CHAPTER TWELVE

The Mechanic

"Most everything I've done
I've copied from someone else."
- Sam Walton

A WELL-OILED MACHINE

The Mechanic is an enigmatic character who has the ability to control and manage many people without needing to demonstrate any charismatic leadership qualities. His creative thinking and systems focus leads to a knack for duplication and replication, which leads to a well-oiled machine that manages for him.

Where a Star endears, a Mechanic endures. What they build tends to be built to last. The endless perfectionist, the Mechanic will keep finding ways to improve his system, making things simple and smart, whatever the product – whether it is an process to make computers, cars or burgers.

PERFECTING THE SYSTEM

Mechanics tend to come late to the party. That's because they are better at perfecting what is there than coming up with something new from scratch. Successful Mechanics give Creators a run for their money in the business celebrity stakes. High profile Mechanics out there include Sam Walton, Ray Kroc, Ingvar Kamprad and Michael Dell, who expanded Wal-Mart, McDonald's, IKEA and Dell.

Mechanics often take over from Creators as businesses mature, and they are capable of starting global, system-based businesses that multiply around the world. Mechanics can be found behind most franchise and multi-outlet businesses, and in all manufacturing, distribution, construction and logistics businesses where all creative focus is on the systems rather than the products.

Mechanics rely on people less than any other profile – because the system takes on the work. When Henry Ford was criticized for the mindless tasks his workers had to perform on his production lines, he retorted, “I have heard it said … that we have taken skill out of work. We have not. We have put a higher skill into planning, management, and tool building, and the results of that skill are enjoyed by the man who is not skilled.”

As a result, successful Mechanics expect – and factor in – a high turnover of staff. While Supporters and Deal Makers develop people and happily change processes, Mechanics develop processes and happily change people.

Mechanics like to take things apart and put them together again. They are up to the challenge of changing the wheels on a moving car and as a result they are continually challenging the status quo on the way things are done. This can be very stimulating for some, and very frustrating for others.

Mechanics who never got started are likely to have seen their sensitivity to systems as more of a curse than a talent. They are the first to notice when systems break down, and they are the first tasked to repair processes once the damage is done. For many Mechanics that never found their wealth, they found the comfort of a large, structured multi-national too inviting to resist, and became forever swallowed in a comfy armchair of middle income.

Successful Mechanics have overcome their need to be involved with everything, and have focused all their efforts on the engine of the business, while others look after the styling and upholstery. As they pass over people management to others and focus on efficient operations, they find their flow. After all, it’s easier to fix a process than to fix a person.

HENRY FORD

"So Long as it is Black"

Henry Ford's role model was Thomas Edison, one of this century's great Creator profiles. Having an illustrious Wealth Creator as your mentor can be counter-productive – if they have a profile different from your own. Ford, like all of us, followed his profile naturally as a child. When his father gave him his first pocket watch, he took it apart and by the age of fifteen he had built a reputation as a watch repairman. Yet choosing Edison as a role model meant that it was only in his forties that Ford found his flow.

As the automobile industry took off in the 1880's, Ford worked for the Edison Illumination Company (later to become General Electric) while trying to invent his own car. In 1899, he convinced a group of investors to back his efforts, and he set up the Detroit Automobile Company. With Ford insisting on trying to perfect the design, the company went bankrupt. He tried a second time, forming the Henry Ford Company and raising $28,000 from investors. Again, he failed.

His early models were expensive and had limited success in an increasingly competitive market. Ford struggled in the early years to out-innovate the market, and by 1905 he had decided to change his approach. By now, the industry was thirty years old, and he was 42, with a history of limited success.

His new approach was to be inventive with the system of production rather than the car itself. In short, he switched from a Creator strategy to a Mechanic strategy. He discovered a new, cheap and reliable steel alloy from France and in 1908 produced the "Model T". The true innovation of the Model T was the production process, with the cars roped together to move through the production process at a constant speed, and tasks broken down for each man to follow.

Like so many Mechanics who succeed by lowering prices and increasing accessibility to a maturing market, Ford made his Model T the vehicle for the common man. In 1980, the Ford Model T was launched at $825. Ten thousand sold in the first year.

He reinvested the profits in a new production facility at Highland Park. America's first tailor-made 'production line', called by John D Rockefeller "the industrial miracle of the age."

When Deal Makers get into their flow, their deals *grow* in price. When Mechanics get in their flow, their products *fall* in price. Production increased from 19,000 in 1910 to over 78,000 in 1912 – now selling at $575. In 1913, Ford pioneered the moving assembly belt and by 1916 the price had dropped to $360. Sales reached 472,000.

With a team of engineers focused on efficiency, Ford fine-tuned every aspect of the production process to bring down prices. As black paint dried the fastest, all Model T's were black, leading to his famous phrase, "Any customer can have a car painted any color that he wants so long as it is black." The Model T went on to take 48% of the US auto market. By 1924, the ten millionth Model T Ford had rolled off the lines.

Henry Ford's story is a classic story of a Wealth Creator who resonated with his time. As cars became commodities, and price and reliability became paramount, Ford was there to deliver. His story is, unfortunately, also the story of how a winning formula becomes a losing formula as the industry moves on.

By the 1920's, at the height of the Model T's success, Ford's staff tried to persuade him to innovate the base product – the car. Ford refused. As irony would have it, his earlier company, the Henry Ford Company, would end up being his undoing. When he left the company, the investors continued with it under the management of Henry Leland. The company was renamed Chevrolet, which was then absorbed into a new company, General Motors. As Ford persisted with the Model T, a new spring was beginning in the industry. GM began to offer innovative Chevrolets with the same price and reliability as the Model T, but with an electric starter, three gears and other fancy features. By 1926, Model T sales had plummeted and in 1927, Ford discontinued production and closed Highland Park.

Ford had revolutionized America's industrial production process, but he had no second product to take over for the Model T, which had remained largely unchanged for 14 years. If his son, Edsel, had not been quietly working on a replacement, Ford as a company may not have continued as it has until today.

Even so, 75 years later, Fortune magazine named Ford Businessman of the Century, beating out runner-up Bill Gates. Today, Ford Motor Company is run by Bill Ford Junior, Ford's great-grandson, has revenues of $178 billion and, along with the Ford brand, owns Aston Martin, Jaguar, Daimler, Land Rover, Lincoln, Mazda, Mercury and Volvo. The Ford Foundation continues to donate over half a billion dollars each year to reduce poverty.

RAY KROC

"The Hamburger King"

While Ford had to wait until he was 43 before he found his path to wealth, Ray Kroc had to wait until he was 52 before he even spotted the garden gate. In his words, "I was 52 years old. I had diabetes and incipient arthritis. I had lost my gall bladder and most of my thyroid gland in earlier campaigns, but I was convinced that the best was ahead of me." Kroc was an aging milk-shake machine salesman when he met the McDonald brothers at their San Bernardino hamburger stand in 1954. Curious as to why one outlet would want to order eight of his Prince Castle Multimixers when most only needed one or two, he decided to visit Maurice and Richard McDonald's golden arches fifty-five miles east of Los Angeles.

Finding a crowded 'hamburger production line' with burgers selling for fifteen cents, Kroc quickly saw that he could make a lot more by multiplying these outlets than by selling milk-shake machines. Like all successful Mechanics, whose greatest 'a-ha' moment comes when they see the opportunity to revolutionize an existing industry, Kroc said, "When I saw it working that day in 1954, I felt like some latter-day Newton who'd just had an Idaho potato caromed off his skull. That night in my motel room I did a lot of heavy thinking about what I'd seen during the day. Visions of McDonald's restaurants dotting crossroads all over the country paraded through my brain."

Kroc set up a model franchise, drafted the first operating manual to multiply the outlet through franchises. Commenting on his Mechanic profile, Kroc said, “There is a certain kind of mind that conceives new ideas as complete systems with all of their parts functioning. I don’t think in that ‘grand design’ pattern. I work from the part to the whole, and I don’t move to the large scale ideas until I have perfected the small detail.” Within two years, Kroc had perfected the small details, and was ready to franchise.

A popular story today is that McDonald’s makes more money today from real estate than from hamburgers. This is a typical story of the dynamic balance of value and leverage, when a Wealth Creator continues to find new value, and leverages that value to find new value again – often taking them to an entirely different destination than they could have imagined.

In Kroc’s case, he began by persuading the McDonald brothers in 1954 to allow him to sell franchises for $850. He kept 1.4% of sales and the brothers kept 0.5%, with him doing all the work. In 1955 he set up his first model franchise in Des Plaines, Illinois. Kroc then rolled out the franchises. By 1960, Kroc had franchised 200 outlets and grossed $75 million - but still made only $159,000 profit.

With little profit and less cash after six years, Kroc’s break came in 1960. Deal Maker, Harry Sonneborn approached Kroc with an idea: to lease land on a subordinated basis, get a mortgage, then build and franchise with the franchisee paying rent to cover the mortgage and deliver a profit. With no capital, Kroc now had a way to create money from nothing, with the income they made from lease payments soon outstripping royalty payments.

To finance the properties, Kroc couldn’t get bank financing, so he got financing initially from his suppliers, then later found a source of funds in insurance companies. In 1960, he sold 22.5% of the business to three insurance companies, giving him a $1.5 million loan secured against the equity. Kroc recalls, “That loan could be called the lift-off of McDonald’s rocket-like growth in the sixties.” Sonneborn was Kroc’s Deal Maker, keeping an open conduit to financing as Kroc multiplied the system, keeping relentlessly focused on four principles: “If I had a brick for every time I’ve repeated the phrase QSV&C (Quality, Service, Value and Cleanliness), I think I’d probably be able to bridge the Atlantic Ocean with them.”

Kroc's real estate model enabled him to create the profit model and asset base to secure financing, which in turn gave him a model to finance growth. In 1961, Kroc bought out the McDonald brothers for $2.7 million, financed entirely by a New York investor sourced by Sonneborn.

Soon, McDonald's was joined by plenty of competitors, but Kroc kept a step ahead by staying in his flow, saying, "My attitude was that competition can try to steal my plans and copy my style. But they can't read my mind; so I'll leave them a mile and a half behind." While he focused on the systems, new products appeared to fill the system. Kroc pushed his suppliers, saying to one, "Don't wine me, don't dine me, don't buy me Christmas presents… I want nothing from you but a good product."

He also found products by luck through the system – for example in 1962 a struggling franchisee in Cincinnati, Louis Groen, came up with a fish sandwich to compete with the competition in a Catholic-dominated community. When Kroc heard this he said, "Hell no! I don't care if the Pope himself comes to Cincinnati. He can eat hamburgers like everybody else. We are not going to stink up our restaurants with any of your damned old fish!" He changed his mind when his product team came back with an innovation – a slice of cheese. His response: "Of course! That's exactly what this sandwich needs, a slice of cheese. No, make it half a slice." The Filet-O-Fish was born.

Growth continued and by 1965, McDonald's had grown to 710 outlets and $171 million in sales but, as Kroc recalls, "What none of the stories mentioned, and I wasn't about to tell anyone, was that even though our stores were booming…we had no cash. We were barely able to meet our payrolls in corporate headquarters." Kroc solved his cash flow problems by continuing to work with his suppliers and investors to fund his growth until taking McDonald's public in 1966.

By 1970, Kroc had created a $500 million fortune, starting with nothing more than the enthusiasm, knowledge and network of a 52 year old. Kroc died in January 1984, 81 years old, thirty years after discovering McDonald's and ten months before McDonald's sold its fifty billionth burger. Today, McDonald's is the world's largest restaurant chain, serving 50 million customers every day.

SAM WALTON

"Made in America"

Like all successful Mechanic profiles, Sam Walton, who founded Wal-Mart and went on to become the richest man in the world in the 1980's, had an insatiable appetite for hands-on tinkering and testing.

Walton learnt about systems by first buying a Ben Franklin franchise on the advice of a friend. This practice of learning through the systems of others is one of the fastest ways for Mechanics to get started. When the landlord refused to renew the lease, Walton was forced to find a new location and in 1951 set up the "Walton Five and Dime" in Bentonville, Arkansas. Over the next ten years Walton opened a further eleven Ben Franklin franchises, pioneering the use of check-out counters near the exits, and profit sharing for staff. By 1962, Walton and his brother Bud owned sixteen stores, and Walton was ready to branch out on his own.

Walton's manager Bob Bogle, who was in charge of buying the signage for the Ben Franklin stores, was asked to come up with a name for the new store. He came up with "Wal-Mart" – as there were only seven letters in the name and so not "so many letters to buy". The focus of the store was price, with Walton saying, "What we were obsessed with was keeping our prices below everybody else's. Our dedication to that idea was total." Walton was happy to promote 'loss leaders', marketing items at ridiculously low prices to drive customers to the store, who would then buy more.

Walton focused on improving his systems at every opportunity, stopping at competitors' stores over the weekends with his yellow legal pad, taking notes and finding talent. Walton later said, "I did something I would do for the rest of my run in the retail business without any shame or embarrassment whatsoever: nose around other people's stores searching for good talent."

Walton funded his growth through his suppliers, managers, and individual investors in each outlet: "By 1970, we had seventy-eight partners invested in our company, which really wasn't one company, but thirty-two different stores owned by a combination of different folks. My family owned the lion's share of every store, but Helen and I were also in debt up to our eyeballs – several million dollars' worth."

To solve the issue, like Ray Kroc, Walton went to the stock market, listing Wal-Mart in 1970 and raising $1.8 million. Wal-Mart's "saturation strategy" was based on mapping out the area within a one-day drive of each distribution centre, and planning a Wal-Mart within each area that held between 5,000 and 10,000 population.

Walton would leverage on his love of flying, taking regular flights in his plane over new expansion areas: "I loved doing it myself. I'd get down low, turn my plane up on its side, and fly right over a town. Once we had a spot picked out, we'd land, go find out who owned the property, and try to negotiate the deal right then." In this way, Walton built his first 120 stores and kept ahead of the competition. He added, "I guarantee you not many principles of retailing companies were flying around sideways studying development patterns."

This strategy enabled Walton to launch in areas ignored by the larger discount stores, giving him uncontested markets in which to grow his business. By 1980, Wal-Mart had grown to 276 stores with revenue of $1.2 billion. With a growing empire, Walton devised a new system to stay on top of things. Connecting all his stores by satellite, Walton received real-time information from them, giving him information on sales by store and region on every one of the 80,000 products on sale. This became powerful information that vendors wanted, giving him additional leverage over price negotiations with them.

This paradox of focusing further on detail the bigger you get is reflected in Walton's statement, "The bigger Wal-Mart gets, the more essential it is that we think small." A second paradox was Walton's insistence that the more rigid their communication system, the faster creative ideas would flow. Without fail, every Monday his eighteen regional managers flew out of Bentonville in Wal-Mart's fleet of planes. They would come back on Thursday, tasked with finding at least one idea that would pay for their trip. On Friday morning they would attend a merchandising meeting and share their ideas. The best were implemented by phone to all stores by the afternoon. Every week, week in, week out, for thirty years.

Wal-Mart president, David Glass, comments, “Our Friday merchandising meeting is unique to retailing as far as I can tell… Once we’ve made that decision on Friday, we expect it to be acted on in all stores on Saturday. What we guard against around here is people saying ‘Let’s think about it’. We make a decision. Then we act on it.”

This system built innovation into the entire Wal-Mart empire on a weekly basis, and was scalable with the company’s growth. By 1985, Forbes ranked Sam Walton as the richest man in the United States. He kept this rank until he split his shares between his children, and the Walton family held five spots in the top ten rich list for the next fifteen years.

Walton died in 1992. If he was alive today with his family assets consolidated, he would continue to be the richest man in the world, with twice the wealth of Bill Gates. Today, Wal-Mart is the world’s largest retail chain, with 1.8 million employees, 6,500 stores and revenue of $312 billion.

INGVAR KAMPRAD

“The Swedish Scotsman”

Like so many Wealth Creators, Ingvar Kamprad’s fortune did not come from a grand plan, but from innovations arising out of necessity as he followed his natural path. Kamprad’s redeeming quality was to commit that, no matter how difficult things got, he would not work for others but would stay true to his path. As a result, beginning with nothing, he became the richest man in Europe.

Born in Smland, Sweden, he started his company at the age of seventeen: by joining the “IK” from his initials, the “E” from Elmtaryd, the farm he grew up on, and the “A” from Agunnaryd, his home village, he came up with his company name, IKEA. Going door-to-door, he got started by selling products from stationery to picture frames, watches and wallets.

After finishing his national service, Kamprad went full time on his business in 1946. Tired of selling door-to-door, he began advertising and delivering to the home, experimenting with different products. After two years of trial and error, he tried furniture in his ads in 1948. He soon worked out his returns on furniture were the best, with fewer trips to make higher profits. Soon after, Kamprad discovered that a catalogue was a far more efficient way to get word of his furniture products to his customers, and, within four years, Kamprad had found his niche as a catalogue-based, furniture home delivery company. Kamprad was 24 years old.

A full eight years after starting his business, still struggling to make a profit and with a furniture price war taking place, out of desperation Kamprad decided to change his model by letting his customers touch and see the furniture. He bought a local joinery in Almhult that was about to close and turned it into an exhibition venue that doubled as a warehouse. An overwhelming 1,000 people turned up on the first day, Kamprad cut his costs throughout the process. By customers driving to the warehouse, he was able to cut transportation costs. By providing food at the store, customers stayed for far longer, giving him a higher yield per customer.

Then in 1955, Kamprad had another setback. Competitors, feeling threatened by his growing success, grouped together and pressured suppliers to stop supporting him. Unable to source supplies and banned from trade fairs, Kamprad’s sales were drying up. He responded by buying his own exhibition centres, creating different furniture exhibits to give visitors choice – even though every exhibit was owned by him. The IKEA store was born.

Flat packing was introduced in 1956; self-service stores were introduced in 1965. By 2006, 235 stores had opened and the IKEA catalogue had reached 160 million copies, the greatest print run of any book, far exceeding the Bible. By continuing to focus on his flow and multiplying the result, Kamprad is now worth $28 billion.

Like Walton, who drove the same old, red pick-up even after becoming a billionaire, Kamprad has also made a name for himself for his thrift, with reports that he flies economy, saves wherever he can, and encourages IKEA employees to write on both sides of the paper. Even so, his charity foundation is the second largest in the world, with a value of $36 billion in 2006.

MICHAEL DELL

"Direct from Dell"

Here we are, at the 38^{th} and final entrepreneur in this book. Appropriately, it is the same entrepreneur I came across in my 20's as I struggled with his ex-executives to find a stream to match his mighty river. Not only did I do a disservice to Hand Technologies by trying to follow a Mechanic strategy when I was a Creator profile, but I spent years out of my flow. Some of us are so busy doing what we are doing, we have forgotten who we are! Dell, on the other hand, was having a ball: a billion dollar ball.

On Michael Dell's 15^{th} birthday, his parents bought him his first computer. To the dismay of his parents, the first thing he did with it was take it apart. A typical Mechanic profile, Dell had to see how it worked. By 19, while studying at the University of Texas he had started a business - PC's Unlimited – which was soon selling between $50,000 and $80,000 of upgraded PC's, upgrade kits and add-on components every month.

The difference of a Mechanic and Creator profile can be seen by comparing the way Dell came up with his first PC compared to the lengths Steve Jobs went to perfect his machines. Eight months after starting PC's Unlimited (later renamed Dell Computer Corporation), he called his local Intel salesperson and said, "Tell me who in this town can design a 286 computer." He got the name of six or seven engineers, called them up and said he wanted a computer designed.

One engineer, Jay Bell, replied, "I can do it in about a week, week and a half, for $2,000." "That doesn't sound like a lot to lose," Dell said. "I happen to be going out of town for a week. I'll give you $1,000 now and another $1,000 when I come back." By the time he returned, Jay Bell had built Dell's first 286-based PC.

Steve Jobs later acknowledged the entirely different approach Dell took to the PC production process, saying, "Pretty much, Apple and Dell are the only ones in this industry making money. They make it by being Wal-Mart. We make it by innovation."

Dell began selling his PCs from his dorm room in 1985, custom assembling each order, cobbling components together and keeping costs down. Demand was instant. By 1986, he hired Lee Walker, a venture capitalist, as president. Through his contacts, Dell got the financing he needed to grow the company and to then take the company public in 1988. The listing raised $30 million, and within three years of launch, the Dell Computer Corporation had turned from a one-man operation to an $80 million company.

As Dell focused on delivering low cost, customized PCs, a series of crises allowed him to evolve his system. In 1989, five years of hyper growth caught up and prices plunged. Dell relates, “We were suddenly stuck with too many chips that nobody wanted – not to mention the fact that they had cost us a ton of money.” Dell had to sell off the inventory and said, “To our stunned disbelief, we had quickly become known as the company with the inventory problem.” Dell put his mind to work on a system that would avoid a similar situation in the future.

Like Ford before him, Dell understood that it came down to ‘inventory velocity’ – the number of ‘inventory turns’ he could achieve by increasing output and reducing stock. While Stars will slow down their asset cycle – retaining brand equity for as long as possible, Mechanics will speed up their asset cycle – aiming to increase their inventory velocity. Dell’s realization was, “The quality of your information is inversely proportional to the amount of assets required, in this case excess inventory… If you have great information – that is you know exactly what people want and how much – you need that much less inventory.” With the support of suppliers and customers, Dell began to minimize inventory, leading to unbeatable pricing.

A crisis in 1993 helped to focus the system further. Dell had grown beyond its ability to finance growth. Dell said, “We had grown too quickly. We realized our priorities had to change. We needed to focus on slow, steady growth, and liquidity.” Liquidity, profitability and growth became the cornerstones of Dell’s systems and he said, “Once we established clear metrics and measurements, it was easy to see which businesses were performing or not, and to change the strategy accordingly. For example, we changed our information systems so that a salesperson could see the level of margin for a product literally as he or she was selling it on the phone."

Dell weathered the storm of 1993, and formalized three tenets out of these crises, which have since become Dell's Three Golden Rules: disdain inventory; always listen to the customer; never sell indirect.

Dell had now become a huge company. Saying, "My high school didn't teach any courses in how to manage a $3 billion company," Dell brought in more outside help. As with every profile in this book, nothing can happen without a team. Dell explains, "When you're the leader of a company, be it large or small, you can't do everything yourself. In fact, you can't do much of *anything* by yourself." He adds, "One of the challenges you face as a company grows is that you tend to get a little too close to your own strengths and weaknesses, and it's hard to be objective. I've heard this referred to as 'believing your own press,' but I prefer to think of it as 'breathing your own exhaust.' It doesn't sound healthy – because it isn't."

Dell brought in Bain & Co to advise on the changes they would make. Bain consultant, Kevin Rollins came on board to support the effort. With the arrival of the Internet, customers were able to customize their machines, purchase online and receive delivery of their purchase to their door. Dell's revenue began another upward trend, culminating in 1999 when Dell overtook Compaq to become America's largest seller of PCs.

As the IT industry enters a new cycle, will Dell go the same way as Ford as the industry moves on? In anticipation, Dell changed its name to "Dell Inc" in 2003, and looked beyond their IT market to the electronics market, applying their direct model to home entertainment, TVs and multimedia, and the anticipated convergence of appliances, electronics, the Internet and mobile networks.

In 2004, Dell promoted Rollins to President and CEO, while he remained as Chairman. In 2005, twenty years after Dell sold his first PC, Fortune Magazine named Dell at first place in their global ranking of "Most Admired Companies". In 2006, Dell was worth $17 billion. I, in the meantime, had gotten over my frustrations and was following my flow on the other side of the planet.

MECHANICS IN A NUTSHELL

Dominant Wealth Frequency: Steel / Dynamo

Action Dynamic: Introvert

Thinking Dynamics: Intuitive

Wealth Creation Key: Creating a better system

Secondary Profiles: Lord, Creator

Strengths: Innovative; perfectionist; detail-oriented; completes things well; able to quickly fine-tune; spots inefficiencies in the system; able to simplify and replicate

Weaknesses: Can seem aloof and removed; can cause friction with their communication style; often very structured and inflexible; internal focus can miss market shifts; focus on perfection can lead to slow willingness to change.

Successes: Mechanics are at their best when they can get hands-on with business processes and find ways to consistently improve. When they are tied up with people issues and have little freedom to change things they soon become frustrated. Mechanics don't take things at face value, and so excel when given the freedom to take things apart.

Failures: Mechanics are often mistaken for Creators, and so are left to map out plans and strategies, which they have difficulty doing. While Creators can quickly come up with a half-baked idea that will change as it grows, Mechanics won't be satisfied until they can present the fully-baked solution: a prototype, the ingredients, a comprehensive recipe and a pre-heated oven.

Without the right product and team attraction, and without the right environment to operate in, a Mechanic will soon struggle to get into their flow, as they will be distracted with imperfections and inconsistencies that they will want to change.

THE MECHANIC STRATEGY

1. BUILDING YOUR WEALTH FOUNDATION

You are dynamic, yet with an introverted tendency, so are likely to pick your friends carefully. That's OK, because now it's time to also pick your wealth network carefully. The people around you will attract the market to your natural talent at perfecting processes.

Your greatest catalysts to wealth will come from those who have created the products or businesses that you will now distribute or franchise, and those who can connect you to your markets.

2. MOMENT OF WEALTH CREATION

You need to maximize the time invested in innovating and perfecting the systems and processes in the business you have chosen to become involved in. This includes the constant process of stress testing, refining and measuring performance, and continuously looking for ways to extract even more value from the system.

3. VALUE CREATION

The value creation activities that are important to you include the documentation of all systems and processes, and all checks and measures. This becomes embedded value that endures not just with the venture you are involved in now, but the next one as well, and the one after that.

4. VALUE OWNERSHIP

Ownership must be in the systems that you create. If you approach a Creator with a one-outlet business, and you systematize the business, find the financing and multiply that business to further outlets. You don't need to own the outlets. You do need to own the operating system. Make sure you own it before you multiply.

5. LEVERAGE

You need to leverage through a system of your own creation. Whether it is a license, or a franchise, ensure that the leverage is at the lowest common denominator. The more idiot-proof the system is, the greater your ability to leverage will be.

In the event that your system is a distribution or retail system, such as Wal-Mart, your leverage also comes from your product partners. The more products that are attracted to your system, the more the market gets attracted to your system. Every new product or customer means additional revenue leveraged off the same system.

6. SECURE CASH FLOW

Your cash flow will come from the value you deliver with your system. That means ensure you have the right franchise, license or distribution agreements in place that will allow you to create an ongoing source of cash flow from your system.

As you tinker with your system, with your head under the bonnet, you are leveraging the value of the other profiles. Become a master of perfecting process, and those with products, financing and connections will find their way to you.

MECHANICS TO LEARN FROM

Henry Ford (Ford Motor Company), Ray Kroc (McDonald's), Sam Walton (Wal-Mart), Ingvar Kamprad (IKEA), Michael Dell (Dell Inc), Jeff Bezos (Amazon.com), Larry Page (Google), Fred Smith (FedEx), Alfred Sloan (General Motors), Lee Kuan Yew (Minister Mentor, Singapore)