

Jay Abraham

101

Transcript of the Introduction by Jay Abraham
at the August 2-5, 2001 PEQ Program

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Jay: I'm delighted and impressed by the broad spectrum of types of individuals and companies represented here. Anybody who's ever been exposed to my body of work, which is hopefully all of you, and knows how we conducted seminars (and) training programs in the past will be in for a very stimulating treat. This is going to be totally different than about any event I have ever conducted – different in two very critical and very important areas.

Number one – the format it's going to address is going to be very integrated, very sequential, very systematic, very procedurally oriented.

Number two – it's objective is totally different than any program that I have ever held, in that all the past programs I've held have been designed, basically, to open your mind to broad strategic awareness; to present you with a potpourri, a panoply of choices, alternatives, possibilities... in hopes that you would choose the combination that was most appealing to you, incorporate them into your enterprise, and have at it and decimate and dominate your marketplace. In reality, what has happened, and what has precipitated this program is an interesting phenomenon. Out of the 200,000 companies around the world that have been exposed to my body of work, about 10,000 that I know of did something with it, and generated something in the vicinity of \$5.5 or \$6 billion (when I stopped counting about five years ago) in increases – profit increases, revenue improvements – and it doesn't translate to the multiples of that in asset value.

However, a vast majority of those people accepted a fraction of the results that the power of what I was trying to teach them produced, or could produce. They didn't really know how to systematically integrate and systematize and strategically, really, forge an operating system that would sustain and generate for them continuous improvements, both incrementally in all their areas, but what I focus on is exponential, geometric-type growth.

And over the last few years I've been troubled. Most of you who have been loyal clients of mine (and I hope that's the vast majority) know that I toy around with things, but I've done virtually no major training programs other than an Internet program that I did, frankly, for my own awareness because I couldn't comprehend the models everybody said were viable on the Internet and turned out not to be. And I wanted to bring the supposed top experts in the field together and listened to them, and advocate and champion what I thought you would want to know. And I wanted to learn from them, and it was pretty neat.

But since then I've done very little because I've been trying to figure out the missing link – the piece of the puzzle that wasn't really there for you. And I realized a couple of things. I am very proud of the philosophical, of the strategic, and of the economic impact I've had on companies for the last 15 or 20 years. I think I've changed mindsets. I've changed operating philosophies. I've changed the levels of fulfillment, impact and dominance of tons and tons of companies. But I don't think I've ever been, by my nature, tightly systems-oriented, procedures-oriented, process-oriented. I've been basically – I've always been somebody they call in to make the big changes... to come up with the breakthroughs... to look at everything in a non-linear mindset. And I always try to translate and teach the same kinds of mindset thinking to everybody that I've ever trained. I'm proud of it, but I think that I've made it difficult for you to really maximize or optimize the real power, the profitability, and the preemptive advantages in the body of my past works, because I didn't give you a system to put it through – an operating system.

So I've been struggling and struggling with that, and I've been struggling with some other frustrations that – you get to a point of doing something all your life, you get tired of it, and you start trying to evolve yourself to higher and more powerful leverage, intellectually and transactionally. You want to look at what really works better. Where is there more power? Where is there more performance in things?

And so I started struggling with a concept that I evolved called the PEQ, and it's a corollary, which is called the QPE. And it's basically – it stands for basically, Performance Enhancement Quotient, or Quantum Performance Equation. And I started saying, "Well, what is it about a business that could instantaneously get them a lot more performance? What is it about a business that would get them extraordinarily greater results for the same effort...the same investment... the same time... the same people, etc., etc." And I started struggling with it.

And about that time I had had a relationship with the gentleman to my left. And we'd been impressed by a number of the products that he'd sold, and I'd sold them to my marketplace successfully – very successfully. And I started having discussion with him, because I went through a three year sabbatical where I started working very ardently, and meeting and interacting with all kinds of top people in all kinds of disciplines – from multivariable testing to psychological and sociological profile. I know the buying habits and the attitudinal mores of different consumers in different environments. Because I wanted to learn what in the heck was working today... what in the heck was the dynamic that drove today's new marketplace, mindset, etc., etc.

And Chet and I started really talking a lot. And Chet is a very brilliant guy in his discipline. He's a very strategic-minded person, but his even stronger suit is figuring out the systems, the process, the procedures that drive, sustain, maintain and replicate a system so that it can grow and become what I think is missing in most entrepreneurial companies. And part of the process of awareness that I went through was recognizing the difference between what made a Fortune 1000-type company great, grow, sustain, endure – and what was, not necessarily wrong, but what was lacking in the smaller and medium-sized companies that I had worked with, that I had looked at.

And the couple of things that came to mind, as I was having these dialogues with Chet, were that, #1, a Fortune 1000 company sees their business as an enduring asset. They see it as an institution. They see the people involved as being very valuable, but they see the *functions* being more valuable. They see it being a system that is replicated, sustained, perpetuated. Most – not all, but most entrepreneurs tend to be reactive, non-strategic, they are systematic in the way they stock or buy their inventory. They are systematic, to some degree, in the way they come in in the morning and turn on the lights, and turn the register on, and at the end of the day do a reading, or if they're a retailer, whatever they do procedure-wise. They are absolutely, by and large, (no disrespect intended if you're not this way) they are not systematic. And they are absolutely anti-strategic in the way they market, and the way they generate revenue and sustain or don't sustain. They tend to be intermittent. They tend to be promotion. They tend to be reactive. They tend to be non-strategic. They're tactical.

And in trying to figure – they also, most of the entrepreneurial companies that I've looked at are set up as lifestyle service for the owner. It's designed to sustain and pay your lifestyle and fulfill your standard of living. It's not designed to be an asset that grows and thrives

and survives, and ends up being worth a lot more to you when you're tired of it, or when you want to retire, than it is when you're there. And I thought that was really tragic.

So Chet and I started spending a lot of time over the last couple of years trying to talk about how I could fill an unintended void that I think I may have totally unintentionally created in trying to really transform the entrepreneurial high performers in the world, because I never gave you this system. We started saying, "How could we combine the two of us?" Chet said, "Jay, I've talked to a lot of the Abraham-trained people. They love you. Their minds are stretched. Their spirits are animated. Their sense of possibility is great. They've got really great chunks of strategic insight, but they don't know how to put it together. They can't figure it out. They grope, and they find a few techniques that they'll apply. And they've got windfalls, but they don't know how to turn windfalls into ongoing, sustaining, perpetuated revenue streams that will grow and thrive for them." And he said, "I know how to do that."

And we started experimenting. And we experimented on a number of different, collaborative manners. And the first thing we did was we took out a bunch of small companies, and worked with them for a couple of days on a weekend. And then we gave them my breakthroughs, my sweeping, non-linear breakthroughs, coupled with Chet's take on the breakthroughs, but Chet's developing their system and strategy. And every one of them that followed our recommendations has and is soaring, or is poised for explosive growth.

Then we took four – not huge companies, but companies in the \$5-10 million range and worked with them on a more sustaining basis using a more sophisticated version of this collaborative process – me coming up with the breakthroughs, Chet refining them, but also coming up with the processes, the policies, the procedures, the systematic approach, the discipline and perpetual operating philosophies that would govern the real sustaining of this enterprise into an asset that would endure and thrive. And our goal was to get them to be able to dominate their market.

And we've got great, great, great successes to report, where everyone that's really followed the plan – and the plan has been easy to follow, because it's been very integrated, very pragmatic... the opposite, probably, of what I've taught you. Although my intent was to give you a real simple plan. They're in the biggest months of their careers in business now, in a very difficult time.

And we said, "That's powerful. Let's try to take what we've learned in our collaborative result and turn it into a program that would be a mindblower for companies who really were either at the point that they knew they couldn't get past an impasse – or smaller companies that wanted to really be large, or large companies that wanted to be giants." And we came up with this concept of the PEQ Process.

The whole purpose of this is the opposite of the typical programs that were data-dumps in the past. What we're going to do in the next four days is very exciting. I'm going to give you a very quick reminder of the key elements that I've always stood for, just so that they are indelibly embedded in your mind. We are going to systematically, then, go through a process, going from strategic revision and refinement, to tactical understanding. And we're going to construct the systems, the policies, the procedures. We're going to work on twelve core competencies that unless you can master them, refine them, define them, and systematically integrate them as

ongoing policies, procedures and operating systems in your business, you'll never have a shot at getting where I think you deserve to get, or deserve to be.

I have a very simple philosophy on life. You shouldn't steal from yourself. If you're going to get up in the morning... if you're going to commit your life to an enterprise, your wealth creation, the security and the financial well-being and future of your family... if other people are going to commit their lives - your staff, your team, your employees, your vendors - to you... you owe it to yourself and to everyone else who I'll call, for lack of a better word, a stakeholder to get the highest and best sustaining result to optimize... to never accept a fraction of the yield when in the same effort or less... the same people or less... the same time or less... the same capital or less... the same opportunity cost or less... can deliver so much more to you currently, and compound it, and perpetually -

But you obviously know that, but you don't know how to get there. And that's what we're going to do today. Rather than going through a long litany, all I will say to you now is I'm going to go through about a 15-minute review of what I'm all about, just so it's there.

Chet and I are different. I'm basically here to do two things. Chet's going to walk you through, over the next 3 _ days, the key core competencies. In between that, I'm going to basically distinguish key connectors or bridges that are invaluable essential for you to know. I'm going to - after Chet does a session with you, I'm going to do what I do best, which is basically slice it, dice it, probe it, penetrate it, CAT scan analyze it, assail it in a constructive way from every vantage point possible, and put spin on it so that I can then come back to you with the kind of spins that I think will animate your spirit, move you to the kind of passionate action and commitment I think is necessary for you guys to be able to really harvest what's possible.

Point of reference: there's a good case for thinking the economy could be in a real precarious position in the next couple of months or year. Truthfully speaking, with the right strategic attitude...with the right operating system... with the right mindset and the right motives... you can use this environment to grow your business beyond any level that you've ever comprehended. Because even if a market is dwindling a bit... even if people are struggling, the person, the entity, the organization that is proactive and sees it as a growth opportunity and knows how to realize it can amass incredible ground. And that's what we want to teach you to do - to dominate your market in good times or bad... to use - almost like jujitsu - to use the force and the power of your competition and the environment to your absolute, maximum advantage.

Before I go through a litany of my things, do you have anything to add to that, Chet? This is Chet, and I would introduce him formally, but you guys all know about his background. This is Chet. He's going to bedazzle you with his systematic, integrated brilliance throughout the next four days. But before I go into sort of an overview of me, do you have anything that you think I either didn't say, or said wrong?

Chet: No, I think you did a great job. The only thing I would say is that when I would go into a Fortune 500 company and start to do things, it took probably three months just to get the vision down into the company. And the really rewarding thing about working with the smaller companies that Jay's gotten me involved in is the impact is almost immediate. So four weeks from today you should be having a really great impact. And then four weeks later you'll

have a *monster* impact. And that's what we're seeing with the smaller companies. Now smaller – I'm saying these are \$5-10 million companies, and that makes up the majority of you here in the room.

So you guys can fix it yourself, vs. with a Fortune 500, it's ten layers from the CEO to where I might be implementing something. With you guys, if you get some breakthroughs here and some methodologies, then, to institute those breakthroughs, you just go *pshew!* You're right there fixing it in your own organization. So that's why we've had – as Jay said, these companies are having the biggest months of their career because the entrepreneur puts his hand on the thing and fixes it himself. But now he knows how, and he's got the methodologies. So that's the only thing.

Jay: Good. Yeah, and I've only got one other thing to say about what I've learned from Chet, which I've always inherently believed, but it was much clarified. Chet's discipline is grounded – or founded – in a lot of his life experiences. And Chet's a, I don't know how many degree, but he's a martial arts master. And he's built his whole philosophy on a very simple distinction.

There's a big, big difference in the impact between event training and process training. Event training is what I always tried to do with great intention, which is to bring you into a room... to dissect and reconstruct your paradigm, your passion, your sense of possibility, your strategic awareness... send you out into the world a transformed person, never to see you again, never follow up again – maybe to sell you something else, or a service, but really, to not interact and hope that I transformed your world forever and installed in you the capability of doing everything you needed to do forever. And all this was nestled there in that potpourri of information.

And the mind doesn't work that way, number one. Your retention isn't anywhere close to that capable, number two. Number three, because of the dynamics of two things: when you get a brilliant insight you don't hear half the things that are explained thereafter, because your mind is traipsing out on tangents of sugar plum fairies and excitement. Number two, you're at different points on the continuum when a Jay Abraham talks to you on this day. And something that will be very profound, perhaps three levels forward when you get something in place, you don't even comprehend and you don't go back and remember it, because most people are not – even though you give them the tapes and tell them, "Listen to it over and over again." They don't do it.

Chet comes from a really interesting distinction, which I have always believed, but never had really crystallized it in my mind at this depth. His analogy – and he'll probably do it better, but I'm going to do it for him. It's the difference between a first day, white belt beginning martial arts student and a 29th degree grand master. They all work on the same 20 or 30 principles, just one has taken it to such a science – not art form, but science - science is key here – that he or she has gotten so proficient they keep repeating it... refining it... repeating it... refining it. Everything that Chet's going to teach you is based on an assumption that, you'd better take good notes. You'd better comprehend it, but it's something that's going to be over and over and over again revisited and advanced, revisited and advanced.

And the analogies that I give are the military, the army, and – there's one other profession that's really good – and medical. Are there any doctors here in the room? Medical doctor? Well, when you started in a school, they didn't give you an intensive weekend in Gray's Anatomy, and then give you a bunch of surgical tools and then send you in to perform a heart bypass, did they? You basically – you learned, the first day you go through the anatomy. Then you work a little bit more on it. Then you get to see cadavers. Then you basically get to watch in the operating theater. Then you get to put your hand in, and maybe help sew up, or whatever you do. But it's a very professional type of slow, repeat, advance, review, advance – isn't it? Until at such a time way, way, way in the future you've got this unconscious competency and you still keep having to have an advanced, continuing education to keep your skill and proficiency up, right? 30, 40, 50 – it's funny. Every other field has advanced continuing education except for entrepreneurs. And all these professions – it's true. How many hours a year do you need just to keep your license?

Participant: 50 hours.

Jay: 50 hours of advanced training *after* he's already put – how many years in training did you have? Eight? Nine? Yeah, so – OK.

Military – anybody in the Army, ever? Or Air Force, Marines, anything? I wasn't either. But if you were...

Chet: Somebody was. I remember reading –

Jay: You would have gone through a boot camp. But boot camp is running you through the same exercises over and over and over again. From basic to more advanced, to where you become so skilled at it that naturally you're doing it matter-of-fact, and it becomes a disciplined process.

Chet and I were talking about a gentleman in business that we're doing a venture with who's militarily trained, and how systematic and process-oriented he is. Pilots – anybody here a pilot? Commercial? Private? Well, pilots basically spend all this time... first thing they do is they read the book. Then they listen to the classroom. Then they sit for hours in front of a simulator. Then they get to ride in the back and look over the shoulder. Then they get to ride up front, and maybe if they're lucky, put their hand on the stick a little bit. Then they get the stick for a little while. Then they get the stick for a little longer. But it's an ongoing, repetitive procedure to get proficiency.

I think I may be doing you a little disservice, but isn't that pretty much analogous to what you believe? And there's a big distinction between that and perhaps what I've ever taught you, and definitely what most entrepreneurs that I've seen follow. And if we can get you to slow down enough and embrace that, it's going to transform your life.

Also, just because I don't believe that you should worry about what's in store, all I'll tell you is here's what each day is going to entail. Chet's going to do, each day, approximately three deep segments on three different core competencies you've got to master and integrate into your operations. It'll take between an hour and an hour and a half each. They will be rich with exercises and what Chet calls workshops. And workshops are the process that translate it from

theory to application... the torque conversion element that will make it come alive and be actionable by you in your enterprise when you go home. Each time he's done with one of those I will make my comments, and I will add some appropriate transaction or bridging device. At the end of every day we will look and see what each company got out of it from that day. Because you seeing what he got... him seeing what she got... she seeing what he got... will make the whole thing more expanded, and it will dimensionalize it, and it will connect dots for you with such an extraordinary sense of rapidity and dimension, it will be unbelievable.

We will do that for three days, and we'll just keep layering and layering and layering, as I said. Out of systematic and strategic necessity, the first days will be strategic. Because if we don't set your strategy and foundation, all the tactics in the world won't work as you've found by juggling a lot of the things that I've taught you. Then we'll build the pillars of strategy and the skin for it.

Then on the last day, we will take approximately half of the day and we're going to work through two things. You're going to systematically put it all on paper. You're going to be building it as we go. You're going to deliver to yourself and your colleagues and to all the people around your tables literally the new game plan. And then you're going to come up and present it. And we're going to refine it. We're going to reshape it. We're going to constructively help you improve it. And we're going to basically work it through. So you've got basically, when you go home, what you've always needed, but it's going to be at a much higher elevation than anything I've ever done before. So that's what's going to happen.

That stated, let me just go through for a few minutes a little quick review – no slides, nothing – of Jay Abraham 101, and also the market drivers, and I've added another one to it. Just so that we're in place. Now you can make notes. You'll have the tapes of all this. If it's so profound that at the end you think it would be good I'll actually have it typed up and sent to you also.

But just, first of all, let's look at the eight – and now nine – drivers that I keep evolving. And I looked at what are the key elements that give you optimal leverage and enhanced performance on a sustained basis in your business? They are: **Marketing** – change your marketing, change your results. Enormous leverage, up to 2100% leverage in each improved activity you do if you put a system together that's not only operational, but also continually tests, monitors, measures.

Second (not necessarily in order) – **Strategy**. Change of strategy, the fastest, easiest, most powerful way to change your results.

Next – your **Capital**... human, intellectual, financial. Human is basically the people working for you. Intellectual capital is the intellectual property. It could be the proprietary systems, the procedures that are unique and distinctive to you. And financial capital – how you deploy it. Enormous upside leverage in all three of those.

Next – your **Business Model**. And the business model as Chet will distinguish in a little while is decisively different than your strategy. You can have a big, sweeping strategy, but the model may be wrong, and the strategy will perform OK, but not maximum or optimal for you.

Next – the **Relationships** you have. The business relationships, the professional relationships, the collegial relationships, the mastermind relationships.

Next – your **Distribution Channels** - and that's a very sweeping concept that describes all the different means you have of impacting the market, from the advertising you do... the selling organization you do... the network of associations you've got – it's a very broad and sweeping area.

Next – **Products and Services**. The different products and services you have or you create will give you enormously greater or less leverage... frequency of purchase... profit. It will give you enormously renewed ability to get far greater yield and sustained income from the relationships that you breed with clients.

The next one (and this is where Chet will go crazy with, and you're going to just have an almost intellectual orgasm, because it's going to just open you up to areas you can't imagine.) It's **Procedures and Processes**.

And the last one, which is nine, that I just added to it the other day, is **Ideology**. The whole thinking that you're basing your operating system around. It's different than your strategy.

Now, Jay Abraham 101. Quick. I just want to make sure that you understand. I've been obsessed for all of my life with the question of why some companies are 100, 1000 times more successful than others... why a Fortune 1000 company is so different than a small- or medium-sized entrepreneurial one... and how to turn reactive, tactically-oriented, non-systematic business people into very much the opposite. Into supremely sophisticated, supremely strategic, supremely proactive organizations.

So here's what I really define myself as being all about – just for those of you who haven't taken out your Jay Abraham material for a long time, and you say you know it, but you probably don't remember the key distinctions. So let's go through them real, real quick.

Number one: I'm all about **Upside Leverage**. Almost everything you do has infinitely greater upside leverage, and you can control or eliminate the downside. If you can make the same action, the same activity, the same person, the same capital, the same client, everything produce more yield, more performance and then sustain it – the combined effect is geometric growth. I'm all about working on the geometry of your business. I'm all about optimizing. Maximum result, minimum effort, minimum expense, minimum time, minimum risk.

I'm all about – the two greatest levers you've got are **Marketing and Innovation**. Innovation is also the ability to engineer breakthroughs – because I spent a lot of time studying the most successful-performing companies in their category, and what I found out in analyzing them was that they tended to be the companies that engineered and introduced the most consistent amount of quality breakthroughs on a continuous basis in the four areas of strategy, marketing, innovation and management. So you've got to be committed to engineering breakthroughs.

In order to do all this, the first thing you have to do is **maximize what you're already doing**. Whether Jay Abraham is in your life or not, you've got what I call “critical mass and

velocity” in motion. You’ve got all these activities going on. You’ve got sales people. You’ve got ads running. You’ve got people calling. You’ve got word of mouth. You’ve got phone calls. You’ve got customer service. You’ve got all these contact and impact points.

And you’ve got to first of all maximize what you’re currently doing before you can even go out and rebuild your organization. And you can’t maximize what you’re currently doing if you don’t break it down to its core processes. Because only when you do that can you measure, can you quantify, can you improve. So you’ve got to figure out what you’re doing right now, and break it down to its core driver. And that means, like if you’re doing selling, you’ve got to realize how well you’re doing at opening accounts. How well are you doing at targeting the media? How well are you doing at the average hour? How well are you doing at different kinds of categories? How well are you doing at different product sales? How well are you doing at different geographies? Because until you know how you’re doing you can’t maximize your performance.

Speaking of which, you can’t maximize the performance of the methodologies behind all of those categories you’re going to now measure and monitor until you first **examine and evaluate** all the higher performing options and opportunities out there. And you can’t do that unless you decide you’re going to travel outside of your industry, and you’re going to carefully evaluate and borrow the success processes and thinking and approaches from all kinds of other industries other than yours. Because if all you do is try to monitor and emulate what people in your industry are doing, you’re going to be limited to incremental and linear growth.

So you’ve got to go and borrow the success processes from outside your industry. And that requires a process I call “**funnel vision vs. tunnel vision.**” Most people spend their whole time in one field, and the most they try to do is emulate or plagiarize what their slightly or somewhat more aggressive or successful competitor does - and that’s funnel vision. Tunnel vision is saying, “Screw that stuff! I want to know better ways, not just to sell, but if our goal is to find new prospects, and our method of doing that is to run an ad in the trade publications, what are 20 *other* industries doing to ‘find new prospects’ other than running an ad in trade publications?” And you ask those kind of questions over and over and over again.

OK. You’ve got to be resigned and committed to engineering breakthroughs. And I talked about innovation – innovation to me is not necessarily high tech, although it can be. Innovation is bringing greater advantage to the client that the client perceives and values. It can be the simplest, most mundane, most non-technical value added imaginable, but you’ve got to realize that value is in the eyes of the beholder. What you think is valuable does not necessarily translate to your client.

You’ve got to change your philosophical strategy and move to what I call a “**Strategy of Preeminence.**” For those of you who have been exposed to me in the last four or five years, I’ve started talking about the strategy of preeminence. I didn’t before. Simply speaking in a shortened, one-minute soliloquy, the strategy of preeminence is a whole new way of looking at the relationship you have with your marketplace. It’s seeing yourselves, and your company, and everyone in your organization as the ultimate fiduciary... as an advisor... as a trusted... as a respected... as an expert advisor with the responsibility and the obligation to counsel those people in what’s in their best interest to give them the best short- and long-term outcome. And when you start advising them with their best interest at heart, you no longer will accept or allow

them to buy less than they should... less combinations than they should... less quality of products or services than they should... less frequently than they should... and for less reasons. You'll not just, ever again, take the order just because they're willing to buy. You will never again ever be struggling with how to manipulate... what kind of things to say or do. Because you'll always be focused on the fact that the more value you add that is perceived, the more success you will have. You will start thinking of your relationship with them all as clients, and if you talk to them all as customers today, you'll probably change – and I'll tell you why. In a world that is trying to knock you down... slam you down to commodity and marginalized status, you can't help it. You've got to draw a line in the sand and distinguish yourself. And the way to do that is to start thinking of your relationship as an advisor, as a fiduciary, and the people you deal with as clients.

Look up the word when you get home “customer.” Look up the word “client” in Webster's Dictionary. Customer is defined as somebody who buys a commodity or a service. Client is defined as somebody who's under the care, the protection, the well-being of another. You want to move the whole relationship that you have with that client to one of where they are someone you see as under your care, your protection, your well-being.

The biggest problem that I've studied with most companies that I've served, and most companies that I have observed is they fall in love with the wrong thing. They want their company to be the fastest growing, the biggest, the best, the Inc. 100, the Inc. One, Fortune 500. They fall in love with the mega-organization... the worldwide impact.

The way to greatness today is to transfer your passion from your product, your service, your company, and instead, fall in love with your client. If they're at the top of your awareness all the time, and if all you focus on is constantly getting them the very richest... the very best... the very most productive... the very most profitable... the very most enjoyable... the very most enriching... the very greatest protection in whatever your product or service provides... you will so dominate and predominate everybody else in your business sector, because they don't look at it that way. They're in love with having the biggest company. They're in love with –

You also have to fall with your three tiers of clients. The people who pay you, and the two tiers of people you pay. You've got to fall in love with your team members, and you've got to want greatness for them. And you've got to basically see them and their family, and that you are the vehicle to their richness and their security. And you've got to envision the fact that kids are going to go to college because of you, and lives are going to be enriched because of you. Just like your clients, you've got to see their businesses or their personal lives thrive, and secure, and their prosperity grow, and their security enhanced, and their health, depending on the application of your product. If you can't visualize that you're going to lose torque.

You need, as I just said, a Strategy of Preeminence. And it's the most liberating, and it's the most animating, and it's the most passionate, and it's the most transformational single thing you'll ever embrace. You've got to change over to that.

After you've done all that, then you're ready multiply your performance by then borrowing all kinds of higher-performing methods and approaches from outside the industry. But those are only to be added after you've first maximized what you've currently done. And maximizing means a very sobering, and very, very analytical assessment of how every process in

your system is performing. Because if it's not delivering the results it should, you've got to either fortify it, you've got to purge it, you've got to replace it, or you've got to improve it pretty darn fast or it's going to basically lose your torque.

Always, when you start multiplying, that's when you get the real geometric gains, but it's the same way. You do it by borrowing success processes from outside your market. It saves you the learning curve. It saves you the capital investment. And it also has the impact of an atom bomb. If you are the first and the only company to introduce selling approaches, strategic distinctions, and operating systems into your field that are matter-of-fact to other industries (as Chet will teach you stuff that are matter-of-fact to the biggest Fortune 500) but no one else in your industry has ever seen it before or experienced it, it will knock your competitors for a loop, and it will distinguish you in such a powerful and preeminent way in your marketplace that you will own it. You will literally own it.

The other things I'm all about – very quickly – the **Three Ways To Grow A Business** model. Most people grow their business incrementally and linear, because they fix in on growing more clients. If you grow clients and you focus on the size of the transaction and increasing that ethically... and you grow in getting more frequency or utility out of the relationship – meaning if you're only a one-product or service company right now, you've got to figure other additional products or services you can either create – and this is one of our drivers, Products and Services – you can either create, or you can joint venture, or you can acquire so that you can get more utility, more residual value, out of your client.

If you work on all three ways to grow a business at the same time, and all you did was improve all three ways by a mere 10%, it brings the power of geometry to bear. And I have this exercise I used to put people through, and it took about a half an hour. But it shows that if you had 1,000 active customers – clients, excuse me – and if you had an average order of \$100 for each time they were coming in, if they bought two times a year, and all you did was increase those across the board by a mere 10% (a modest little increase) it would increase your revenue by 33%. And if you seriously increased all those categories at the same time by 25%, it would almost triple your performance.

If you don't focus on geometric growth... if you don't work on the geometry of your business... then you're going to always work harder for your company than your company will work for you. Your goal, and our goal for the next four days is to teach you how to get your company working harder and harder for you in a perpetual manner so that you've got systems in place that will sustain, thrive and survive so you're building an asset – an asset that will be worth so many times more than the mere increases in income... in earnings... in salary... or in dividends we can stimulate for you. This is a wealth-building play of the highest magnitude, if you understand it.

The next thing I'm all about is the **Power Parthenon of Geometric Business Growth**. And it's basically predicated on the very, very simple assumption that 99% of all companies today, and 99% of all companies ten years ago, generate the vast majority of their revenue, their stability, their income from one primary revenue activity. And it's the dumbest thing in the world, because with one pillar that's supporting this entire revenue stream – and it looks to me like a diving board, which is very, very, very precarious. And a diving board has never been a means for propelling anyone upward to growth on a sustaining basis. You do go up for a minute

in time in the process of plummeting down. I try to get everybody I ever work with to build pillars and pillars and pillars – not unlike the Parthenon in Greece – of additional complimentary revenue and income-generating approaches borrowed from outside their industry. And if each one only adds 10% more... 15% more... 20% more... the combined geometric effect are hundreds and hundreds of percent growth. And everyone thinks that my press and my track records are almost hyperbolically ludicrous. They're not. I'm just one of the few people who understands how much more you can get out of an opportunity, out of an effort, out of a day. And that's what we're teaching you today in a systematic manner.

The other two things that I want to share, and then I'm done and Chet will take over, is a new distinction which is called "**The Force Multiplier Effect.**" And it's a military term, but I'm going to define it. It's a capability that, when added to and employed by a combat force, significantly increases the combat potential of that force and thus enhances the probability of successful mission accomplishments. It's the militaristic discipline of creating multiple avenues of penetration at the same time. Going by land, going by sea, funnel attack, side attack, surprise attack, missiles, going ahead to penetrate and soften the market, air attack, land attack, sea attack, stealth attack. And it's a proven process of dominating your enemy in military terms. It's a proven process of dominating and preeminently owning your market in commercial, in entrepreneurial, in business terms, and it all ties together. It's letting the full force of lots of different factors carry you to greatness without you having to lug it and push it.

The final thing I'm going to do is to share with you **12 Strategic Pillar of Strategy** that I'm all about, and they complement, but they're a little bit different than Chet... **14 Mindset Pillars**, and then I am done. And then it's all yours.

These are what I think are twelve of the strategy pillars you've got to incorporate into your business philosophy from today forward. Number one: Continually identifying and discovering hidden assets in your business. Every business has hidden assets, overlooked opportunities, underperforming activities, undervalued relationships, untapped resources and intellectual capital, and until you commit on a continuous basis, to monitor, to examine, to mine those on a continuous basis, you'll never do it.

Next: Mining cash windfalls each and every month out of your business. It is very important psychologically to produce for yourself short term wins. It's more important to get them to validate that the course you're on is correct. They don't have to be big ones, although they tend to in combination be extraordinarily substantial ones when the exponential impact applies. But you've got to be committed that every month you want a windfall. It could be a market windfall, a strategy windfall, a sales windfall... but you've got to be committed that that's got to be an objective... an objective goal that you've got to fulfill every month.

Next: Engineering success into every action you take or decision you make. This is amazing, but so many people are not only reactive, but they're not pragmatic. They're not logical. They're not strategic. They're reactively tactical, and it's the worst thing in the world. You've got to learn to take a deep breath and reflect, and be much more systematic and much more global in the way you look at all the integration of what's going on in your world.

Next: Building your business on a foundation of multiple profit sources instead of depending on one single revenue source. Remember Jay Abraham 101. Why grow

incrementally or linear if you can grow geometrically and exponentially with the same time, effort and capital.

Let geometry work for you. Geometry is not $1 + 1$. It's $1 + 1 + 1$. It's basically bringing three different factors or more together. You've got to bring continuous processes to work for you – a foundation of multiple profit sources.

Next: Being different, distinctive, special, unique, advantageous in the eyes of your clients. And today I've taken the concept of Unique Selling Proposition to a higher level of distinction. I no longer believe it's merely being able to have an advantage over your competitors. I think today it's got to be being seen as the only viable solution or strategy or opportunity for the problem or desire that your marketplace is trying to address. And you've got to be much more refined in it, because there's too many choices. Needs today may be singular, but means to fill them are so vast it's scary.

Next: Creating real value based on what your clients define value to be for clients and employees for maximum loyalty, results, and sustaining relationship.

Next: Getting the maximum personal leverage from every action, investment, time or energy commitment you ever make. These are simple, but I guarantee you you don't have these indelibly embedded anywhere, and you don't adhere to these. Just by bringing those to bear and putting them through the crucible of what Chet will teach you, it's going to rock your world.

Next: Networking, masterminding, brainstorming with like-minded, success-driven people from outside your industry who can share perspectives, real life experiences and recommendations with you. If you look at all the great achievers, they've got brain trusts. They've got kitchen cabinets. They've got mastermind alliances. They've got advisory boards galore. If you're a lonely entrepreneur out trying to knock it alone, and you're not trying to get perspective from people...

It's like the reason we've got you around this room – and by the way, every break that is doable... and Carl, are you in the room? We've got to make sure we can change the waters over. I insist that you come back and don't sit with the same people you're sitting with now. In other words, if your three people from your company... I guess for your exercises, they must – do they need to stay together for the exercises? OK, if you're with people you've got to stay with people from your company, but don't be sitting with the same people because you want different perspectives. You want to share different paradigms. You want to be able to discuss your breakthroughs, or your struggles, or your confusions, or your insights with other people who will give you context... who will give you dimension... who will help you see a more expansive, global, worldly experiential global insight. And you've got even in this room of 30 people spending 20 years on average in their field, you've got 600 years of experience to tap. You've got probably, cumulatively, if you spend in salaries and marketing and research, \$300,000 – let's say you're a small business - \$300,000 a year times 30, you've got \$9 million times 20 years, you've got \$180 million worth of investment and research that you can tap into. You've got people who have been where you're trying to go to. People that have a perspective that you'll never have. It's like I'll never be a day-to-day business manager. Chet's got a different attitude. Well, it's the dumbest thing in the world not to pull and tap into that today. But that should be a commitment the rest of your life.

Next: Turning yourself into an idea generator, and recognized innovator within your industry or market. I wrote this about three years ago before I really was refined in my belief system about engineering breakthroughs.

Next: Making growth thinking a natural part of your everyday business philosophy. I mean, you can just give lip service to say, “Yeah, we want to grow.” But it must – everything you do is driven through the screen and the filter and the lens of saying, “Everything is based on our growth thinking. Is this going to facilitate, and is this going to contribute, and is this going to bring about our growth or not?”

Next: Reversing the risk for both you and your clients in everything you do so the downside is almost zero and the upside potentially nearly infinite.

Next: Using safe, small tests to eliminate the dangerous risks and adopting this funnel vision instead of tunnel vision in your thinking about what is possible, so you’ll be inspired and spiritually animated to enthusiastically, continually test, experiment, try. What you don’t want to ever do is go down looking at the ball, using a baseball analogy. You want to swing for it, but you don’t want to swing for it like Casey at the bat. Getting a lot of singles and never striking out will win the game more predictably than anything else you can do.

Last thing, there’s the mindset factors that I believe are very important for you to reflect on. The first is you’ve got to be able to set and achieve your own lofty goals, and you’ve got to be able to recognize the process to achieve them. Lots of people have goals, but very few people reverse engineer the systematic sequence of simple actions necessary to occur to get them to that outcome. Chet’s going to give you enormous insight on that.

The next is, you’ve got to develop a process to effectively overcome obstacles. The struggling with challenges is a waste. Overcoming them, resolving them, circumventing them is a mindset that you’ve got to install. And I think, Chet, you’re going to work on that a lot, aren’t you?

Chet: Mm hm.

Jay: OK. Next – it’s simple. But you really do. We talk about negative self talk. You can’t let your glass ceiling... you can’t let the economy thwart you. You’ve got to basically have the attitude, and you can’t basically think in negative terms. It’s simple, it’s axiomatic, it’s infantily, like, Logic 101, but you’ve got to basically – when you get the passion and the vision for what’s possible... when you get the system, the policy and the procedures, and you see how predictably, how pragmatically, how sequentially and how quickly you can do it, your whole mindset is going to change. But there are going to be challenges. The truth of the matter is adversity is opportunity for people in this room. And unless you believe that with every filament of your being, you’re going to minimize instead of maximize or optimize what we’re going to teach you this weekend.

You’ve got to basically be committed to persistence. Persistence is like the military. They hope that their frontal attack works, but they’re not going to leave the war and put up the white flag if they’re confronted with resistance. They’re going to go from the side, from above, from underneath if there’s water. They’re going to go by night stealth. They’re going to send

unmanned missiles. And they're going to do everything, because they want to just win the war. And it would be great if they could do it in one death-fell swoop, and just clean up – nobody gets hurt – and go back. But they're prepared to do whatever it takes to be victorious. If you are not prepared to do that, you may not be victorious.

Ethics. Throughout all of this, you've got to distinguish yourself and operate at the highest end of ethics, of integrity, of veracity. If you lower yourself to the level of a lot of the people in the world today, you won't be distinctive. You won't be preeminent. You won't stand out. If you operate at this high level, you will win over people and they will stay with you when you have the right systems and strategy in place. Your belief and commitment's got to be unbridled. It's got to be invincible. It's got to be so real, because the vision you paint, you can see exactly the sequence of events, and that's where Chet will make such a big difference. And I think I may have – not failed you, but not sustained you with the right capability. Having a vision is very difficult if you don't have the process to get there. Just holding this big vision out there and believing it is wonderful, but if you see each step of the way, and when you take one, you knock that off, and you're getting closer... It's like I know that I want to go there, but I can count off and say, "It's 23 steps." And starting, you say, "I want to get to the end," but I say, "OK, one, two – now it's only 21 steps. Three, four – now it's only 19 steps. Five, six – now it's only 17 steps." And it's closer and closer. And that's what we're going to try to build for you. (I'm almost done.)

You've got to be willing to take, not dangerous risks, but take calculated investments in your future. And one of the biggest disappointments I ever had – and it makes me cry – when I'll look at businesses that won't reinvest a portion of their increased revenue. They'll get a windfall that I would help them stimulate of two, three, \$400,000, and instead of taking 50% of that and putting it into new people, or more marketing, or more selling systems, or buying more leads, or more starts in clients – they'll just put it in their pocket and walk away, and they won't reinvest back. And parlaying on your successes by taking calculated risks and investing strategically and systematically in the future is critical to your success.

Fearlessness – the sky won't fall. The world's not going to collapse. You won't go broke or look stupid. Quite the opposite is the case once you adapt this philosophy. Really, doom and failure only go to those who stay stuck in the status quo. This is very important. You've got to be resigned and resolved to learn from the mistakes of others. It'll save you millions. It'll save you years. It'll save you emotional hardship. And it will catapult and propel you so many levels and rungs higher so fast, if you're committed to do it.

Daily motivation – you really do have to review and revisit this belief system every day, because I don't care how great your mind and your memory is, you retain about 7% of the boring things you learn. If it's more exciting and more diverse, you retain about 3%. Chet believes in process training. I do too, and part of the first thing in process training is reviewing on a continuous basis what your vision is, what your goal is, what you're going after, what your system is. Because if you don't, you'll forget it.

How you handle your newfound success as you build it is very critical. And it's a very different change from the way you may have managed mediocrity or a plateau that you're on today.

Then giving back. You've got to give back to others, just the way, hopefully, people are giving back to you. And we're – yeah, you're paying us in fees a lot of money, but we're not going to hold anything back. And we're going to try to give you \$50,000 or \$100,000 worth of education, information, systems and strategies. And you're going to find Chet's going to give you an \$80,000 bonus at the end, as long as you do your part and work through the exercises collaboratively.

And finally, what I call “succession.” It's the idea is really powerful. It's the process of getting other massively successful individuals to pass on their best-kept success secrets, strategies and philosophies to you so you can, again, shorten the timeline.

That's more than enough from me.

*For more information about Jay's future products or programs...
you may join his Info & Updates List by sending
a blank e-mail to: join-clients@list.abraham.com*

<http://www.abraham.com>