Mike O'Hagen on Entrepreneurship

Mike left school at the age of 14 and became an apprenticed electrician. Over the next 5 years he had a number of jobs and was fired from about ¾ of them. At the age of 28 he decided he wanted to be own boss and run a business.

He became a second hand dealer and had 3 second hand shops

Problem

He was working 90 hours a week and had 2 days off a year. He realised that he not only had to work 7 days a week and earned about the same income as his staff (who worked half the time). Mike figured that this was the definition of 'stupidity' and he had to make a change

He wanted a big house, big boat and a jet life style – he wanted freedom and a high weekly income. He had to get control of his time and he found this hard as he also found it hard to delegate

Opportunity

A lady who lived near his shop needed a removalist urgently and ask for help. He grabbed a couple of friends with a ute and decided to charge her an hourly rate (rather than a set quote). She wasn't too happy about this but finally agreed. After the move was completed, she came back to him to tell him how delighted she was as she:

- Enjoyed the 'fun'
- Stress went
- It was quick
- No damage to anything
- Helped put things in the order she wanted
- Installed washing machine for her
- Hourly rate was cheaper than set quote
- Everything was to her satisfaction

Duplicate

Mike has never worked in the furniture removalist industry himself – he delegates and others do the work. This 'opportunity' has led to over 1000 homes per week being moved all over Australia. He simply keeps duplicating the business. The secret of happy customers, is you selling your time – then you are developing 'word of mouth' marketing.

Hints to Grab Attention

* Choose a name people won't forget
* Sell something that suits the market
* Give customers what they need (rather than what they want)
* Get young people to work for you
* Under promise and Over deliver
* Exceed what they expect (so lower expectation at the start)

How to Show Growth in Your Business

- Keep testing and measuring
- If it works systemise and duplicate it
- Develop a simple training system for staff
- Spend money back into the business
- Keep your day job
- Research the market (my competitors are really 'self movers')

Success

Keep everyone happy:-

1. Customers
2. Employees

What Are the Problems?

- Most people don't really seem to want to grow a business
- Is your business to build a lifestyle; or passion for the product/service?
- Are you a business operator or an entrepreneur?
- Do you want to be more professional & polished?
- Are you prepared to experiment with no fear/risk?
- Most aim too low.
- Micro business wanting ***help*** really want to grow their business
- If they reach out for help/get rid of passion and work at growth
- I knew nothing about my businesses so it worked

The Changing World

- Education has programmed us to be ‘workers’
- We have a ‘work ethic pride’ – we have to change our mindset
- The world is changing – we are now Google crazy
- Research for the right opportunity
- So many opportunities through this inter connectivity (internet)
- We can buy and sell around the world
- We can now employ around the world too

Conclusion

The world was thought o be ‘flat’; then we found out it was round’ – now it is ‘flat’ again – borders have disappeared.