

column

paul allen

Paul Allen has founded several companies including Infobases, MyFamily.com, and 10x Marketing. He has taught entrepreneurship at UVSC and he blogs at www.infobaseventures.com/blog.



My friend Steve Jenkins has started and sold two companies and is working on his third. While an MBA student at BYU, he was working on his first startup, Windows95.com, which he eventually sold to CNET for \$12 million.

He told me once that as he learned from various professors, he would apply what he was learning in class, and that he could rank his professors based on how much money they made him. He applied knowledge and made money.

One of my favorite books is “Intellectual Capital: the New Wealth of Organizations” by Thomas Stewart, editor of Harvard Business Review.

Stewart writes, “If knowledge is the greatest source of wealth, then individuals, companies, and nations should invest in the assets that produce and process knowledge.”

How are you doing in this regard? Does your company systematically and consciously invest in assets that produce and process knowledge?

investing in employees: designing a curriculum for key executives

My personal library now exceeds 2,000 books. My Infobase library contains 3,000 electronic texts for religious study. My subscription to High Beam research gives me access to 32 million documents from 2,800 published sources. And my e-mail inbox is filled daily with important e-mail newsletters from some of the brightest people on the planet.

The paradox for knowledge workers is this: the more time you spend in gaining knowledge, the less time you have to apply it. The reverse is also true. We must strike a proper balance between learning and doing. Most people have their nose to the grindstone. Very few spend enough time, energy and money in a quest to gain and process knowledge. But maybe the Web can change this. With the Web, each of us can make a list of all the experts in our field and track their every move and their every word.

With modern knowledge tools, each of us can design our own lifelong learning curriculum — including books, articles, Google news alerts, TV programs, and audio programs — and seek to become experts in our field and in our particular occupation.

My two primary jobs have been CEO and VP of Marketing. I am developing a “curriculum” for the CEOs and Marketing VPs I work with that includes book recommendations, conference tapes, key articles — all of the life-changing materials that I have read that I think they must be familiar with in order to gain an edge.

Eventually, I hope to design curricula for each key position in a company and find a way to reward employees for taking the time to constantly learn — to gain the peripheral vision that we all need.

I hope to convince my portfolio companies to invest in employees. Not in group training and expensive seminars, but in helping each employee develop a lifelong learning strategy that includes a budget of

more than a thousand dollars per year!

Why pay someone \$50,000 a year and not spend 3 or 4 percent more to help them stay sharp?

I say give them portable learning devices and a huge book budget, send them to the best conferences, and let them subscribe to every key publication and database in their field.

Reward them for their good ideas and knowledge — not just for the number of hours they sit in meetings or at their computer.

Remember that one key piece of information can make the difference between success and failure.

A few months on “The Apprentice,” Donald Trump challenged two teams to set up a bridal salon and see who could sell the most wedding apparel in one evening.

Team Mosaic sent an e-mail blast to 23,000 brides-to-be in New York City from theKnot.com. This resulted in a crowd of 40-50 people waiting to rush in when the doors opened. Mosaic generated \$12,000 in sales.

Team Apex handed out flyers at Penn Station and made only \$1,000 in sales. Trump fired Apex’s project manager because he failed — he didn’t know about theKnot.com. Team Mosaic generates 12 times more sales because they knew one fact: theKnot.com has an e-mail database of brides-to-be.

Every company failure may simply be a failure to know how to not fail — how to use the right questions to increase your sales closing rate; how to get new customers from search engines; how to reduce call center costs by 25 percent with new technology; how to use open source to save millions in development costs; how to generate effective buzz; how to manufacture less expensively, and so on.

Reduce your chances for failure by helping all of your employees develop their most valuable asset — their mind. 