

Following through on your start-up dream...



By Leigh Andrews

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Tips for business success when you're starting out: Be careful of falling too in love with your product, don't confuse hustle with bullsh*tting, and prepare for the 'ready fire aim' approach...

After a very long work day as part of a very busy week near the end of a jam-packed month, the last thing you really feel like doing is dashing off to an event after work and networking with people not of your usual social circle. But sometimes, that's what you need to brighten your business mindset...

That's exactly what happened on Thursday, 25 June 2015 When I attended the informal lecture-styled BrightRock #changeexchange at the Breakwater Lodge. Warren Harding, host of 2Oceansvibe's Biz Takeouts show, introduced local design-thinking legend behind Design Indaba, Ravi Naidoo; as well as [Ernst Hertzog](#), the angel investor and entrepreneur behind Action Hero Ventures in a conversation on the topic of start-ups.



Naidoo, Hertzog and Harding

Early days: The big push to forming a start-up

Naidoo spoke of his scenic route through life, which has been highly emblematic of change. His "typical middle-class Indian family" placed a lot of stock on education, but when Madiba was released, he questioned why he wasn't out there doing fun things, doing solitary experiments in a lab instead.

His top tip on boosting creativity is to simply "get off your bum and do things". Naidoo moved into advertising but felt frustrated with the formulaic process at the time. It was simply about inserting a picture, layout and promise. With the feeling that there are always much more interesting things to look at, he stepped up and gave up day job, starting his company 21 years ago.

Hertzog chimed in that he 'stepped away for a wilderness period', as with his background in engineering, he soon found he didn't like his cubicle anymore and was very disengaged, with three children under the age of three at home. And so he took about six months to figure out what he wanted to do, as he found he had too many options and it was difficult to get going. He then started Action Hero Ventures, looking for the 'real action heroes' out there.

All hustle, no action?

Harding pointed out that many entrepreneurs point to the 'hustle of promising to meet expectations', whether you actually know how to and have the capacity to or not. Naidoo elaborated that all of life is a perennial hustle, it never gets easier. You have to constantly be aware and commit to a life of learning. That's the reason he did his research well when starting out, by deciding which sectors would be buoyant in the future. He then 'chose his diet from the smorgasbord of life', deciding to focus on his main interests in life - the creative industries, high-tech and sport. But it wasn't all plain-sailing from the start, as a host of cellular naysayers in 1994 simply called cell phones 'yuppie toys'.

Ultimately though, knowledge is power, and so he persevered with his research on what the South African cellular industry would be like based on the UK as a case study. He then made his move, going to Vodacom's Alan Knott-Craig with a heretical approach that garnered interest. Naidoo concluded his answer by stating "It's about more than hustle; it also takes guile and cunning if you can get your client to fund your business."

Next Harding asked about the importance of small and large wins alike. Naidoo joked that he actually wanted to build "a hybrid with an umbilical cord linking it to corporate South Africa," so that he could spend a similar amount of time on independent play, like starting up Design Indaba.

You need to leverage passion, Harding agreed, asking Hertzog but how realistic start-ups actually are in the passion they sell you. He replied that it can be a dangerous thing, being too in love with your product. In talking about his first investment, he said people tend to ask how your business is going but they don't really care. It takes a lot of effort, and it takes a lot of time. He thought he would start a business, build a website, install a landline and get going. It's not always easy keeping that passion going.

Unexpected business challenges

Harding asked both speakers about the most unexpected challenges they faced in starting up their start-ups.

Naidoo said he was skittish when starting out, about whether South Africa was ready for an offering from someone of his colour - so much so that he didn't want to be seen as a sole operator and joked about it being the equivalent of 'white fronting'. Hertzog's answer was about distractions from your endgame like job offers to work for established companies while you're still struggling to get going. "It takes more time and money than you think," he said, and it can really wobble your walk getting those offers.

No two endgames are the same

In responding to Harding about the endgame, Hertzog said most companies they invest in are focused on selling the company soon, but Naidoo himself said he will never retire and as he only gets involved in things he's passionate about, this sustains his momentum. "Even if you sell off side sections, don't sell the mothership," is his advice. He loves that he gets to mingle with amazing creative people across the globe and is involved in seeding new projects.

In closing, Hertzog said that ego definitely does come into play, as his biggest perceived risk in starting out was to his own

reputation, having built up a number of qualifications and now having to create your own momentum and opportunities for yourself. It's not all about businesses though, as his company has funded individuals he has faith in as opposed to a whole business. In the early stages, the people involved are critically important as you'll be stuck with the company's founders even if the product changes. That's why he says to rather "back an A player with a B idea than the other way around".

If there's one piece of advice you walk away with, stick with Hertzog's advice that "starting isn't winning, it's just a stepping stone to get to your goals." It also helps to actually solve a problem people actually care about. Simply find a tangible pain people have and focus in a realistic way.

Naidoo adds that everyone's looking to build a great product once that they can sell a million times but we shouldn't forget impact of good service. Consulting and selling your time is also a good avenue.

Don't forget it's lonely and you do the highlife act on your own.

[Click here](#) for more from Naidoo, and [here to listen to the special live podcast](#) of the event.

ABOUT LEIGH ANDREWS

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