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What I learned from failure from 'The Gambler'

Setbacks are all too common in the world of entrepreneurs, but what we learn from them can have the most value.

Alan Manly



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There is always understandable excitement when the daring entrepreneur finally achieves the goal of establishing a start-up business. The journey is filled with tales of hits and near misses, from thinking of a company name to the dreaded discussion about finance.

And the business plan that kept growing, with more details added daily, until it was officially blessed, be it with a few unspoken gaps. However, there is little mention of the risk of failure. The term risk is used in polite company rather than the word that truly captures what entrepreneurs do: gamble.

They pit their skills and drive against the high odds of failure. If they win, they are successful. If not, they must manage failure in its various forms.

Most entrepreneurs know failure. I have found the chorus of [Kenny Rogers' song 'The Gambler'](https://www.youtube.com/watch?v=Jj4nJIYEAp4) (<https://www.youtube.com/watch?v=Jj4nJIYEAp4>) summarises my experience with failure in its various forms.

The introductory line is a fair warning to all entrepreneurs.

“ “*And his face lost all expression*” ”

Then comes the singer's way of saying, business is business.

“ “*If you're gonna play the game, boy, ya gotta learn to play it right.*” ”

Holding the line, when every day and everything tests your self-confidence, is vital.

“ “You got to know when to hold 'em” ”

Tenacity is a common trait of entrepreneurs. The key word is, you. Entrepreneurs also learn when their good idea looks doubtful, it's theirs and theirs alone.

With failure knocking on the door, that great personal strength of persistence that led to the start-up being established, becomes a weakness.

“ “Know when to fold 'em” ”

The business opportunity that, for some reason, didn't work out is now waiting to turn into a failure. Again, the person who has to make the tough call to fold the start-up, or maybe fold the particular idea and morph fast into a sideline, is none other than, you.

Getting into a business can be a lot easier than getting out. So you need to:

“ “Know when to walk away” ”

This advice is applicable when the return on investment has so many variations from the business plan that staying is not a viable option. Some start-ups have exit plans but few really allow for the variations that each participant will tolerate if things go wrong. If the situation is no longer where you want to be, walking away in a managed way is often an investment in your sanity.

At the end of the day, survival is the most important business decision.

“ “And know when to run” ”

When disaster is looking you in the face it is a great test of honesty for all involved. You may simply have to do the best you can to survive. Risking bankruptcy to prove tenacity can mean forfeiture of all future opportunities. Start-ups will come and go but you must survive to stay in the game.

If your game plan is purely to make money it will show and do you no favours.

“You never count your money when you're sittin' at the table”

The saying that “the love of money is the root of all evil” politely addresses the fact that if money is all you are about it will most likely lead to business failure.

When success is finally yours and the wheeling and dealing has proven to be successful, the greatest asset you have to invest will be available once more.

There'll be time enough for countin' when the dealin's done. Maybe even time for reflecting on what to invest in next... The next start-up or maybe a mix of start-up and personal interests.

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