

10 Management Lessons From a Young Entrepreneur

By Sarah Pierce

Even those without a lot of years under their belt have much to offer in the way of business advice.

Only in America can a 19-year-old kid launch a million-dollar music business from his dorm room and two 17-year-old twins own a media empire worth close to \$1 billion. And while it's easy to watch with envy as young entrepreneurs continue to grow up around you and fulfill your entrepreneurial dreams, you really have two choices: You can seethe at their success, or you can put jealousy aside and listen to the advice they have to offer.

Scott Smigler, 22, is one young entrepreneur who has learned some important lessons from his pursuit of entrepreneurship. Smigler started [Exclusive Concepts Inc.](#), a company that provides professional Web design and online marketing solutions to growing businesses, when he was only a freshman in high school. Smigler ran the company by himself at first, slowly building a reputation with his clients and gaining more business through word of mouth. As he put himself through college, he ran the business out of his dorm room until May 2002. Now, he has offices in Burlington, Massachusetts, and a staff of five, and expects to bring in sales of \$300,000 in 2003. Between working full-time on his business, maintaining a 3.7 GPA as a finance major at Bentley College in Waltham, Massachusetts, and running the Entrepreneurship Society he co-founded at his school, Smigler took some time out of his 90-hour week to offer entrepreneurs some advice: ten of the most important lessons he's learned from starting and running his own business.

1. **It's all about perseverance.** Implementing your dream is never as easy as you think, it can take years to develop. Make sure you're organized and stay focused. And understand that you can't reach the highest levels of success without taking risks and maintaining the strength of mind needed to persevere through the difficult times.

"I know there are so many people right now, especially my age, who are looking to start and develop their own business," says Smigler. "It's such an intimidating process once you've broken through the first layer and you have to worry about insurance and payroll and making sure your accounting is perfect. So many people allow themselves to get intimidated by it&\$151;they're not willing to follow their dreams. It's very important for people to really sit down and recognize exactly what they want out of lifeüand their business lifeüand just go for it."

2. Understand the value of mentorship and teamwork. A small company doesn't have all the resources it will need internally. So it's essential to have a network of advisors, mentors and other people who can help you work through the problems you encounterüwhether those problems are related to finances, marketing, whatever.

3. Stick to your niche. "I've learned that I can only make money when I stay focused on what my company does best," Smigler says. "This isn't to say I don't pursue avenues where I can expand my business. Ultimately, the needs of my customers will dictate the services I offer.

"Everything I do has to be based on a very strong customer-service focus. We know a lot about our clients because we spend a lot of time knowing exactly what they need."

4. Stay on top of news that affects your clients. Major events happen almost every day that will affect your customers. In order to ensure the best for them, you must be up-to-date on the latest market trends and implement them so your company consistently offers the best services and your clients receive the best there is to offer. "Even on the busiest of days," says Smigler, "my entire staff and I are required to monitor late-breaking news. Knowledge separates you from your competitors."

5. Communication is key. While you think your clients understand what you say, often they don't. Be sure to always speak clearly and follow up with concise e-mails. You must also pace their expectations with the reality of the project. Part of the communication process involves documenting the understanding between your company and the client so that in

the event of a misunderstanding, you have an agreement to fall back on. Not only does the client need to know what they can expect from you, it's essential that the client understands your expectations of *them*. Success is a two-way street.

"Search-engine marketing and Web development can be very intimidating to a lot of people," says Smigler. "My clients tell me over and over again that what makes a huge difference to them is that I take the time to explain things clearly and that I'm patient with them. They know they're not just getting a cookie-cutter solution."

6. Capitalization is crucial. Everything is more expensive than you'll anticipate. In your budgeting process, you need to plan for things you haven't anticipated but that will more than likely happen. In addition, don't be a penny-pincher: Don't be afraid to spend money when you believe the return will warrant the risk.

7. Communicate unwavering honesty and integrity. Above everything else, you must be truthful. Dishonesty is a sign of weakness, not to mention a poor business strategy. If your clients know you'll always be truthful with them and "tell it like it is," they'll never have any reason to doubt you. **Your reputation as an excellent service provider takes years to develop but it can be destroyed in a minute.**

"My family pushes the simplicity of life that comes from honesty and character and integrity," Smigler says. "One of the big things that makes [our company] different is our clients really do trust us."

8. Stay on top of the curve. The environment of business changes rapidly, and education is a critical factor to success. "There was a time when I was tempted to drop out of college and devote all my time to managing my growing company," Smigler says. "I recognized that it wouldn't be a smart strategy for the long term. It's possible to grow a company while being successful in school."

9. Take ownership in your clients' success. When you undertake the commitment to provide products or services for a company, you must work at it as diligently as they expect you to. **Keep your customers' needs in mind at all times.** And

remember: If you're able to help your clients become successful, they will make *you* successful because what goes around, comes around.

10. Never stop marketing. Never forget that anyone can be a prospective client. **Constantly look to build on your existing relationships, as well as acquire new ones. You need to catch the customer at the moment they have a need.** By staying in front of them on a regular basis, you become known to them, so when they do have a need, they'll be more inclined to give you the business without shopping around. The value of a referral is always more than the value of a cold lead.

And finally, Smigler offers these final words of advice: Don't forget to find the correct balance of work and play. **Although starting and running your own company requires much focus, dedication and time, you must strive to maintain a balance in your life.** As much as you want your business to succeed, you have to recognize that it doesn't have to be at the expense of not having a life outside of it. Being properly structured in your business also means being structured enough to allow yourself some personal time off.

And those are wise words whether you're old *or* young.