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ANYONE CAN DO IT



'I've done it and I'm thick. For Christ's sake, Peter Jones [fellow *Dragons' Den* judge] is thicker than me and he's done it.'¹

– **Duncan Bannatyne**



SO CAN ANYONE DO IT?

If you read the biographies of entrepreneurs you'll find some who came from business families, went through business schools, started with a helping hand from dad or took over the flourishing family operation. And you'll find those who did it another way; starting out with no qualifications, no money and following gut instinct. And then there's the whole range of stories in between.

There's no single way to become an entrepreneur. Anyone and everyone can acquire the enterprise skills that an entrepreneur needs even if they don't use them to set up and run businesses.

HOBSON'S CHOICE

Duncan Bannatyne seems to have had those enterprise skills from an early age and put them to good use when his local newsagent refused him his first paper round. And he put them to good use again when he seized the opportunity to buy his ice cream van. But leaving school without qualifications, getting kicked out of the Navy with a dishonourable discharge, getting arrested a few times and sent to jail once, all made him fairly unattractive to any prospective employer.

The truth may be that he couldn't work for anyone else given his dislike of authority or rules and regulations. So going into business was the obvious and only choice.

Bannatyne had another attribute essential for an entrepreneur: determination. He says he gets that from his father who, having been a prisoner of war, was determined to get fit, find a job and a

wife, have children, and contribute to rebuilding the country he'd fought for. As a child Bannatyne was determined to be able to afford to buy his family ice cream, buy a bike, get his paper round and, even though he found school boring, pass his 11 plus and get into what the family called the 'posh school'. He did all of those things and always wanted more. He had that natural restlessness of the entrepreneur; always looking for the next move. And he realized that although he had taken his looks and determination from his father, he didn't want to grow up to be like him – leading the quiet family life, contented with his lot. Duncan couldn't get excited about the same things his father had.

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But the famous Bannatyne determination wasn't consistent. At the 'posh school' he struggled, felt like a misfit and left without any qualifications. At 15 he was determined to get into the Navy but before long he was looking for a way out. He was dishonourably discharged at the age of 19 after a disagreement with his commanding officer. He told Lynn Barber in an interview for *The Observer* in 2007 that it was something he wasn't proud of but he wasn't particularly ashamed of it either. It had the desired result of getting him out of a situation he wasn't enjoying.

Bannatyne then spent years drifting, before the death of his oldest sister again gave him the determination to make something of himself. He sets a great deal of store on this event as a driving force in his life. He wonders aloud in the BBC *Dragons' Den* online video about how life would have been for him if his sister had lived and not made him the eldest in the family, but also wonders whether it was the fact that he only became the eldest later in life that kept him from becoming a successful entrepreneur sooner.



DETERMINED OR RUTHLESS?

Is Bannatyne always determined or sometimes just bloody minded? He's been called ruthless and arrogant, and over the years has gained a reputation for being a tough operator and hard-headed.

He argues that all entrepreneurs are arrogant to a certain extent – that you have to have that level of self-belief and belief in your ideas or you won't make them succeed. He suggests that he has swum with sharks and not been eaten alive and so merits the label 'tough operator' for standing by his principles and doing what's right for the business. Another attribute he has and believes every successful business person needs is common sense. But 'ruthless' is the label he disputes: 'I've worked with many of the most successful entrepreneurs of my generation ... and although we're all different we probably share a few key traits: we take responsibility for our actions, we are a pretty principled bunch (contrary to popular belief, very few of us are ruthless).'²

He can't have got where he's got without making some hard-headed decisions that had to be taken for the good of his businesses, like refusing to spend what he saw as excessive amounts of money. He's run a tight ship, demanded the resignation of people who felt they had the right to big expenses claims and sacked people who were ripping off his firms. There are undoubtedly disgruntled former employees and colleagues out there who would argue with Bannatyne's assessment of himself. But most of his longest serving and best performing managers are people he's nurtured over the years and who are loyal to the man.

So Bannatyne is the kind of businessman who does what has to be done to ensure the businesses flourish and make money. Anyone who uses common sense and determination, and is a tough operator, can do what he's done.

'You only learn about business by being in business': this is a phrase that Bannatyne repeats fairly frequently in his books and interviews. He is adamant that determination and common sense are much more use to a would-be entrepreneur than qualifications. Duncan Bannatyne didn't have experience or qualifications. Many of the most famous entrepreneurs in the UK may have millions in the bank and still don't have a qualification to their name – although a few do have honorary doctorates! (Bannatyne has two: a Doctorate in Science from the University of Glasgow and a Doctorate of Business Administration from the University of Teesside.)

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Even with qualifications, you don't know what it's like to run a business until you start one yourself. You can read every business book ever written but that won't prepare you for doing it. By doing it you discover what natural attributes you bring to the table, what skills you have that you can use, what attributes you didn't know you had and skills that you'd forgotten you ever learned. Whether he recognized them or not, Bannatyne made up for lack of qualifications with natural business attributes – the attributes he used as a boy on a paper round and on the beaches of Jersey.

He points out that most successful entrepreneurs don't make money from their first business. They start a series of businesses, as



he did, before they start the one that makes them rich. They learn as they go along and get the experience they need. With experience comes confidence. Sometimes some of their businesses fail, but eventually they accumulate enough experience, skills and confidence to make any business a success. Bannatyne gathered that experience from an early age and had probably gained far more experience than he imagined from buying, restoring and using cars for his early taxi business. In common with many UK entrepreneurs, he probably didn't even realize at that time he was in business.

One very practical and useful point that he reiterates from time to time in interviews is that whatever your business and whatever its size, there are leaflets and helplines to answer your questions. They take time to wade through but you can get through without qualifications. And if you do need people with specific qualifications for your businesses, such as the nurses Bannatyne needed for his care homes, you can employ them.

THE BUCK STOPS WITH YOU

While Bannatyne asserts that anyone can do what he did, he lays the blame for business failures firmly at the door of the people who start them up and run them. He says the main reason for most businesses failures is mistakes made by the boss and he cites two rules that he says all entrepreneurs must abide by if they're to succeed: they must work hard and be willing to accept responsibility for the business.

The kind of mistakes he talks about are a failure to do the market research and keep costs down; spending on the wrong things, often taking money out of a fledgling business for cars and big-

ger homes; hiring people who replicate your own skills rather than having complimentary skills; not listening to good advice in the first place; starting up when you weren't passionate about the business and not putting in the hard work it needed.

Capacity for hard work is certainly something Bannatyne has. He may work just five hours a week in his office now – but that wasn't always the case. Any business that he's started up seems to have taken over his life. He has put in the 18-hour days for months on end. Most entrepreneurs will tell you that you have to do that if that's what it takes.

'You only learn about business by being in business.'

At the beginning, entrepreneurs are likely to be doing everything like Bannatyne had to, unless they're starting up with a business partner or a team. There's the market research, the service or product to perfect, marketing, sales, customers to find and delight so they keep coming back, premises, admin, finances, and hiring staff. At the start-up stage, Bannatyne ended up doing the work of several people. It can get really tough and there's no option to take duvet days or call in sick. It's amazing how few sick days self-employed people take!

Bannatyne realized that it's vitally important that everyone an entrepreneur knows is backing them in their venture because personal relationships with family and friends, children and parents, or partners and pets often end up being left on the back burner. Sometimes people don't understand that and simmering resentment boils over into rows. Business ventures can result in relationship failure and the demands of partners can lead to business failure. Bannatyne was lucky that his first wife supported him when he was starting out, although they later parted.



That's the downside of the hard work. On a positive note, entrepreneurs learn all sorts of different skills and also discover a lot about themselves as Bannatyne did. When people are really passionate about an idea and their business, it's easier to put in the time and effort required. Bannatyne firmly believes that hiring the right people, trusting them and delegating with confidence is the key to enabling entrepreneurs to benefit from the success of their business or move on and look for the next venture.

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So, according to Bannatyne, anyone can do it as long as they are determined, have common sense, work hard and take responsibility for their business. How you do it and how much of a success you make of it will depend on your own natural attributes, the skills you have to bring to the job, your contacts, your working environment and the team of people you build around you. Bannatyne can be quite glib when he talks about business in interviews, stressing how easy it is, and throwing in little asides about never having been given any useful advice. He seems to want to paint a picture of himself as someone to whom it all comes naturally; who found it all terribly easy, while making out that he's nothing special and just the same as the next person. He also comes across as impatient with the rest of humanity for failing to see and grasp the opportunities he sees all around him.

KNOCKING DOWN BARRIERS

How many times have you said (or heard someone you know say) 'I'd love to start my own business if only I had the time, the money, didn't have a big mortgage to pay, could afford to leave my job,

had the qualifications, or had enough experience.’ Bannatyne thinks what stops most people from going into business isn’t really any of those things but the fear of failing. Maybe when you have nothing to lose – as he did – there are fewer barriers.

Work out what you need to earn to support a reasonable lifestyle. You may be giving up a well-paid job to get into business, but that doesn’t mean you can expect to take out of the business what you have been earning. Equally, just because you’ve been earning a high salary doesn’t mean that you can’t afford to earn less. Be realistic.

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In Bannatyne’s view, you shouldn’t let lack of money stop you. He points out that there are plenty of businesses you can start which don’t need much capital.

You can work from home to keep your overheads down. If you need money for equipment or a van, save while you’re still in a job or do what Bannatyne did to get his first nursing home opened up: sell things. You won’t have time to watch TV anyway! There are grants and loans available for some businesses, and you may be able to raise money against the value of your home.

Bannatyne believes it always helps if you are running a business in something you are passionate about and believe in. You’ll be happy to work hard, more inclined to take responsibility, interested to learn everything you can about the business and the sector, and all the more determined to succeed whatever the cost.

As Bannatyne discovered, you need to be careful about going into business with someone else. You need to work with someone who is as passionate about the business as you are. Most people don’t



need a business partner but if you do, it should be someone who complements the skills you bring rather than replicates them. Bannatyne did somewhat reluctantly go into his first

care home with his neighbour, but since

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then – although he often employed the same people in his various projects – he set up his businesses on his own.

Bannatyne had the support of his partner – it can keep you going when times get tough. If you're putting up money from savings, taking a risk with the family home, likely to be at work when you should be at a wedding, or bringing much less into the household while you get the business going, you need to discuss all those details with your other half. It can be easier running a business if you're single but it can be lonely.

ANYONE CAN DO IT

- **There's no single way to become a successful entrepreneur.** Bannatyne didn't worry about lack of qualifications – as long as you're determined and passionate about your idea, you can make your business work.
- **Many successful entrepreneurs didn't make money from the first or even second or third businesses.** Bannatyne learned about being in business by being in business, and it stood him in good stead for making a success of the next business he started up.
- **There are plenty of free sources of information available.** Bannatyne discovered that leaflets and helplines can answer your questions without the need to spend money.
- **As Bannatyne found out, at the beginning you'll be doing most of the different jobs in the business yourself.** You can't afford to be off sick and you need to be prepared to put in long hours.
- **Bannatyne takes responsibility for his businesses.** You can't blame the weather for the downturn in business! Stop looking for something to blame and start finding solutions.

