

## *Develop Your Skills*

*Do you see a man skilled in his work? He will serve before kings; he will not serve before obscure men. – King Solomon (Pr 22:29)*

Human beings—even the animals for that matter—have always had to compete for the limited resources available to them. As much as we would like for there to be plenty of good things to go around on the planet Earth, this has never been the case. Depending on where they lived, people and animals faced shortages of water, food, good weather, etc. Animals could improve their lot by adapting to their environments with better eyesight, sharper claws, thicker fur, etc.

Once civilization had emerged, human beings could improve their lot by developing skills that they could offer to others for payment. Farmers could offer produce for sale in the market, metal workers could sell tools, and healers could offer their services to the sick. The modern world is really no different. People must offer some skill for sale in the job market. Skills that are easy to learn don't pay very much, whereas skills that are difficult to learn, requiring many years of study and training, usually pay more.

There are, nonetheless, some skills that may take many years to learn but that still don't pay very much. Becoming an expert musician is difficult and takes a long time, but unfortunately most people who pursue this career won't make very much money. Of course, some musicians are fortunate enough to become rock stars and can make millions. But these are only an exceptional few among many others who attempt to achieve this goal. Most aspiring rock stars will only end up as music teachers.

Sadly, our society often celebrates those who are able to rocket to financial success without following the long and arduous pathway of skill development. People want to become rockstars, movie stars, win the lottery, or invent a new product that becomes an instant sensation. But even those who achieve financial success by such means often see their fortunes fade away as quickly as they appeared. There are countless stories of former movie or television stars who ended up in poverty, or lottery winners who quickly burned through their millions and became worse off financially than they were before.

As much as we would all like to stumble upon sudden riches, we will fare much better if we expend our energy to develop the skills that employers will reward. This may mean learning how to do things that are difficult or complex, but we should bear in mind that the harder it is to develop a skill, the less competition we will have when we offer it to the job market.

Developing a high level of proficiency in a lucrative trade is often enough to provide a good standard of living and generate surplus funds that can be set aside as savings. Many will be content to utilize their skills in a stable career working for the public or the private sector. Others may be inclined to strike out on their own by launching a new business enterprise. Starting a business should be a natural progression from working for many years within a particular field, as expressed so eloquently by Abraham Lincoln: “The prudent, penniless beginner in the world labors for wages for a while, saves a surplus with which to buy tools or land for himself for another while, and at length hires a new beginner to help him. This is the just and generous and prosperous system which opens the way to all, gives hope to all, and consequently energy and progress and improvement of conditions to all.” Technical knowledge, as well as familiarity with costs, suppliers, and markets can be leveraged to form a new venture that will have a reasonable chance of success. But without this knowledge and experience, starting a business is a very risky endeavor.

One of the reasons that new businesses fail—and about eighty percent of them do—is that the entrepreneur is launching into unknown territory. Many people come up with great new ideas and spend lots of money trying to get them off the ground, but in the end they fail. There is a vast chasm that must be crossed to move from invention to commercialization, and the amount of money required to make the journey can be astronomical. All too often, entrepreneurs are willing to use their hard-earned savings for this purpose. When that is not enough, they seek out funds from family and friends. Sadly, all of this money is usually lost.

Venture capitalists know all too well how difficult it is to launch a successful business, and they are ruthless in the demands they make in exchange for funding. They normally look at hundreds of business plans during the course of a year. These are not plans for new enterprises, but expansion plans for existing businesses that are already making money. Anyone seeking their funding must present an elaborate plan that presents a sound strategy for production, operations, and marketing. Usually, an entrepreneur will have to give up legal control of his business if he fails to meet certain milestones.

Typical venture capital firms will narrow their list of candidates who will receive funding to about a dozen. Of these, they only expect one or two to succeed. If the people who make it their living to evaluate businesses have such a high failure rate, the average person who becomes captivated by a new idea will certainly have the odds stacked against him. The only way to gain a reasonable level of assurance in any new venture will be to have a foundation built by many years of working within a field.

There are certainly a few people who have been able to make millions by launching out into something new. These are the stories that are picked up by

promoters and touted at seminars. But the chances of anyone successfully imitating them are exceedingly slim. Burning through your savings (and that of your family and friends) to finance a new business idea can easily end in disaster. The only sound way to start a business is to move slowly and methodically, with limited amounts of capital until the concept is proven.