building his company into a regional powerhouse in its industry. The profits had permitted Chaz to spend a seven-figure amount on a large home in the most expensive gated community in the city.

Then came the Savings and Loan crash of the late 80s. Chaz' customers didn't just stop buying; they disappeared. Business after business went bust, often leaving Chaz with uncollectable receivables. Soon, he wasn't paying his suppliers and his own business was in danger of bankruptcy.

Chaz went home one night and told his wife that they would have to sell the house and move into an apartment. Every penny of the proceeds would need to be pumped into the company if he was going to save it.

As radio icon Paul Harvey used to say, "and now for the rest of the story." Chaz pulled the company through the recession. He was positioned to move forward as the industry strengthened, returning to rapid growth and even greater profitability.

Within a few years, he had returned to the same exclusive neighborhood and bought an even bigger home.

Chaz then saw an opportunity to make a big leap in his company's growth. Adding a new line and expanding his territory promised to create a quantum leap in profitability. Unfortunately, his already smoking growth rate was stretching the company's cash flow. He was going to have to go to the bank for more working capital.

Chaz had asked the bank for help during the hard times and had, of course, been denied. This time was different. His balance sheet was stronger, sales were increasing by leaps and bounds, and margins were excellent. What was there not to like?

To his surprise, Chaz' banker turned him down flat. "We think that you are growing quite fast enough," the banker told him. "Trying to do more might stretch your business beyond your capabilities."

Chaz went home and made an announcement. "Honey, we have to sell the house again!"

Now *that* is an entrepreneur. Chaz went on to great success that continues today. He was listed in the Inc. 500 every year for over a decade, and received Ernst & Young's Entrepreneur of the Year award.

Not all of us have Chaz Neely's appetite for risk. Chaz had a vision for his business. His banker gave him sound advice; outgrowing your cash flow can be a fatal problem for a company. Chad knew where he wanted to go, however, and he wouldn't let anything get in his way.

Every entrepreneur has a vision for his or her company. For some, it is enshrined in a vision statement. Unfortunately, those often become bogged down in an attempt to mention all the right required factors. Too many vision statements sound like this; "*We will be a leader in our industry, delivering outstanding products and impeccable service to our valuable customers through the efforts of our greatest asset, our irreplaceable employee team.*" (Yawn.)

The vision I am discussing here is not just a statement. In fact, it may be very difficult to put into words. It is how you *feel* about your company. It is how your personality is ingrained in the company's approach to everything it does. It is communicating to every employee and vendor what you will accept in performance and what you won't. Part of the responsibility of every entrepreneur is communicating this vision in words and deeds every single day.

The third eye is clearly part of what makes a successful entrepreneur. It is more than just risk-taking. It is a confidence that your tenacious creativity will figure out a way to reach the goal. It is an unshakable belief that when confronted with possible failure, you just won't fail.