

YOUR TERMS

COACHING, STRATEGY, SUCCESSION, PHILANTHROPY

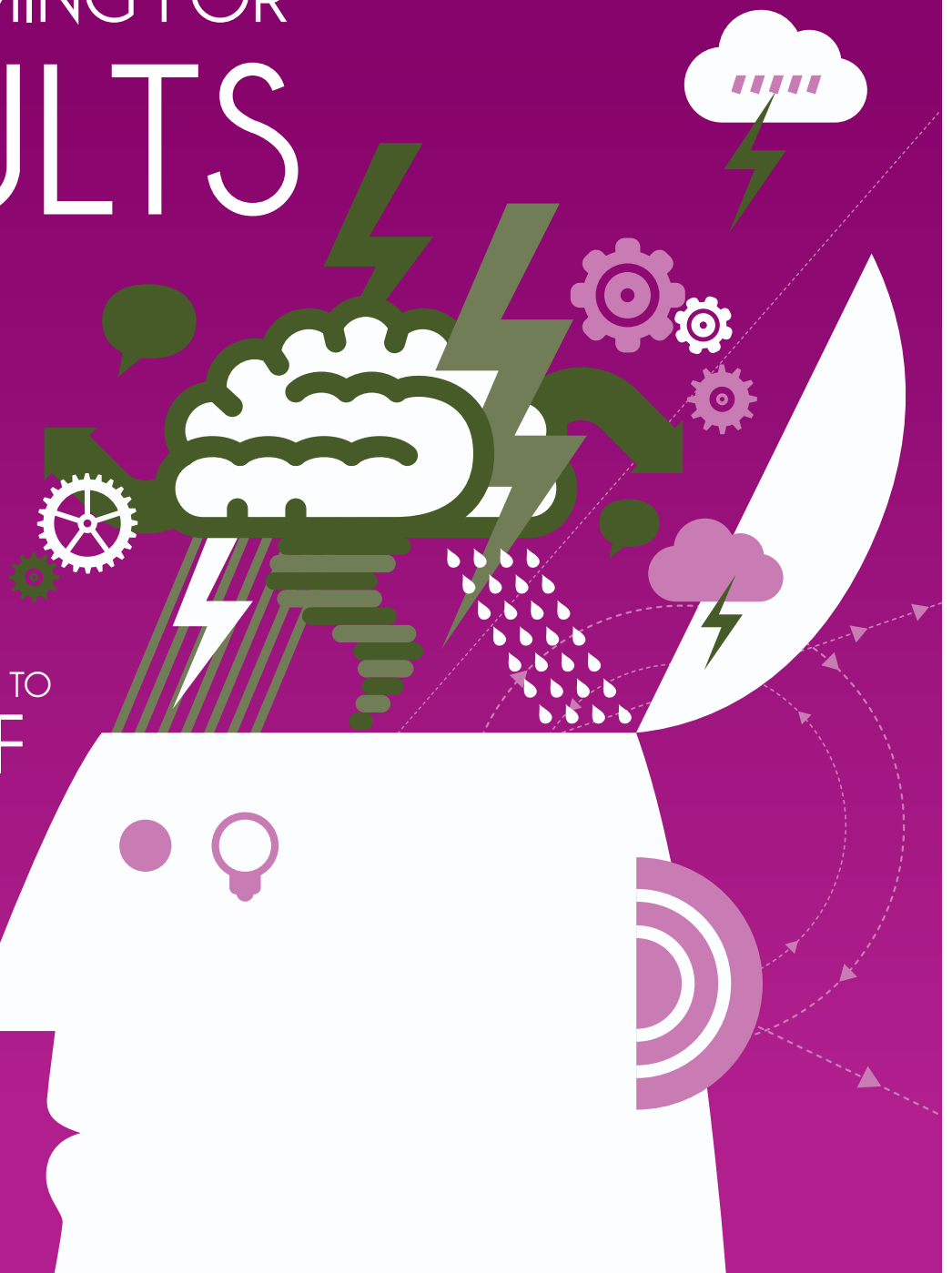
PUBLISHED BY: STEVE PRED A ENTREP COACHING
4870 SADLER ROAD, GLEN ALLEN, VA 23060 | EDITOR: STEVE PRED A

ISSUE 7 | JUNE 2016

BRAINSTORMING FOR RESULTS

HOW GETTING
FIRED
LAUNCHED
MY CAREER

NON-PROFITS SHOULD TRY TO
**GO OUT OF
BUSINESS**





THE WILL TO CREATE
A LEGACY MAY
SUPERCEDE ALL ELSE.

IS YOUR LIFE INSURANCE
PORTFOLIO AS WELL
MANAGED AS YOUR
INVESTMENT PORTFOLIO?

— BCG —
C O M P A N I E S
—

A Member Firm of M Financial Group

Gateway Plaza
800 East Canal Street, Suite 1901
Richmond, Virginia 23219
804.648.0005
www.bcgco.com

YOUR TERMS

COACHING, STRATEGY, SUCCESSION, PHILANTHROPY

AUTHORS



STEVE PREDA

Steve (Istvan) Preda chairs two executive peer groups with Vistage International in the Richmond, Virginia area and he helps CEOs and executives reach the next level of success, autonomy and fulfillment.

Before moving to Richmond in 2012, he had built and sold a leading M&A consulting firm in Central Europe. Steve sat on the boards of several European companies and of IMAP Inc., a global investment-banking network. He started his career with KPMG in London and later ran the PR and Corporate Finance departments of ABN AMRO Bank in Hungary.

He graduated with a Bachelor's degree in accounting and holds professional qualifications from the CFA Institute and the leading Canadian and UK accountancy bodies; and had studied in the Netherlands and Greece. Steve is a licensed investment banker in the United States.

Steve lives with his wife and four children in Glen Allen, Virginia and in his free time blogs, coaches little league soccer and plays tennis. Check out his new podcast, Succession Secrets at <https://soundcloud.com/successionsecrets>



Download the QR Scanner from the App Store or Google Play.



DAVID QUICK

David Quick is a Vistage chair, speaker and Culture Index licensee, in Bloomington Indiana.

After receiving his BS in mathematics from the United States Naval Academy, David served eight years active duty as a Surface Warfare Officer, including deployment during Desert Storm and as an Instructor at the United States Naval Academy.

David has over 20 years of sales and marketing experience in the medical diagnostic marketplace, working for companies including Bayer Corporation, Johnson & Johnson, Boehringer-Mannheim and Roche Diagnostics Corporation; he has broad experience in both small and large companies.

Highlights include: CEO of two early-stage companies, Vivax Medical Corporation and HydroMassage, helping them achieve rapid growth within 6 months. He also served as Executive Vice President of Sales & Marketing of CCS Medical Holdings, Inc. which grew from \$85MM to over \$500MM during a 4 year tenure.

David lives in Bloomington with his wife and two sons.

BRAINSTORMING FOR RESULTS



STEVE PREDA
STEVE@ENTREPCOACHES.COM

The technique of “brainstorming” was invented by Alex Faickney Osborn, the founder of the BBDO Advertising Agency, published in his book: “How to Think Up”, in 1942. Brainstorming means using the brain to storm a problem and to do so “in commando fashion, with each stormer audaciously attacking the same objective”.

Brainstorming is a method for identifying as many unusual solutions to a problem as possible. Pushing the ideas as far as possible. The technique involves defining the problem or idea and coming up with anything related to the topic, no matter how remote the suggestion.

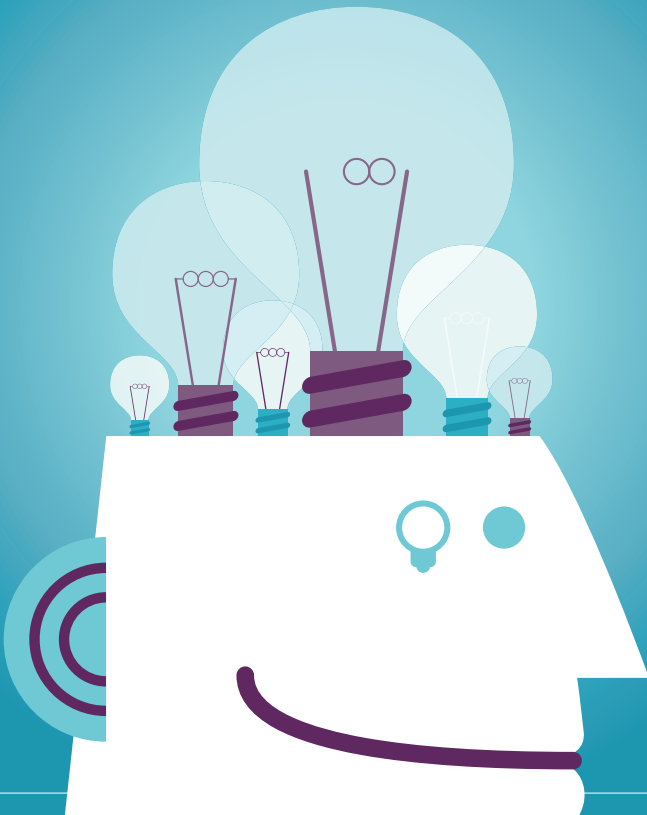
The essence of Osborne’s technique is deferred judgment. It boosts the individual’s capability to synthesize, by releasing it from the analysis mode of thinking. Osborne’s held that “It is easier to tone down a wild idea than to think up a new one”.



Alex Faickney Osborn



Paul Sloane



*It is easier to tone down
a wild idea than to
think up a new one.*

Since thinking up the perfect solution right off the bat is unlikely, Osborne recommended getting every idea out of our head and return to examine each of them afterwards. An idea that may have initially sounded irrelevant may turn out to be plausible with some modifications.

Osborne's step by step guide

1. Define the problem or challenge. Make sure everyone gets it.
2. Set a time limit
3. Everyone shouts out solutions. No criticism is allowed.
4. Select the five best ideas. Get consensus.
5. Write down five "should" criteria on selecting the solution. (eg. "it should be cost effective", "it should be legal")
6. Score each idea 1-5 for each criterion. Add up the scores.
7. Pick the idea with the highest score. Keep track of runners up, if the idea picked turns out not workable.

The two essential ideas of brainstorming is to suspend judgment and go for quantity. Quantity breeds quality. Picasso painted over 20,000 works and Bach composed one work a week. It took Thomas Edison 9000 experiments to invent the electric light.

*Sometimes it is only by producing the many that
we can produce the great...*

VARIATIONS ON BRAINSTORMING

NOMINAL GROUP TECHNIQUE

Participants write down their ideas anonymously and then vote on each idea (distillation). Top ranked ideas are sent back to the group or given to subgroups for further brainstorming. The results of this second round will again be voted on.

GROUP PASSING TECHNIQUE

Each group member jots down an idea and passes the paper to the next person. People then will add to the idea on the paper they received, until each member contributed to each sheet of paper. When the process is complete, the group reads out and discusses the ideas.

TEAM IDEA MAPPING

Each participant brainstorms individually, then all ideas are merged onto one large idea map. The ideas

*Get every idea out of our head
and return to examine each of
them afterwards.*

are consolidated, during which participants gain a common understanding of the issues behind their ideas. New ideas may emerge and are added. Finally, the group prioritizes the ideas and takes action.

DIRECTED BRAINSTORMING

Works similarly to the Group Passing Technique, but prior to brainstorming a set of criteria is established ("solution space") to constrain the ideation process. Sheets are exchanged randomly between participants rather than in a circular session.

GUIDED BRAINSTORMING

Brainstorm individually or as a group under the constraints of perspective and time. Participants are asked to adopt different mindsets for a pre-defined period. The best known version of this method is the Six Thinking Hats system designed by Edward de Bono, where each colored hat represents a different approach (Process, Facts, Feelings, Creativity, Benefits, Cautions).

INDIVIDUAL BRAINSTORMING

The use of brainstorming in solitude. Includes such techniques as free writing, free speaking, word association, and drawing a mind map, which is a visual note taking technique.

QUESTIONS BRAINSTORMING

Also called: "queststorming" involves brainstorming questions to find the underlying problem, before coming up with short term solutions to a surface issue.

ELECTRONIC BRAINSTORMING

Originally developed by the University of Arizona, it can enhance efficiency by allowing participants to simultaneously enter ideas without losing their trains of thoughts while others are talking (blocking).

This technique eliminated other psychological constraints involved in face-to-face meetings, such as conformity, fear of being judged, free-riding (slacking off if others are productive), social matching (adjust productivity to match others). In electronic brainstorming introverts avoided being intimidated by extroverts, who tend to generate more unique and diverse ideas.

SOURCES: Alex Faickney Osborne: *How to Think Up*
www.skymark.com/resources/leaders/osborne.asp
 Paul Sloane: *Quantity Breeds Creativity*
<http://www.lifehack.org/articles/productivity/quantity-aids-creativity.html>
<https://en.wikipedia.org/wiki/Brainstorming>

Coach-Approach Leader of the Month

“NON-PROFITS SHOULD TRY TO GO OUT OF BUSINESS”

MAUREEN DENLEA, NONPROFIT FUNDRAISER



Formerly CEO of The Doorways, Executive Director of Development and External Relations for VCU Massey Cancer Center and CEO of Partnership for the Future.

*In 2009, **Maureen Denlea** founded a consultancy focused on helping small nonprofits create workable development plans to leverage volunteer relationships and operations to their fundraising advantage.*

Her clients have included Operation Healing Forces, J. Sargeant Reynolds Community College, the Peter Paul Development Center and Tricycle Gardens.

YOUR TERMS: *Maureen, how did you succeed as a nonprofit fundraiser?*

MAUREEN DENLEA: Bob Hintz, my first Board chair gave me a \$5,000 donation restricted to developing friends for the organization. He said, “I want you to have lunch with someone every day. We’re not going to survive if we don’t have a robust revenue stream”. At the time, I was the Executive Director. We did not have the funds to hire a development professional.

The people I lunched with were very kind and upfront. They told me what they needed to know and how they wanted to be approached before they considered a gift

to the organization. Those wonderful people taught me the most valuable lesson – to look at fundraising through the eyes of the donors.

From that point on, my conversations with donors took more of a business approach. At the VCU Massey Cancer Center, Morgan Massey, Matt Thompson and Mike Gracik created a campaign case statement that highlighted the business perspective. Alan Kirshner and the Markels did the same with Partnership for the Future.

Now that I think about it, my success is directly attributable to working with really smart people!

YT: *Why did they want to help? Give me some examples.*

MD: Most people are very altruistic. They are willing to help in a variety of ways. The nonprofit sector usually refers to “time, talent and treasure”. As fundraisers, we need to understand how to ask, when to ask and what to ask for. Most people are connected to a cause through their own experiences, illnesses or family.

Over 23 years, I have so many examples. To name just a few:

YT: *How do you attract people to donate to a certain cause?*

MD: Fundraising is about relationships and education. Because there are so many wonderful nonprofits to choose from, each fundraiser must make a compelling case for their particular cause.

YT: *Because there are 100 other causes that they can give to, so why should it be that one?*

MD: It really comes down to education on both sides of the table.

The fundraiser should know the donor. Do not meet with a corporate CEO until you have read the corporation's annual report, studied the website and tried the products.

This creates a level of respect. Then the donor can educate the fundraiser on his/her philanthropic goals and intentions. Once that conversation takes place, a fundraiser can create the match between donor and cause/project.

YT: *If you approached 10 people who would be high net-worth individuals who have done charitable giving in the past, how many of those would speak to you about a certain cause that you embraced at a certain point?*

MD: 9 or even 10.

YT: *Would they talk because of you, or because of the cause?*

MD: Neither. They talk to me because they want to make a difference. These people are interested in their communities. They're intelligent, they're strategic and they are philanthropic.

They want to know about the organization's mission, how successful they are in their work (impact), how they use their funds (effectiveness and financial transparency) and what will they achieve with this philanthropist's money.

In an ideal world, non-profits' would be able to complete their mission and then close their operations. If everyone could read, literacy programs would end. If cancers were cured, we wouldn't need cancer hospitals.

And so on.

YT: *So let's switch gears here. What's the secret of building great relationships?*

MD: Being transparent and telling the truth. Does your organization know where you are, do you know where you're going, and do you know how much that will cost? Are there organizational problems that need to be solved before you can build your capacity? What is your true capacity? Are you spending donor funds appropriately?

Philanthropists like to help a good organization get to the next level. They want to help you achieve your outcomes and enjoy being part of the solution.

YT: *In what form do philanthropists get their return?*

MD: Most people believe philanthropists want their names on buildings. My experience has been the opposite. I believe philanthropists want to help build stronger communities. That simple and that complex.

YT: *If someone wants to be a non-profit success, what's the best way for them?*

MD: There are so many successful people in our field and each is unique. There is no formula. I think each person should find his or her comfort level and then work with passion and determination.

YT: *What does it take to raise money for a non-profit?*

MD: In my opinion, it takes a solid strategy and a planned sequence. One without the other isn't as effective and can end campaigns before the goal is reached.

YT: *What do you Google when you're researching someone? If you wanted to know if the family would be interested in the cause, what do you research?*

MD: Well, I research what other non-profits they give to, family history, schools and colleges attended, just anything that gives you a little more insight. Before I talked to Randy Reynolds, I read a lot about the Reynolds Metals Company history, which is fascinating.

YT: *When you want to interest a potential donor in the project, what do you tell them?*

MD: Most often, I just say, "I'm involved in this project. Is there a time when we can talk about it?" You have to remember, Richmond is very philanthropic.

YT: *Do you sometimes have multiple things in your pocket and pull out the one that's needed?*

MD: Virtually all the time. Every organization has more than one project that needs funding, especially if they are involved with a campaign. No matter how carefully I research, sometimes I miss the mark. Always good to have a second or third option ready.

YT: *How do you size up your donors and determine how much to ask from them?*

Donors are not created equal and keeping the amount flexible allows us to raise a lot more money.

Donors will generally tell you where their comfort level lies. Many times, especially during the Massey Cancer Center campaign, the donors far exceeded my expectations!

YT: *Is there a rule of thumb that what a proudest gift would be, a percentage of the net worth of the person?*

MD: No, at least not for me. Each person is a unique individual and should be treated as such. I know of many proudest gifts that were \$5 and \$10 and others that were in the millions of dollars. The philanthropist is the one who determines the gift that makes them feel proud.

YT: *What has been your proudest achievement as a fundraiser?*

MD: I really can't say one stands out more than another, although certainly Hospital Hospitality House (The Doorways), Partnership for the Future and VCU Massey Cancer Center are among my favorites as full-time positions. I am proud of each for different reasons.

YT: *What job was the most successful?*

MD: VCU Massey Cancer Center was the most successful from a fundraising point of view. I think the success of that campaign had as much to do with a passionate and relentless staff, amazingly talented and hardworking volunteers as with a fabulous mission.

The Doorways was my most successful from a learning curve. Although we had a very small staff, that dedicated and passionate team taught me a whole lot. Together we helped make a home away from home for patients and their families. I serve on the Board of Directors today and am prouder than ever of the organization and its leadership.

YT: *If you were starting over, what mistakes would you want to avoid?*

Mistakes seem to be the way I learn best, so I don't want to avoid them altogether. If I had the chance to start over, I would be more relaxed so I could enjoy the process more.

YT: *What's next for you?*

MD: I am working with Operation Healing Forces, founded by Gary Markel. It is a national non-profit dedicated to serving the needs of our active-duty and recent-veteran wounded, ill, and injured Special Operations Forces (SOF) and their spouses by starting or continuing the process of mentally, physically and emotionally healing in preparation to return to the field or transition successfully into civilian life.

It is truly an honor to be a part of this organization. <http://www.operationhealingforces.org>

YT: *Okay, so what's the question you would have asked yourself?*

MD: Did luck play a part in your career? Yes, it's all been a matter of being in the right place at the right time, or the wrong place at the right time, I don't know but it has all worked out. I have had a wonderful career.



The right people in the right seats

In my 25-year career as a top executive, I have come to believe that great companies are made by a great vision and by great people who can accomplish it.

So what does it take to develop a great vision?

Simon Sinek says it's having a BIG WHY for your company. For Apple's Steve Jobs it was creating beautifully designed and user-friendly products. For Wal-Mart's Sam Walton it was lowering the cost of living for people. An exciting BIG WHY will attract passionate people to join your business.

Unfortunately, I cannot help you create your BIG WHY and a vision that will pull the right people to your company. As a reader of this magazine, I just assume that you already

are a successful business owner or leader, on your way in the vision department.

So how do you select the right people to get on your bus? And more importantly, how will you find the right seats for them?

This, I can help you with. We at Culture Index are experts at checking bus tickets and seat assignments for potential corporate passengers.

Skeptical?

Send me your email address for a 30-day free trial of Culture Index. Give it to your 5 best and worst employees to complete (takes 5–10 minutes) and I will tell you where they should be sitting on the bus (or on the curb).

Call, text or email me today to begin filling the bus of your dream!

David Quick
dquick@cindexinc.com
816.361.7575





Harnessing the Power of Your Herd

ARE YOUR CORE VALUES “CORE”?



DAVID QUICK, CEO
HELPING BULLS THRIVE
IN CHINA SHOPS
DAVID@HELPINGBULLS.COM

The core values of your company dictate how the organization behaves every day and how your team conducts themselves and performs their work. Many organizations leave this undefined. Not spending the time to examine what is “core” to their organization and ensuring each member is aware of and living up to the core values established. Instead, they either completely avoid setting this bar, or they set a vague or generic standard.

Many organizations never define their core values, others have them but do not live by them, and only a small percentage have intentional, meaningful and living-breathing core values, to hire, inspire, and fire.

Core values are part of your company's DNA, whether they are defined or not.

They define what the organization stands for and serve as a set of behaviors, skills, and values that are fundamental, enduring and actionable.

Without defining them and intentionally using them every day, your organization will fall to what behaviors are both reinforced and tolerated.

If core values are defined, understood by all, and lived every day, the organization can perform at a high level, even through times of explosive growth, decline, or crisis.

SIX STEPS TO DISCOVER YOUR COMPANY'S CORE VALUES

Step 1: Create your own master list of exhibited behaviors

This list should not be aspirational or future focused, but instead demonstrated everyday by your best people.

Use a small team to create this list, by simply examining the behavior of your model corporate citizens. What values/behaviors do they exhibit that define the essence of the company or the desired way of being for all?

Make an exhaustive list of the behaviors common to your greatest performers organizationally.

Step 2: Group your values into related groups

Simply go through the list of 20–50 values/behaviors and group these into related themes using common threads or similarities. This can be done on a whiteboard or using post-it notes.

Step 3: Highlight the central theme of each value group

Use your small group to create a common theme or title for each grouping that best describes the behaviors in a single or a few words. Brainstorm these titles a bit to ensure the groupings are distinct and meaningful.

Step 4: Focus on intent

Now comes the hard part. You will still most likely have a large list of values. Ask these questions to pare the list:

- What behaviors/values are critical to your organization?
- What values are you willing to reinforce and stand by?
- What values are unique to your organization?

Whittle away at the list with intent on those values that are unique, that matter most to the organization, and highlight what makes your organization a place talented people will be compelled to join. A final list of 3–5 core values is best.

Step 5: Craft and test the worthiness of your list of core values

Apply some creativity and avoid the single word core values that are generic and ambiguous like “*integrity, accountability, or fun*”. These one-word core values are easier to remember but will not create a distinctive expression of your culture and expected behaviors. Nor will they create an emotional response within the organization.

Putting your values into memorable phrases forces your organization to add its own flavor and more distinctly define the meaning behind each value. Just a few examples from organizations I have worked with:

- *Willing to sweep floors*
- *We kill our own spiders*
- *Focus, Commit, and Deliver*
- *We make each other successful*
- *Spirited (we high five, fist pump, and goose honk)*
- *We each grow as we all grow*

Ask these questions as a test of worthiness for each value:

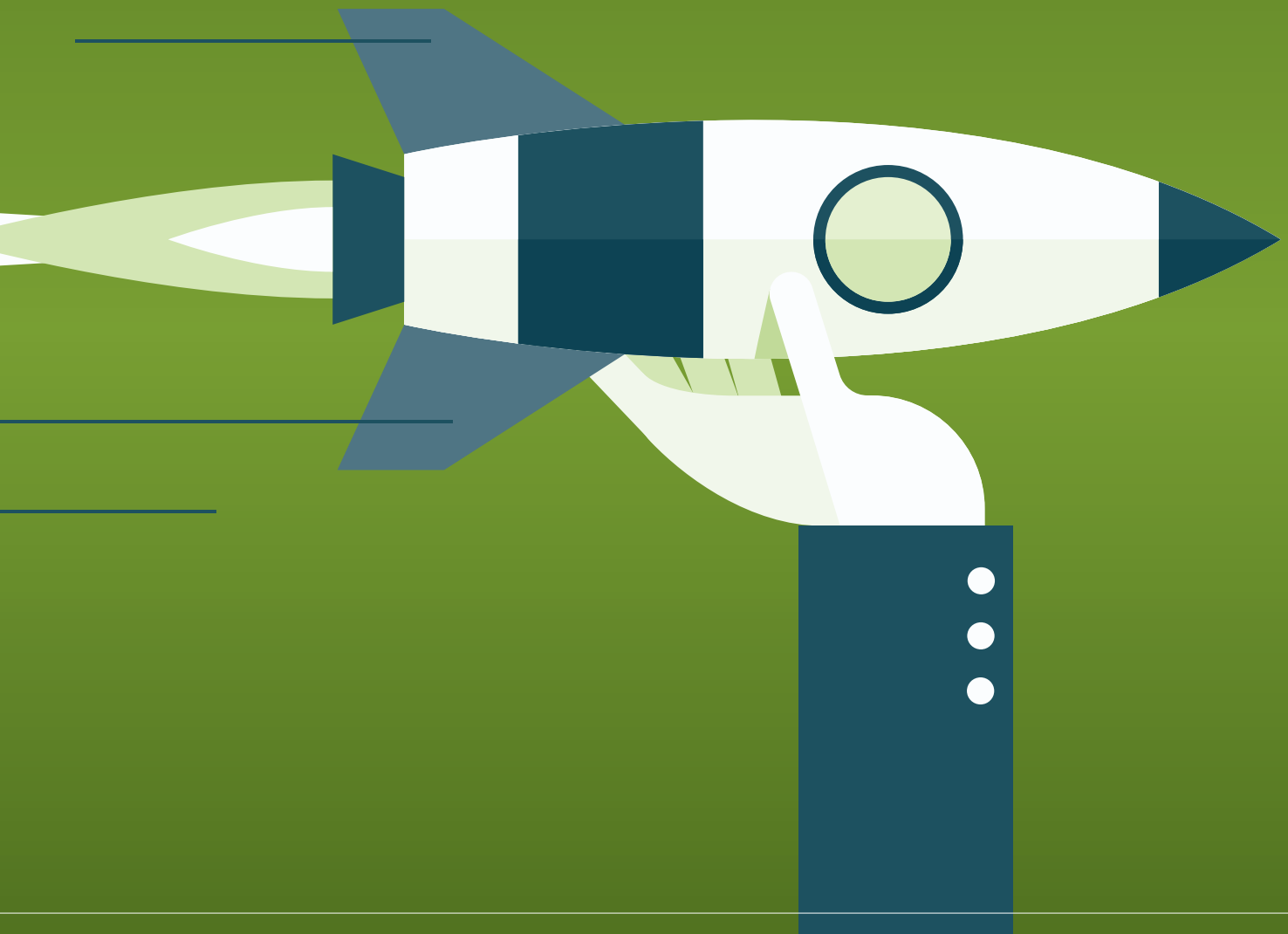
- *Will this value help us make decisions?*
- *Is the value memorable? Will each employee embrace the meaning?*
- *Does the value represent key elements of our culture?*
- *Are the values congruent with the behavior of our leadership team?*
- *Are we willing to defend the value unequivocally? Hire, inspire, and fire?*

Core values are the “core” of your company. Should this “core” be left to chance or crafted and reinforced with intent?

Using this or other processes to create your core values is only the first step. For your core values to have meaning and impact on the organization, you must live your core values every day. By passionately communicating them, you ensure they are known and understood by all. Reinforce them continually, and demonstrate that they are real, by taking action (walking the talk) when inconsistencies crop-up in the course of daily business.

How getting fired

LAUNCHED MY CAREER





STEVE PREDA
STEVE@ENTREPCOACHES.COM

Since my early teens, I had dreamed about becoming an entrepreneur. When I was twelve, I spotted an arbitrage opportunity and bought generic PEZ candy at a kiosk near my school at bulk, and sold it at a 200% mark-up to fellow pupils during recess.

At thirteen, I bought a bunch of Yugoslav-made vinyl LPs during an Adriatic holiday and resold it to friends making a killing. In my late teens, I was planning to open a hamburger stand or a fried bread booth. At nineteen, my friends and I bought toothbrushes and toothpaste from Poland to re-sell them to Budapest drugstores and then reinvested our earnings into a small-time computer parts “importation” operation between Vienna and Budapest.

There were failed ventures too, including being stopped at customs trying to check in a suitcase-full of roll-on deodorants en route to Vietnam... to the horror of my unsuspecting dad, a top heart specialists in Hungary at the time, looking on.

On another occasion, boxes of Cuban cigars smuggled in from a vacation in Havana found no buyers in West Berlin... but it provided fodder for a great story and dry Cohiba-puffs with friends for the next quarter century.

In 1989, when the Berlin Wall crumbled, I designed a modified version of the board game Monopoly, named “Communopoly”, where players were exposed to the confiscation of their property and made losses at every turn of the dice.

The last player staying afloat won. I was going to make a killing selling it in underpasses before the Christmas holidays...

But receiving a scholarship from the Dutch government frustrated my nascent entrepreneurial plans.

The scholarship lead to a job in London and another two in Budapest. For the next thirteen years, I went into the wilderness of working 9 to 5, but more often 5 to 9 jobs.

My restlessness didn't help my career much, as I kept moving from one department to the next, looking for the right opportunity for my talents.

I had no patience, and soon as I learned the job (or even earlier) I moved on, failing to capitalize on my opportunities.

Nevertheless, working in accounting gave me solid grounding in finance, and banking taught me to turn my attention from the numbers of the past to the numbers of the future. At my next stint, I learned to build financial models and draft information memoranda and financial contracts.

When my bid to move back to London to work for the booming Russia Team of the *European Bank for Reconstruction and Development* fell through, I was hired by another international bank to put together project loans.

I started to understand how to serve clients while turning a profit. ABN AMRO Bank was strong in Export Finance and I cobbled a deal together with the Hungarian Eximbank to sell city buses to the Moldova. I had other Eastern European export deals in the works, but the Russian financial crisis of 1998 intervened, closing that market.

I moved on to an unattended niche in the bank where I could stake out my own “intrapreneurial” turf:

corporate bond issues. I hassled a couple of deals together with supranational borrowers who were looking to tap the “Paprika bond” market, issuing their paper in Hungarian currency.

The following year, our bank ran into trouble and a French turnaround specialist, *Bernard Yoncourt* was brought in to salvage the situation. I was already getting antsy in my position and was intrigued when he picked me to run his secretariat and the PR department. By that time I developed a theory that specialist banking jobs were doomed in peripheral countries, like Hungary, and the way to make a career was to move into general management. This seemed like the right type of move.

The next 12 months was a full immersion course in high-level office politics, as the old guard of the bank tried to marginalize the turnaround team and prevent the painful but necessary restructuring of the bank.

McKinsey and two future Ministers of Finance (*Tibor Draskovics* and *Csaba Laszlo*) were hired to help sort out the financial mess our bank got itself into. My first job was to befriend, wine and dine the cream of the crop of the financial journalist community before releasing news that the bank had lost over \$100 million in 1999. We did an ok job and the run on the bank was averted.

A year later, I was on a week-long paternity leave with our first daughter, when the CEO summoned me to the bank for an emergency meeting. We were going to be taken over by a local competitor, ran by strong man *Tibor Rejto*. Our Dutch bank, in contrast, had a relatively flat and informal culture.

The announced “merger” felt like the Russian occupation, for the staff of ABN AMRO Bank.

Mr. Yoncourt’s days were numbered, but he managed to get me appointed as secretary of the mergers committee where I wrote all the minutes. I did my best to influence the process in favor of preserving the ABN AMRO culture, which did not endear me to Mr. Rejto. When one Friday he summoned me to his office and found me wearing chinos, he promptly ordered the decadent custom of “dress-down Fridays” abolished.

Soon after, Mr. Draskovics succeeded Mr. Yoncourt as acting CEO until the merger and rescued me from the “firing squad” and allowed me to parachute to head the bank’s M&A department.

It was one of the last bastions of ABN AMRO culture as the unit was operationally ran by a managing director sitting in London. I soon discovered, however, that

London’s business model will not survive the “new broom” and started repositioning the department to focus on local management buyouts instead of high profile cross border deals that were few and far between. We had a substantial monthly payroll to support and needed a more predictable source of cash flow.

Our team soon landed a few clients, including a mandate to mastermind the hostile takeover of a publically listed plastics manufacturer, Pannonplast, by an upstart entrepreneur, who had fancied becoming the Hungarian “King of Plastics”.

The deal was high-profile and Mr. Rejto took a personal interest in it. When it fell through, however, he promptly fired me together with my similarly “overpaid” deputy.

I was 35 years old and ran out of excuses for not starting my own business. The plush salary I enjoyed and my opportunity cost disappeared overnight. After a few phone calls, I realized that landing a similarly paid job was going to be a challenge which helped me handle my wife’s objections to going solo.

I finally managed to “work” myself out of a job, or at least, to get fired.

Fortunately, I had three projects in the pipeline and each of them agreed to hire me instead of the bank, and I was in business within ten days. Rented an empty apartment from a friend for \$100 a month, overlooking the Danube River in Budapest. A former colleague helped with setting me up with a desktop computer. I was off to the races!!!

EPILOGUE

45 days after my departure, the greatest financial scandal broke out at the bank. A rogue stockbroker, *Attila Kulcsar* built a Madoff-style pyramid scheme, under the personal protection of Mr. Rejto, who was soon forced out. Worse, Mr. Kulcsar allegedly breached the “Chinese wall” separating the M&A department and was illegally profiting from the impending takeover of Pannonplast.

In the meantime, I was on my way to closing my first M&A deal and within six months had made good on my pledge to have each former client move over to my fledgling boutique firm, including the King of Plastics.

SUCCESSION SECRETS

Welcome to the succession secrets podcast, launched at the beginning of May. I since have been sharing my experiences in the trenches as a succession coach. You may listen daily to bite-sized ideas about growing, grooming and graduating from your company or executive position.

The narrow definition of succession is passing the baton as a seller, retiring CEO, or a serial entrepreneur.

The broad definition is to always be in succession mode. Succession, to me, means keeping the learning curve steep and always looking to graduate to the next, higher level of leadership or life-fulfillment position, wherever you are. I don't care if you never want to sell the business, won't retire or will live forever. You need succession nonetheless.

For every organization to grow, there must be upward mobility for the people in it. Your employees will only grow to the extent there is room for them and the good ones will not even join your organization without the prospect for rapid advancement. That means that everyone will have to constantly be thinking about working themselves out of a job and coaching others below them to grow into their jobs.

It also means that if you want to attract talent to your business, you can't avoid dynamically growing your business.

Succession can take many forms. It can be from CEO to board chair, from vice president to managing director or president... From CEO to passive owner or president of a spin-off... From owner to philanthropist, author or speaker. The variations are endless.

As of going to press, the following episodes have been released on iTunes and SoundCloud. Feel free to check them out and please comment the topics on these forums, LinkedIn or Facebook.

- #001 **80-20 to the Rescue** (9:16)
- #004 **Choose Your Own Boss** (5:13)
- #002 **Turning Lemon into Lemonade** (4:07)
- #003 **RVA100** (6:04)
- #005 **How to have a good idea** (6:00)
- #006 **Driving to My Vistage Group** (5:58)
- #007 **The Greatest Gift of Coaching** (5:18)
- #008 **How do you define success** (6:13)
- #009 **Succession in the Broad Sense** (7:22)
- #010 **Vulnerability in Peer Groups** (6:38)
- #011 **Managing the Business Doesn't Make it Your's** (6:53)
- #012 **Are You Good Enough for Vistage?** (9:29)
- #013 **Your Succession is Success** (9:58)
- #014 **Delegate the Right Things** (8:38)
- #015 **How do you Define a Partner** (7:50)
- #016 **What is Your Leverage** (6:29)
- #017 **Healthy Paranoia** (8:42)
- #018 **Execute Against Your Privilege** (6:24)

Your succession is success!

Steve Preda
Podcast host



*Exclusive message from Steve Preda
to the readers of Your Terms...*

“Business-selling Secrets of a Maverick Investment Banker”

*My biggest insights during the 10 years
I ran an investment bank in Central Europe...*

After I sold my firm in 2013, I sat down to compile the most popular articles and blog notes I had penned about the topic and publish it as a small book. This little black book comprises some of the most penetrating insights I gained over a period of twelve years of running MB Partners. I picked these up, while helping business owners of middle market firms prepare their companies for sale and assisting them with exiting their businesses.

I gained these experiences in the small Central European country of Hungary, so you may question the relevance of my stories. But, I have found that people are people... Business owners and leaders are driven by the same desires and fears on both sides of the pond and have similar misconceptions of how their businesses are valued and bought.

So, what did I learn during my hectic and exhilarating ten year roller-coaster ride? – Read this book and find the answers to the following questions, and more:

- Would investors acquire companies just to close them down?
- **How owning real estate will impact the valuation of your business?**
- How do buyers value the know-how and experience of your staff?
- **Will your accumulated working capital boost the value of your business?**
- Can start up founders tap cheap capital by guaranteeing a return?
- **What are the seven pitfalls to avoid when building for sale?**
- What is the “bootstrap trap” and how to avoid it?
- **What are the drawbacks of top line focus?**
- How can your customers acquire a “free option” in your business and how to avoid falling victim to that plight?
- **What is the entrepreneurial “life-cycle” and how does it impact your business?**
- How to determine the ideal timing to sell your business?
- **Where to look for strategic buyers for your company? (A simple brainstorming checklist to find buyers with the highest potential synergies.)**
- The simple secret of finding good buyers (that was thought up by a Nobel laureate chemist.)
- **What types of buyers are interested in small businesses and what are their pros and cons?**

- What to do if there is no buyer for the business? What are the 6 alternative exit strategies.
- **Where can you find online “dating platforms” that generate buyers?**
- What are the opportunities and traps of a “gradual sale”?
- **Why is local management critical to acquirers and how to get them to buy into the process?**
- What to do when you are approached by a “hot buyer”, unprepared?
- **How unsophisticated sellers end up outsmarting professional investors?**
- What is the best strategy for handling capital investment before the sale?
- **What are the ways to grow your business during a recession?**
- What are the 5 drivers of entrepreneurship and how to harness them?
- **How can entrepreneurial investors “out-synergize” strategic buyers?**
- What is the Swell, Sell or Slaughter strategy to creating wealth?
- **What did Aristotle know about selling businesses?**
- How does product development be applied to exit planning?

...and many others.

Can you afford to NOT KNOW the answers to any of these questions? – If your answer is NO, then don't delay and download my FREE book at <http://maverickinvestmentbanker.com>.

Continued success:

Steve Preda

P.S.: But hurry, as I am about to list the book on Amazon and they won't allow me to keep this free option open for long.



RVA100 LAUNCHED!

Finally, the invitation-only networking group of the 100 best entrepreneurs and professionals is live. We had a tremendous event, on May 12th, courtesy of The Frontier Project and Groovin' Gourmet.

Aaron Montgomery, Co-founder and COO of Car Lotz, and Matt Williams, CEO of The Martin Agency, were our keynote speakers. Check out the photographs of RVA100 member Tom Veazey and the roster of the most recently admitted members of the group. Stay tuned for our next meeting coming up in a couple of months!

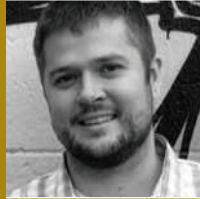


MENTAL HEALTH COUNSELING



DARNELL PARKER

BRANDING CONSULTANT



JESSE RANDALL

TURNAROUND CEO - HEALTHCARE SERVICES



TERESA DIMARCO

MARKET RESEARCHER AND ANALYST



STACY ELSBURY

CHIEF MARKETING OFFICER

KRISTIN
RICHARDSON

WIRELESS DEVICE MANAGEMENT CEO



KAE ZULAGHER

PUBLIC RELATIONS CONSULTANT



LESLIE GRILES

NON-PROFIT FUNDRAISER



MAUREEN DENLEA

PHARMACEUTICAL EXPERT



GRAHAM MYATT

CPA MIDDLE MARKET



GARY THOMPSON

CPA ENTREPRENEURIAL MARKET



FRANK JENKINS

ATTORNEY - FRANCHISE/START-UP/NON-PROFIT

CHRISTOPHER
GATEWOOD

ATTORNEY - INTELLECTUAL PROPERTY



MAYA ECKSTEIN

CATERER

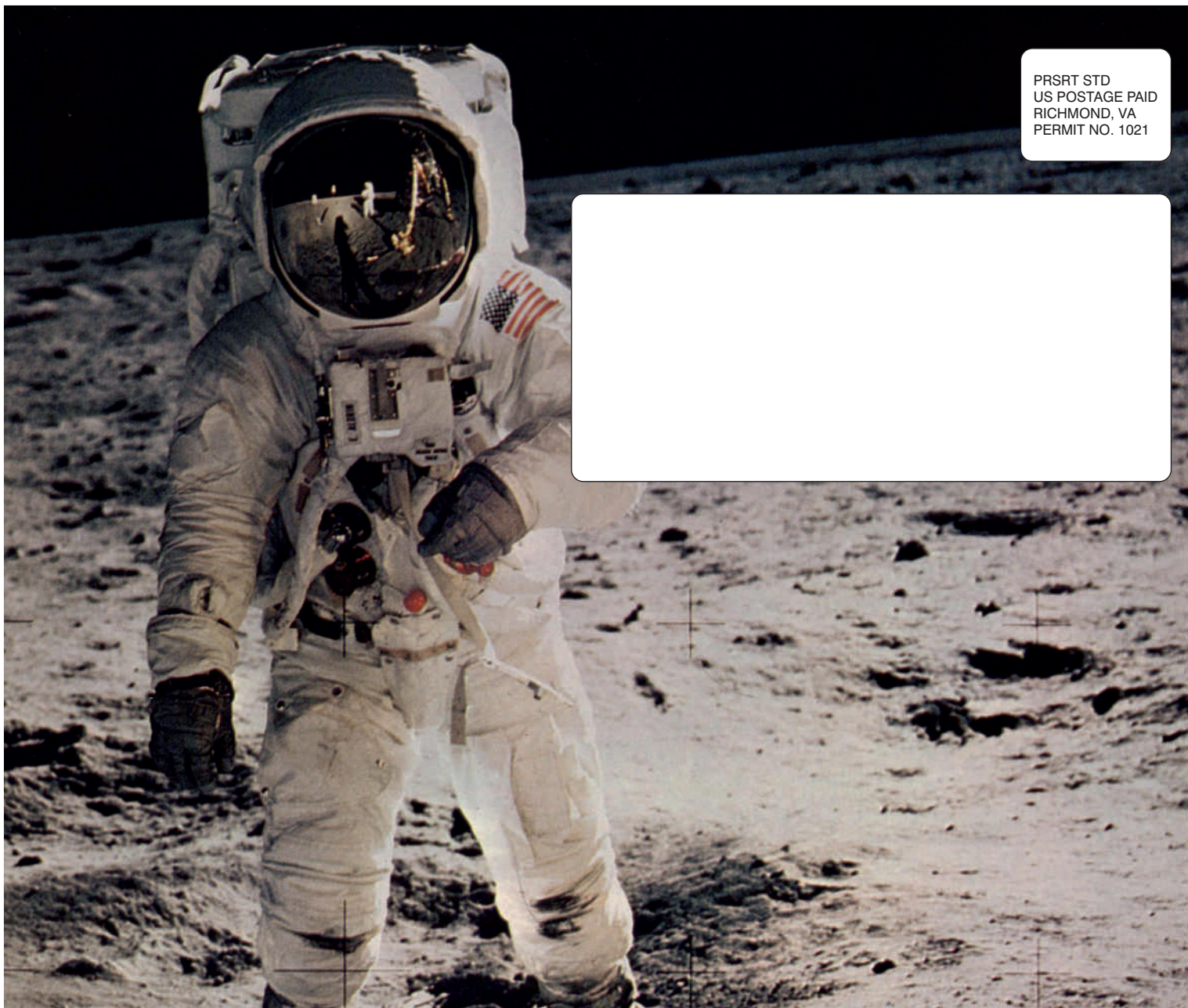


BRANDON BRUCE



Photo: Tom Vazey

PRSRT STD
US POSTAGE PAID
RICHMOND, VA
PERMIT NO. 1021



PUTTING MEN ON THE MOON

"We will put a man on the moon by the end of the decade and return him safely to earth." – proclaimed JFK in 1961. He did not live to see it, but his vision was fulfilled when on July 21, 1969 Neil Armstrong and Buzz Aldrin stepped on the surface of the white planet.

The moon landing was an audacious dream that was realized with a goal and a plan. It stands as living proof that virtually any dream can be materialized with a strong desire, an appropriate plan and people who persist until they get the job done.

Are you a CEO, business owner or executive looking to harness your untapped potential?

CHECK OUT
MY BLOG AT
[HTTP://ENTREPCOACHES.COM/BLOG](http://entrepcoaches.com/blog)



STEVE
PREDA

ENTREP COACHING

STEVE PREDA | STEVE@ENTREPCOACHES.COM | [HTTP://ENTREPCOACHES.COM](http://entrepcoaches.com) | (804) 332 1307