



Lemonade
25¢

3 Magic Seeds

Discovering the
Entrepreneurial Spirit



ACTON FOUNDATION
for Entrepreneurial Excellence

The Greatest Gift of All: The 3 “Magic Seeds” of Entrepreneurship

A young face, so full of hope, turns expectantly toward you. Perhaps a son, a daughter or a niece or nephew. Perhaps just someone who reminds you of yourself, so many years ago.

You see the energy, talent and longing of someone who wants to change the world. Someone who is looking to you for wisdom, direction or a word of encouragement.

What will you offer? Advice? Money? Some sort of scholarship?

But these have disappointed in the past. Most advice goes unheeded; experience is a far better teacher. Gifts of money are too often squandered or counterproductive. Formal education these days seems more about credentials and prestige than curiosity and character.

So what to do?

Here’s a radical suggestion: Why not challenge your young charge to take on the first three trials of an entrepreneurial “hero’s journey” to:

- 1 Make something with his or her own hands;
- 2 Sell it (safely) to a stranger; and
- 3 Experience the freedom (and responsibility) of having a little extra spending money as a reward.

Sound too simple? Just give it a try. You’ll be surprised at how each of these “magic seeds” will provide lessons, confidence and inspiration for years to come.

Watch from a safe distance and enjoy as you observe, taking care to let the lessons speak for themselves. Who knows, you might even find yourself reinvigorated with the entrepreneurial spirit that you first discovered so long ago.

WHY THE MAGIC SEEDS OF ENTREPRENEURSHIP ARE SO IMPORTANT

These experiences are as natural as breathing. That’s why free markets work, despite deeply flawed and irrational adults. Unfortunately, our modern assembly-line schools somehow manage to strip our children of much of their natural curiosity and joy for learning.

Today’s K-16 school system, with its droning lecturers, rows of industrial lockers and Pavlovian bells ringing at the end of each period, is a direct descendant of an assembly-line paradigm that treats students as widgets, each to be shaped and molded in what may be a well-intentioned but nonetheless misguided attempt to produce well-behaved corporate citizens.

This note is one small step in an educational counterinsurgency, an attempt to put joy back into learning and living, and inoculate our children with the basic skills that made America the greatest country on earth. And it all starts with you.

MAKING SOMETHING WITH YOUR OWN HANDS

The first discovery for a young entrepreneur is the joy of making something with his or her own hands.

The joy of creating. Creating from scratch. To take the raw materials of nature, add time, talent and energy to make something valuable, or at least valuable to its owner. If you believe in God, next to the birth of a child this is about as close as you will come to the awesome experience of being a co-Creator.

Any child already understands this. There's great pleasure in painting, molding clay or assembling Legos. There's something in our DNA that makes us long to build and create.

Over time, a child who makes things will begin to discover special talents, gifts that make some activities more enjoyable than others. These sparks of genius can be nurtured and honed through repeated use. Later, these same sparks may light the way for an adolescent or young adult to find a "calling."

While hard at work creating, children discover the magic of "flow," the sensation of losing yourself in a task so pleasurable that time stands still. We've all experienced it—those moments when you look up from the task at hand and wonder, where did all that time just go? Flow is experiencing the joy of doing something well, a joy so powerful that you will practice a discipline for the sake of mastery alone, until mastery makes you stand out in a crowd. From this comes real self esteem; the quiet, strong pride that results from a job well done; an important lesson that doing something well is reward enough.

After a while, a child may even learn that certain ways of doing things are easier than others. That the right habits will improve both the speed (efficiency) and the quality (effectiveness) of a task.

There may even be a realization that some tasks can be grouped together or even automated for better results. Perhaps a helper will increase the number of items made and shorten delivery times. Partnering with someone who has different gifts may make the pie bigger for all.

These are the first lessons of scale, lessons for a budding entrepreneur who aspires to build something that requires a number of people working together toward a shared vision.

Somehow we adults have made working with your hands seem like a lesser task, far inferior to intellectualizing. But it's not, not if you want to stay connected to the power of the entrepreneurial spirit.

SELLING YOUR CREATION (SAFELY) TO A STRANGER

The second discovery for a young entrepreneur are the lessons that come from selling something you have made to a stranger.

The act of selling may leave deeper lifelong impressions than any other task. (Any child who is selling must, of course, be supervised by an adult for safety reasons.)

Nothing takes more courage than hawking something you've made with your own hands, to someone you don't know. Except, perhaps, having the courage to call on another customer once you've been rejected.

Selling brings the thrill of finding that something you created has value to someone else. The act of selling in and of itself magically creates value, because no transaction can take place unless both parties leave with more than they gave, otherwise the sale won't take place.

Even an unsuccessful attempt at selling teaches that a failed sale isn't life threatening, just ego threatening. After a few rejections you learn to separate what you have created from yourself, making each incremental attempt less painful. (Fortunately, because children are so cute, most adults are kinder to them than to adult salespeople, making these lessons gentler than they will be in years to come.)

Too many adults see sales as a dirty business, too; learned properly, children see sales as a form of service, an attempt to satisfy a deep burning need in someone else, hopefully as a result of using a special gift. The child who has natural sales skills, when faced with an ample supply of product and even greater demand, may even experiment with attracting and leading a team of salespeople.

Finally, selling to someone you don't know encourages respect for others. You learn that the secret of selling is to focus on the needs of the customer. You learn that ego-centric pitches are far less effective than listening, asking questions and putting yourself in the shoes of the customer. You learn to conserve time, energy and money by focusing on customers who want to buy today, without alienating those who may be interested tomorrow.

EXPERIENCE THE POWER OF A LITTLE EXTRA SPENDING MONEY

Money given, but not earned, can be a curse, even if given in love. Money earned is a powerful blessing, on many levels.

Money earned teaches the value of using a natural gift; trading time, energy and talent in return for a piece of paper that can be traded for something you desire more. Money earned teaches the law of personal conservation. Money earned is spent carefully because it is so difficult and time-consuming to amass.

From this law of conservation comes the lesson that being rich is not about what you have, but about spending less than you make. Extra spending money gives you more choices, teaching that most precious freedom of all, the freedom to spend your time as you choose.

This freedom to choose what you do; to freely exchange the fruits of your labor for something you value more; the wisdom of keeping some of this “frozen desire” in reserve for unexpected opportunities or setbacks, so as to protect your freedom of future action. Surely Jefferson had all of this in mind when he (originally) wrote of “the right to life, liberty and the pursuit of property” and helped launch the greatest country on earth.

ENTREPRENEURIAL LESSONS: NECESSARY BUT NOT SUFFICIENT?

Some might argue that the younger generation needs to know so much more. How to recite multiplication tables, conjugate verbs, respect authority or play a proper role in society. But surely these are lesser and more mechanical lessons that will come in time.

Others may argue that civics come first, learning of the proper obligations of a citizen, the branches of government or the need to vote. But civics lessons without a visceral understanding of the value of freedom are surely insufficient, and not a proper inoculation against the tyranny of a dictator or the mob, or the temptation to trade freedom for short-term sustenance or security.

Those in corporate positions may lobby for training in more mundane skills or the importance of obedience. But surely we already have an oversupply of docile workers to man the cubicles of the Fortune 100. What we need are more independent thinkers, self-starting creators who treasure and will defend freedom.

Finally, the already successful entrepreneur may rightly argue that so much has been left out: understanding competition or how to forecast cash flows or how to raise money. But surely these are secondary skills for entrepreneurs. The best businesses are so unique that competition is less of a problem; the best businesses require few assets and generate their own cash to fund growth.

ENTREPRENEURIAL LESSONS FOR LIFE

Three simple, but magic entrepreneurial seeds: making something with your own hands; selling it (safely) to someone you do not know; and experiencing the power and responsibility of a little hard-earned spending money in your pocket. These are the lessons that teach a love for the game of business, and of life, that can't be easily extinguished by materialism or tyrants.

These are the three gifts you can give to the next generation, if you have the patience to guide them, and listen and let them learn from experience. If you care enough to water these seeds with a little genuine attention and love.

Done once, you may light a spark of creativity that will survive even the suffocating effects of today's assembly-line schools. Practiced again and again, these three lessons will encourage the habits of creative work, self reliance and respect for others that ultimately lead to a life well lived.

After all, if the free markets were any harder to master, they wouldn't continue to create freedom and prosperity faster than the political classes can destroy and steal.

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Stars & Steppingstones:
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ACTON FOUNDATION *for Entrepreneurial Excellence*

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If you are someone who longs to change the world in a profound way, someone who has the courage to find your most precious gifts and the dedication to master a discipline, at Acton we believe you are an aspiring entrepreneur.

The Acton Foundation serves both teachers and aspiring entrepreneurs. We attract, train and inspire master teachers, equipping them with the courses and learning tools they need to help aspiring entrepreneurs.

We offer “teachers” ways to be more intentional and effective in assisting those looking for career advice and searching for their calling.

We offer “aspiring entrepreneurs” a path to discover their calling and to live a life of meaning.

Our case-based entrepreneurship curriculum allows both teachers and aspiring entrepreneurs to step into the shoes of real entrepreneurs and learn how to make the tough calls required for success. The curriculum is taught in its entirety at the Acton School of Business, an intensive one-year MBA program in Austin, Texas, taught exclusively by practicing entrepreneurs. The Princeton Review ranks Acton as one of the “Best MBA Classroom Experiences” in the country and, for the fourth year in a row, ranks Acton’s teachers among the top five business faculties in the nation. To learn more, please visit ActonMBA.org.

Additional tools and resources for advising, mentoring, teaching and finding a career and life of meaning are available at ActonFoundation.org.

NO MATTER WHERE YOU ARE ON THE ENTREPRENEURIAL JOURNEY, ACTON'S RESOURCES ARE THERE FOR YOU.

DO YOU HAVE WHAT IT TAKES TO CHANGE THE WORLD?

Ranked by the Princeton Review as one of the top MBA programs in the country, the Acton School of Business is taught entirely by successful entrepreneurs. Acton's intensive, one-year MBA in Entrepreneurship makes three promises to its students: You will learn how to learn, learn how to make money and learn how to live a Life of Meaning.

ActonMBA.org

ARE YOU INUNDATED WITH "NETWORKING" REQUESTS?

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WHAT WILL MAKE YOU HAPPY?

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YOU'VE BUILT A BUSINESS, BUT WHAT ABOUT A LEGACY?

There's not a better gift you can give to strengthen America's free society than becoming a Socratic Guide and passing the torch to the next generation of principled entrepreneurs.

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ActonSims.org

WHO'S YOUR HERO?

Is there a successful entrepreneur who inspires you or who changed your life that you would like to honor? There are few better ways to say thank you than to share their story and nominate them as an entrepreneur hero.

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