

Chapter 3

A Devil's Dilemma: Do it Yourself or Die Buying

Entrepreneurs need to grow and build their businesses. However, as any expectant mother will tell you, growing and building something new takes very intense energy and resources.

There come a few times early on in the development of a budding business when it must call upon specialized expertise far beyond that which is currently contained in the confines of the startup. Qualified resources are rarely accessible to entrepreneurs. As a result, they are often faced with the choice of "Do it yourself" or "Die buying"!

This post presents a framework for deciding whether an entrepreneur should do it themselves or go to a specialist, while avoiding the "die buying" part of the equation.

Many entrepreneurs have some area of expertise. If you have expertise, by all means APPLY IT to your business. Don't be the like the proverbial shoemaker's son, who is surrounded by shoes, but has none himself.

More often, though, that critical expertise may be missing. Let's consider some examples of when an early stage business might need to consult an outside specialist:

- Rolling out a new product or service
- Developing a new creative campaign or starting some branding efforts
- Creating custom software to help run your business
- Hiring the first employee
- Selling for the first-time, without prior sales experience
- Signing the first client
- Conducting a PR campaign

All of these are potential scenarios where you'll wish you had a "been there, done that" expert to help out.

There are some deciding factors that must be considered before outsourcing a project to a professional and in deciding what kind of professional to outsource to:

- Level of Complexity – If the task has a lot of moving parts, many external parties involved and/or many potential side-effects, then the complexity of the problem may benefit from an

external specialist.

An example of a complex problem might be working a multi-party partnership between a couple of distributors and a specific customer for a new type of product or service. Also, International components to the equation always add complexity, especially when the international parties are cross-cultural.

- Level of Risk – Is the task at hand a “do or die” event? What is the downside of doing it poorly or failing at this task? The higher the risk, the more important outside help will be.

For example, if there is an opportunity to close a big sale, sign a big partner or present in some national PR venue, outside specialists can and should be used to improve your odds for success.

- Level of Existing Expertise – Has the entrepreneur or his/her team tackled this type of project before? How well do they know the domain and all aspects of the problem?

Note that cost is not listed as one of the decision criteria's. If the problem is complex, high risk and outside the entrepreneur's area of expertise, then the entrepreneur must find a way to obtain the help necessary. Later in this blogbook, we'll examine some techniques for obtaining that expertise without breaking the bank.