



A Conversation with Michael Gerber

The small business guru and best-selling author argues that anyone can become an entrepreneur

Over the past 30 years, Michael Gerber, author of best-sellers *The E-Myth Revisited* and *E-Myth Mastery*, has coached and trained thousands of small business owners, finding ways to help them improve and expand their businesses. In his latest book, *Awakening the Entrepreneur Within* (Collins; March, 2008), Gerber argues that anyone can become an entrepreneur and create a successful company, a departure from the conventional wisdom on the question of [whether entrepreneurs are born or made](#) (BusinessWeek, 10/30/06). Using a framework he calls the "Dreaming Room," Gerber identifies four dimensions of the entrepreneurial personality and recommends a pathway to conceive of and develop a small business.

Recently, *BusinessWeek's* [Stacy Perman](#) spoke to Gerber. Edited excerpts of their conversation follow.

There is an ongoing debate whether one is born an entrepreneur or one can be taught to become one. You say pretty much anybody can become a successful entrepreneur. How so?

I believe that every single one of us has the ability to be creative; it is an instinct that we are born with. It is part of our nature that is not very developed. It is my focus to awaken the entrepreneur within every single person that I come into contact with.

I suggest that you can, with focused attention and the intention of actually achieving something. It is what Muhammad Yunus talks about with Grameen Bank and his experience providing microcredit lending to impoverished women throughout the world. It is his vision to awaken the entrepreneur within each and every person, and it is my vision as well. I am doing it. And in the process, the world will be changed.

You talk about the Dreaming Room as a place where future entrepreneurs learn how to create and prepare businesses. What exactly is this?

It is an experiment of mine that I launched in December, 2005. It is like a blank piece of paper where you can begin the process of awakening people to create. That is the whole question of what is missing in all businesses that I have been working with in the past 30 years. True invention and creativity are missing. Where is the entrepreneur who is the "imagineer," who invents things?

Then what is it that entrepreneurs have been doing in launching businesses?

The whole subject of my E-Myth books is that most small businesses are not started by entrepreneurs but by technicians suffering from an entrepreneurial seizure. They create a business that looks like their [old] job: The cook starts a restaurant and the hardware guy starts a hardware business. Each believes that he knows how to do the work and can build a business and that is often a fatal assumption. I see an entrepreneur as the chief designer of a business that works better than any other.

You say the Dreaming Room represents what the entrepreneurial process feels like and looks like while going through it. Is it really possible to learn from this kind of virtual experience, when most would say what separates a real entrepreneur from the pack is that he goes out and does it?

It is absolutely possible, because I've experienced its potential. Everyone has the ability to see clearly how to overcome the kinds of problems that occur to anybody starting a business. I have a 16-step process through which to invent a new business. I'm suggesting anybody could invent the next McDonald's ([MCD](#)) or Starbucks ([SBUX](#)). You can learn from scratch.

Can one learn how to build an enduring business and become an entrepreneur mainly in a classroom?

The vast majority of businesses fail if they don't do it the right way. I'm suggesting you can learn the right way easily and

quickly by overcoming problems people [typically run into] who do it the wrong way.

But what about understanding the market, your core customers, securing capital, preparing financials—those kinds of elements?

Every one of those can be learned.

You say that what is missing in 99% of all business is a clear and compelling dream.

Absolutely. In my experience with small businesses, most don't start with a big idea. They start with a small idea. The big idea for most is to start a small business and go to work and earn a living. They create a small business because the idea is small. It constrains them from larger opportunities. I'm suggesting that if you approach your business in an original way, inventing a business format that can be cloned, you will do just what Ray Kroc did with McDonald's.

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