

Fire in the belly, money in the bank: Book helps entrepreneurs keep American dream alive

GUTS & BORROWED MONEY:

Straight Talk for Starting and Growing Your Small Business
By Tom S. Gillis
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BOOK REVIEW BY CONNIE L. SCHMIDT

With downsizing and other changes in corporate America in the past few years, it might seem that for everybody but shareholders and CEOs of huge companies, the American dream is rapidly becoming a cruel joke. It's enough to make anyone cynical.

Fortunately, I was able to suspend my cynicism long enough to take a good long look at a business book which served to remind me that the American dream is alive and well. The book is *Guts & Borrowed Money: Straight Talk for Starting and Growing Your Small Business*, by Tom S. Gillis. In a nutshell, *Guts & Borrowed Money* is a veritable survival kit for entrepreneurs, and it couldn't be more timely.

So who is Tom Gillis, and what makes him so smart? To start with, he's a confessed capitalist, one of the good kind with a big heart and a healthy set of ethics. He is also a businessman with over 50 years of experience, including a very successful career as an entrepreneur. He started his manufacturing firm with only two employees besides himself, and when he completed his contract as chairman 24 years later there were over 400. Gillis has also practiced as a CPA, a lawyer, a business consultant, and a teacher. *Guts & Borrowed Money* has been adopted as a textbook by the Center for Entrepreneurship and Innovation at the University of Houston, where Gillis is now an executive professor.

Though the foundation of Gillis' book is his own lifetime of lessons learned firsthand, he does not try to reinvent the wheel. Nor does he claim that he alone has uncovered the true key to universal business wisdom. To the contrary, he's quick to give credit, where due, to the accumulated wisdom of his peers and assorted business gurus from the past few decades. He even credits the format of the book's main body to the 1970s best-seller, *Up the Organization*, by Bill Townsend. The uniqueness of *Guts & Borrowed Money* lies in its focus on small businesses — as opposed to Townsend's book, which was strictly for large companies — and on its comprehensiveness. You're not

going to find this much useful information for the entrepreneur between the covers of any other book.

Guts and Borrowed Money is superbly organized. The first part summarizes the four stages in the life of a company: Idea, Survival, Growth, and Big Business. Every business is a living entity with predictable activities that are peculiar to each stage of development. Each chapter in this section is capped by a summary list of growing pains, or common milestones, as the author calls them. Read Part One in its entirety if you're at all involved in a small business, are thinking of being involved in one, or are merely curious about how a business grows by stages.

The second and main part of the book is a mini-encyclopedia of alphabetically arranged topics on virtually everything you could want to know about running your

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business. You'll find the scoop on boring but necessary subjects such as Accounting, frightening topics such as the I.R.S., and even Fun. Gillis' view on the latter is that "Business should be fun, challenging, and rewarding...If

you're not having fun...you're in the wrong game." Open *Guts & Borrowed Money* to any page and you're sure to find assistance for situations most business owners face on a day-to-day basis. There's a wealth of advice on employee hiring and firing; advertising and marketing; inventory control; mentors; stock options; customer relations; the art of negotiating; dealing with bankers; and much, much more.

While the book has a comprehensive alphabetical index at the back, you'll probably find the topical index at the beginning of Part Two — the author calls it a "Trouble Shooting Guide" — even more useful. For selected topics throughout, Gillis refers you to books that will tell you more, or software that will make your life easier.

Guts & Borrowed Money is long on style as well as substance; I was impressed with its elegant and reader-friendly design and layout. Although there's a lot of text — which is unavoidable because there's so much information — the pages are sprinkled with checklists, charts, and managerial one-liners to prevent eyestrain and help you zero in on items that interest you.

Young moderns might find Gillis' book a bit corny in places, particularly when the author cites the motivational masters such as Norman Vincent Peale and Napoleon Hill. But it's a corniness that works: there's something comforting in good old-fashioned positive thinking, particularly after a day spent haggling with creditors, racing to meet deadlines or payrolls, and worrying over the bottom line.

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But don't think Tom Gillis has let any grass grow under his feet. Though he's rooted in traditional values and a solid work ethic, at the same time he is quite cognizant of "future shock." His book makes many references to the promises and uncertainties of technology and the information revolution. His message to those who have yet to computerize their operation: "Don't be afraid of computers. Be afraid of the *lack* of them." It's fair to say that *Guts & Borrowed Money* artfully combines the best of the old and the new.

Gillis, to his credit, has not neglected the growing number of women in the ranks of American entrepreneurship. This is particularly meaningful because, although women have made significant progress in business over the past two decades, the world of commerce is still by and large a boys' club. Aside from the fact that business lore is rife with sports and war metaphors, the very idea of business as a game can still be alienating or even distasteful to women.

It seems to me that women could benefit from adopting a bit of this game-playing perspective. Doing so might help us learn to quit taking some of the ups and downs of the business world so personally. And while Gillis' text does have its share of the traditional male-oriented metaphors, he redeems himself — in small ways, by using inclusive language without being awkwardly or ludicrously "PC," and in large ways, by giving more than a passing nod to women in business.

Indeed, it's obvious Gillis welcomes women to the club. He presents an honest and nonjudgmental perspective on the differences between male and female entrepreneurs. His entry in Part Two on Women-Owned Businesses (WOBs) contains at least a seminar's-worth of data on the unique characteristics of female business owners. The author credits this information to Helen Hodges, a Houston business owner and former national board member of the National Association of Women Business Owners (NAWBO).

Of course, not all business concepts are inherently alien to women. I couldn't help but smile at these thoughts from Part One, "The Survival Stage": "Your relationship to your company is similar to a mother's relationship to her child. You're always aware that a tender, growing thing needs your constant attention, thought, and best efforts. Not all your time will be spent in direct help or contact, but that awareness nags continually no matter what you are doing."

If you're even thinking about starting your own business, *Guts & Borrowed Money* is one of the best investments you could make. Actually, it's never too late or too early to add Gillis' encyclopedic work to your business library. Whether your company is a growth-stage wonder or still just a gleam in your eye, the author has plenty of advice you can use now. You're sure to find an idea or piece of information that will serve as a mental spark plug to get your business wheels turning. Even if you're not dreaming of starting your own business but are only working for or with an entrepreneur, reading this book will take you a long way towards understanding what makes your boss or partner tick.

Not everybody has the stuff of entrepreneurship. Whether entrepreneurs are born or made is a fascinating topic in itself, and Gillis addresses this point in Part Two of his book. Many people are just dreamers, their dreams fueled by the frustrations of dead-end jobs or unemployment, and by the promises of hucksters lounging at fancy beach resorts on late-night infomercials. Gillis, on the other hand,

is realistic to the point of starkness about the ins and outs of being an entrepreneur. He doesn't fashion a rosy scenario of the lifestyles of the rich and idle. There's a lot of hard work and heartbreak on the road to making your dream into reality.

But if you're a true entrepreneur, the fancy beach resort is not even the point, for entrepreneurs are driven first, last, and always by their own passion. There's no better term than passion to describe the driving force that leads a person to risk so much for such an uncertain outcome.

And this is really the gist of Gillis' message. 50-plus years of experience have taught him that the most exciting idea in the world will go nowhere without those requisite two elements that comprise the title of the book and are the bedrock of entrepreneurship. Being a successful entrepreneur takes plenty of guts — "fire in the belly," as Gillis is fond of calling it — and a healthy supply of borrowed money. The author's view on capital is that "there's never enough...Get used to it."

The good news is that the American dream lives on. Entrepreneurs, and the people who love them, will find much that is necessary for the realization and sustenance of that dream in the pages of *Guts & Borrowed Money*. ■

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