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E-myth continuation

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E-myth continuation**Chapter 10, 11, 12****Question 1**

In chapter 10, Michael Gerber talks about business development processes, but his advice does not apply to entities who like to control their creativity, like writers and artists. The key takeaway from this chapter is that one should understand their business ventures by scrutinizing the numbers. Figures are what matters as they are the metrics of judging whether the business is solid or not. In addition to that, the key takeaway from chapter 11 is that a business should aim to answer three questions: what the owner values most, what they want their businesses to become in the future, and who do they want to be as entrepreneurs. Finally, in chapter 12, the major takeaway is that a businesses' strategic objective is not its business plan. Instead, Gerber suggests that the business itself should be a mirror of the owner's life plan. In this regard, the business must focus on financial targets identified by metrics like gross revenue and profit margins. Second, the owner must consider whether their idea is valid and worth the effort.

Question 2

Out of the seven distinct program steps, I was drawn to the people strategy. Since not every entity has a People strategy in mind, several justifications are why it is in the company's best interest to develop one. First, by improving the performance of employees, an effective people strategy helps sustain overall business objectives. Most pertinently, it places employees at the center of the entity's vision, which can have long-term positive consequences (Gerber, 1995). Second, providing people the necessary infrastructure and climate they need to thrive motivates individuals to grow. Finally, workers are more willing to improve in areas consistent with

organizational objectives and even improve customer service since they feel empowered by their management and corporate behavior.

Furthermore, productive employees place a high value on the quality of products and services for both customers and the company. They are also attentive to client needs, which adds to higher customer satisfaction. On the other hand, a worker may feel useless or overlooked and is more inclined to leave or perform poorly, resulting in a missed opportunity and unnecessary cost.

Chapter 13, 14, 15

Question 1

In simple terms, a strategic objective, pillar, or goal is a broad statement of intent that serves as a link between an entity's vision and its yearly plans or targets. Strategic objectives are at times termed as micro vision statements since they support the overall vision and success while breaking the operations down into manageable and implementable focal points. In addition to that, Strategic interests are frequently among the most difficult elements of a growth strategy since they serve as a link between the major, bold vision and the performance reviews required to realize it. Strategic goals define the parameters within which one's organization's efforts must be directed. They form the basis for a company's strategic plan's upper layer, expressing what should be focus on to accomplish the sense of purpose and direction. A statement of intent is something to include when developing a strategic objective. To clarify intension, include the answers to these questions when creating a strategic objective: What is doing now, and where will the business be in a certain number of years? What changes are required to get through it? What is the strategy for success? Addressing these central questions will assist an individual in developing clear strategic goals

Question 2

Organizational strategy is no longer limited to large corporations. For instance, if a coffee shop or hospitality company survives and expands, it must plan strategically. An organizational strategy, in its most basic form, is a plan that outlines how a company will set priorities (such as funds, human labor, and stock) to necessary infrastructure, development, advertising, catalog, and other business operations (Gerber, 1995). Strategic planning guides smaller companies. Without such an axis, these businesses find themselves on an unsustainable path. For example, one week, the company may be looking to work toward sustainability, and the next week it may be working towards a transformation. That is a sure-fire recipe for trouble. An organizational strategy, at the very minimum, ensures clarity to a new business. An organizational strategy also identifies your company's priorities. It defines success and demonstrates which activities should come first (and second, and third) to move your company toward that goal.

Question3

According to Michael Gerber, business owners think that their business plan should include hiring highly skilled labor. On the contrary, a business, especially a new one, does not need such individuals. Instead, business owners should invest in systems. By suggesting that the system will become the management strategy, Michel implies that businesses should create solid systems because employees are not permanent. They come and go, but solid systems will be used for years depending on who is managing the business.

A perfect example is a receptionist who falls ill and is unable to come to work. If proper systems are put in place, regardless of the person who is asked to sit at the front desk, the procedures and routine activities are well documented. Anyone can perform the duties of the receptionists. The

management will have to rely on such a system to ensure business continuity even in instances where certain employees are unavailable or decide to quit.

Chapter 16, 17, 18

Question 1

When creating the ideal corporate structure, Gerber makes a pretty bold statement in the E-Myth: the framework will be controlled by individuals with the least amount of skill. The economic model should be designed so that employees require the least degree of intelligence to carry out their expected functions. As per Michael Gerber, it is virtually impossible to generate consistent results in a business that relies on remarkable individuals. I'm afraid I disagree with Gerber's sentiments that business owners should not hire the best talent since they will question everything about a business and how it operates. Gerber's (1995) argument is premised on the industrial age business model, where cheap labor is what people sell. The issue with this model is that since an average employee does production, the market will also accept to pay an average price. However, when skilled employees work on products that are also world-class, they fetch high prices in the market by commanding authority and dominance in the market space.

Question 2

It is never wise to focus on the customer alone while forgetting the vision and mission of a business. Whereas Gerber suggests that we should forget about vision and focus on the customers, this is detrimental to a business. For instance, businesses exist to fulfill customer needs. Similarly, customers drive the activities of these entities. In addition to that, businesses rely on their vision and missions to better meet the customers' expectations, grow and thrive in an ever-competitive environment. In this context, a business that forgets its vision might continue meeting its client's expectations but might not be on the correct track concerning future

growth and development. In this regard, a company's vision should take precedence and it must drive business decisions. In my opinion, businesses should not focus on their vision only but should structure their vision to be customer-centric. Businesses can achieve these positives by hiring employees who share similar visions and goals and not just hiring people who fit the business.

Question 3

Mr. Michael Gerber uses the term system of systems to describe how the three types of systems work. As per Gerber (1995), three types of systems interact in the same environment. They include the information technology systems, the soft and hard systems. The hard systems are lifeless objects like the business's hardware, the physical space or office, the cars, and other inventory that are non-living. The factory and machinery fall in this category. The soft systems are alive and include the innovative ideas that can change periodically and the corporate processes and procedures that outline the daily activities. In addition to that, the information systems provide the linkage for and offer information regarding the interaction between the other systems. According to Michael Gerber, a business that focuses on weaving these systems will create systems that work seamlessly to produce the desired business outcome. Also, one can modify individual components in each of the systems, provided the effects on the other two systems are considered.

E-myth Conclusion

Question 1: A letter to Sarah Summary

The letter to Sarah is a rallying call to humanity that is still searching for purpose and meaning, and something to believe in after all. Humanity should have learned crucial lessons in the twentieth century but chose not to care. In this regard, humans are fundamentally

disassociated to the extent that they cannot see the true meaning in their actions, attitudes and beliefs. That does not mean that humanity does not care about anything. People care about their safety, money, sports, and protection. However, compared to fifty years back, the things people care about currently are insignificant. People lack seriousness in the 21st century and even values are considered commodities that can be acquired depending on the amount one is willing to write on a check. Humans need self-administered shock therapy to wake up from their sleep. The lack of seriousness is driven by the entrepreneurship spirit that everyone has in them, pushing them on a business creation journey. However, entrepreneurship is riddled with mystery, surprise and constant engagement. A person who chooses this path must guard it with their life and ensure that their ventures thrive. More importantly, entrepreneurs should not embrace comfort.

Question2:

Having read the entire chapters of the E-myth by Gerber (1995), it is worth the time and energy. As someone who plans to venture into self-employment in the future, Michael's words have sunk in me. I was not aware of the conflict between a technician, entrepreneur, and manager because I lacked the proper framework to understand how the three persons can exist together. Anyone self-employed or wishing to be self-employed should consider reading this book to help them deal with some inner turmoil that can exist at one point in their entrepreneurship life. A few ideas, such as imagining your company as a brand to standardizing systems, yield consistent results that can aid business owners in improving their fortunes. The book's era is evident that E-Myth excludes the fact that a company is in the wrong industry and thus cannot endure. I believe it is better to create a business rapidly that fails quickly or responds to consumer preferences and economic forces in today's world. I can't entirely agree with the assertion that you can't recruit the best people. Gerber overuses the McDonald's illustration.

While McDonald's is a massive success in its sector, a comparatively tiny internet-based company can rise with just a few skilled engineers.

Reference

Gerber, M. E. (1995). *The E-Myth Revisited Why Most Small Businesses Don't Work and What to Do About It*. HarperCollins Publishers Ltd. ISBN 9780887307287

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