



democracy

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## DISCUSSION & REVIEW QUESTIONS:

- Mr. Will begins the video by stating that, "...America's culture is as important to the nation's health as American politics." What is America's culture? What are some other 'cultural ingredients' beside sports? Exactly how does America's culture relate to and contribute to the nation's health?
- Later, Mr. Will points out that, "...democracy celebrates ordinary people." What do you think he means by 'celebrates ordinary people?' In what ways do you think that democracy 'celebrates ordinary people?'
- When highlighting another correlation between baseball and democracy, Mr. Will explains that, "...these numbers make baseball a game that embraces what a free society requires--personal accountability." What does the principle of 'personal accountability' encompass? Why, exactly, does a free society require personal accountability- in other words, why couldn't a free society be possible without personal responsibility?
- Mr. Will offers us another insight into the relationship between baseball and America when he says, "From the beginning of April to the end of October, the bad bounces and lucky hits even out. Which means baseball is what America aspires to be--a real meritocracy." What do you think Mr. Will means by 'real meritocracy?' In what ways does America aspire to be a meritocracy? Do you think that America should aspire to be a meritocracy? Why or why not?
- Towards the end of the video, Mr. Will shares with us that, "Baseball also is, as America is, about both individualism--and cooperation." In what way is America about both individualism and cooperation? Do you agree with Mr. Will that it so clearly and broadly reflects America's values that baseball, in particular, should have the honor of being known as 'America's pastime?' If yes, why? If no, why not... and what should America's pastime be instead of baseball?

## EXTEND THE LEARNING:

### CASE STUDY: Business Failure

INSTRUCTIONS: Read the article "Five Reasons 8 Out Of 10 Businesses Fail," then answer the questions that follow.

- How many entrepreneurs who start a business fail within the first 18 months? Why do they fail?
- Mr. Will states in the video that, "A free society like America is a place where people are free to strive--and hence are free to fail. There is a lot of failure in America--most new business ventures fail--and baseball is a game of constant failure. A player who bats .300 is a star--but a star who fails to get a hit 70 percent of the time." So why do you think so many people attempt to start businesses anyways? Why is freedom so important to failure (and/or success)?
- Why do you think that freedom to fail is valued in America? How can failing be good for an entrepreneur? What advice on failing does the author of the article give toward the end?



# QUIZ

## BASEBALL: AS UNIQUE AS AMERICA

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1. **America is a place where people are free to strive—and hence are free to fail.**
  - a. True
  - b. False
  
2. **Baseball is a \_\_\_\_\_.**
  - a. Boring sport
  - b. Real democracy
  - c. Real meritocracy
  - d. Rigged game
  
3. **How is baseball, in one regard, better than the rest of America?**
  - a. There is nothing about baseball that is better than America.
  - b. Everyone gets a trophy.
  - c. Three strikes and you get to first base.
  - d. Three strikes and you're out.
  
4. **What is one democratic lesson that baseball teaches?**
  - a. No one gets everything he wants.
  - b. One person holds all the power.
  - c. The best players pay the most taxes.
  - d. It is necessary to level the playing field.
  
5. **A baseball team that wins 10 out of every 20 games is mediocre. A team that wins 11 out of 20 games \_\_\_\_\_.**
  - a. Is also a mediocre team
  - b. Has no notable effect on the post-season
  - c. Has a good chance of playing in the post-season
  - d. Will most definitely play in the post-season



# QUIZ - ANSWER KEY

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<http://www.forbes.com/sites/ericwagner/2013/09/12/five-reasons-8-out-of-10-businesses-fail/#6d4ba0345e3c>

[Entrepreneurs](#)

[The Little Black Book of Billionaire Secrets](#)

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# Five Reasons 8 Out Of 10 Businesses Fail

[Eric T. Wagner](#)

Contributor

I write about the secrets of startups and entrepreneurs.

Breaks my heart.

According to [Bloomberg](#), 8 out of 10 entrepreneurs who start businesses fail within the first 18 months. A whopping 80% crash and burn.

But why? What can we learn from the colossal amount of failure with small business that we can apply to our own business aspirations?

In my 30 plus years as a serial (yes – hate that word too) entrepreneur, and through my exposure to thousands of entrepreneurs via my company Mighty Wise Media, I have seen plenty.

And yes, at surface level the primary reason businesses fail is they simply run out of cash.

But trust me — the cracks in the foundation start well before the brutal day of financial collapse.

Thus I give you 5 reasons for failure and more importantly, what you can do to avoid it happening to you:

## **Reason #1: Not really in touch with customers through deep dialogue.**

An amazing thing happens when an entrepreneur sees a potential opportunity in the market, or dreams up a new idea for a product/service: they retreat to a cave.

In my experience, this is the worst move an entrepreneur can make because complete understanding of your customer is imperative to your success. Listen — in my mind entrepreneurs must walk 1,000 miles in the shoes of their customers. Not 10. Not 100. One thousand.

Your customer holds the key to your success deep in their pain, behavior, dreams, values and the jobs they are trying to accomplish.

**Your Solution:** In 1999, [four smart guys wrote a book](#) called '[The Cluetrain Manifesto](#)'. Although the book is a tough read in my opinion, there is one silver bullet piece of wisdom shouting from the pages.

*Markets are conversations.*

Dialogue is key. And 140 character tweets don't count. Real dialogue with real customers (via whatever channel is best for *them*).

Nathan Furr and Paul Ahlstrom, co-authors of the book '[Nail It, Then Scale It](#)', said it best:

Which would you rather do — talk to customers now and find out you were wrong or talk to customers a year and thousands of dollars down the road and still find out you were wrong?"

## **Reason #2: No real differentiation in the market (read: lack of unique value propositions)**

Entrepreneur.com just put out a story entitled "[Why Everyone Will Have To Become An Entrepreneur](#)". If this holds true (and I think it will), instead of your competition being 5,000 other Tom, Dick and Harrys, it will soon be 50,000 of these guys.

Meaning? Plenty of noise and chaos for those without uniqueness fighting for the bottom scraps. Most times this is a slow killer of businesses. Barely hanging on, entrepreneurs with some customers and some revenue skimp along for months or even years. Every painful inch wondering to themselves if this is all there really is.

**Your Solution:** First, agree with me right now this is a core element which must be addressed. Entrepreneurs who take this lightly end up in trouble. Grab a tool like [Alex Osterwalder's 'Value Proposition Canvas'](#), stick it on your wall and work it. Dig in. Figure out the true value you bring to the table which is unique and different than others in the marketplace.

For example, if you read my stuff you'll immediately notice I write different than others. It's not the same. You may or may not like the writing style, but it is unique. It sets me apart from other writers on Forbes and thus, it's one of my personal UVPs.

Now go uncover yours.

## **Reason #3: Failure to communicate value propositions in clear, concise and compelling fashion.**

Next up is the debilitating disease called 'failure to communicate'. For those old enough to remember the classic 1967 Paul Newman movie '[Cool Hand Luke](#)', seared on the brain is a key line spoken by the prison warden to Newman who plays the maddeningly defiant inmate named Luke. "*What we have here is a failure to communicate...*", upon which Newman is shot in the neck and on his way to exsanguination (aka bleeding to death).

Many entrepreneurs work hard to discover a point of differentiation then blow it because they do not communicate their message in a clear, concise and compelling manner. I watch many entrepreneurs bleed to death through their failure to communicate.

**Your Solution:** It's pretty simple. Learn how to communicate better. Again, I reference point #1 above. If an entrepreneur is truly engaged in conversation (read: dialogue, not monologue), then you'll learn the language of your customer. If they speak Russian, then please stop trying to speak French to them. Listen to the words they use and then use them right back at them. Do so through focus on these 3 points:

- Be clear (are your customers unclear about who you are and what value you bring to them?).
- Be concise (are you somewhat clear but go on and on and on in your messaging?).

- Be compelling (do the words you use persuade your customers to take the action you want them to?)

## **Reason #4: Leadership breakdown at the top (yes — founder dysfunction).**

You see it all the time in the media. Right off the deep end goes another athlete with unbelievable talent. Painful to watch the self-sabotage of the likes of a Lance Armstrong, Mike Tyson or Aaron Hernandez, all of which fell short from truly remarkable success because of their poor decisions.

Now startup entrepreneurs who go down hard might not have their names splashed across the headlines of tomorrow's New York Post, but I submit to you their reason for failure is sometimes the same. Self-sabotage through extremely poor decision making and weak leadership skills.

**Your Solution:** Wake up to realize it's your baby. You're the founder. Which makes you the leader. Matters not if you're a business of one, or 1,000. Lack the ability to strongly relate with people? Gain the skills necessary to do so. Struggle with anger issues? Solve it with anger management. Entrepreneurs who succeed spend time with personal development. I have never once met an angel or venture capital investor who doesn't investigate the character of a founder and his/her team before whipping out their checkbook. It still amazes me how many business owners who actually have good ideas with the ability to execute them — crash and burn because of their own dysfunction.

Please don't be one of them.

## **Reason #5: Inability to nail a profitable business model with proven revenue streams.**

In the end, this is the sum total. Fail to accurately achieve product/market fit where money gets made, and you're sunk. Entrepreneurs can actually have each of the four above reasons solved, but still miss the business model boat. Twitter is a perfect example of this ([although 2013 may be the year they finally turn black in the profit/loss column](#)).

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**Your Solution:** Startups need to move swiftly without spending tons of cash to figure out their secret sauce. Using tools and methodologies such as Minimum Viable Products, Lean Marketing and Experimentation is critical.

A perfect example of this comes from Tony Hsieh's book '[Delivering Happiness](#)', wherein he describes the early days of [Zappos](#). He and his co-founders weren't even sure back in the late 90's that people would dare order shoes over the Internet. So they ran a quick test: Up goes a website with shoe images taken from manufacturers' websites, some buy now buttons and watch to see what happens.

Cha-ching. Order comes through, one of the guys sprints to the local shoe store, buys the requested shoes at full retail, and then scurries home to ship them out. Did they lose money on every pair of shoes shipped? Yes they did. But did they quickly ascertain whether they had a potentially viable business idea? Yes again. All with zero inventory or fulfillment capabilities.

Think and move quickly, 'fail fast' if you're going to fail at all, and nail your business model.

Otherwise, you're in the 80% bracket my friend.