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The Success Principles: How to Get From Where You Are to Where You Want to Be

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THE POWER OF A GOAL

Things do not happen; things are made to happen.

JOHN F. KENNEDY

The 35th President of the United States of America

When I was conducting a workshop in Chennai, India, I had the great fortune to meet CK and Veena Kumaravel. Their story illustrates the awesome power of committing to a goal.

When CK and Veena's children started attending school, Veena decided she wanted to do something to earn 60,000 rupees (\$1300) a month. Veena could have easily stayed at home as a homemaker or she could have sought a job, but she was very insistent that she wanted to be self-employed and be her own boss.

The challenge was to identify what to do. One of the techniques I teach to help in deciding what you want to do with your life is to think about what irritates or frustrates you, and then look to see if there is an opportunity there. If something is bothering you, it is probably bothering others as well. Another way of saying this is, "Find a need and fill it."

Veena realized that she had been irritated about the lack of good quality and affordable beauty salons where they lived. Good quality salons were only found in the 5-star hotels, which were unaffordable and intimidating for most people in India. On the other end of the spectrum were the local parlors and barbershops whose quality standards and hygiene were far below par. CK and Veena realized that there was a need for a good quality, affordable salon that could serve both men and women.

Having made the decision to start an affordable, high quality salon, the next challenge was where to find the skill. Veena was not a beautician, hairdresser, or makeup artist. And CK's knowledge of beauty was even poorer. He thought manicures were for the feet and pedicures were for the hands. They solved this first challenge by hiring the head of the salon at the Taj, the top 5-star hotel in India, who then hired the rest of the staff.

The next challenge, which is probably the most important one every first generation entrepreneur faces, was to find the money. CK approached what he calls the 3 F's—Friends, Family and Fools—and was able to collect enough money from them to start their first

Naturals Unisex Salon and Spa on Khader Nawaz Khan road in Chennai with the hope of getting Veena self-employed and making their goal of 60,000 rupees (\$1300) profit a month.

As any entrepreneur will tell you, the first three years of any new business are *very* difficult. In their first year, the Kumaravels had revenues of 2 million rupees (\$44,000) and a loss of 1 million rupees (\$22,000). The second year, revenues were 3 million rupees (\$66,000) with a loss of 500,000 rupees (\$11,000), and the third year, they broke even. Their auditors told them to close the business, but CK and Veena were very happy because they had survived their first three years of starting a new business, *and* their revenues were going up and their losses were coming down.

As their 4th year in business began, the original goal of making \$1300 per month became a reality, and they soon opened their second salon. The profit at that point moved up to \$2200 a month and then to \$4400. After they reached \$4400 a month, money was no longer a motivator, because in India it is hard to spend more than that a month.

Now that they had accomplished their original goal, they decided to think even bigger. They set a new goal to make Naturals into a salon chain and decided to open four more salons. They started meeting with bankers to raise the necessary capital, but everyone said "No!" One after another, the bankers told them that the cost of opening a beauty salon should only be \$6,600 and that a bank would normally put up \$4400 and the business owner the other \$2200. But the Kumaravels wanted to borrow \$130,000 to start 3 top quality salons, and hence they were rejected over and over again. But having read *The Success Principles*, they knew that "NO" means "NEXT!" So they kept asking again and again until the 54th banker, impressed with a devoted and dedicated husband and wife team doing business together, said, "Yes."

Life was getting better. In the first seven years they opened seven salons in Chennai, and the Naturals brand was visible and growing. It was then that they decided to franchise their Naturals Unisex Salon and Spa business. They advertised in two leading newspapers and expected 500 or more enquiries. They received 334. They then sent forms to be filled out by those 334 prospects, but only 32 responded. And once they interviewed those 32 prospects, they found that only three people were really serious, and soon those three became none.

Back in 2007, no one was willing to join the Naturals network because salons were considered to be a taboo industry and Naturals was not a big multinational corporate brand.

But having learned that whenever you face a hurdle, it's best to look for alternate ways of reaching the goal rather than changing the goal, they changed their plan of attack. They spoke with some friends and relatives and convinced them to join as franchise partners. At first they were hesitant, but CK and Veena created a new formula where they co-invested with them and played the role of partner as well as franchiser. This provided the prospects with the mental and financial comfort they needed, and the number of salons grew to 13 that year.

Now having discovered a winning formula for adding franchises, they had a total of 54 salons by 2009, 106 by 2010, 180 by 2011, 240 by 2012, 320 by 2013, and by June of 2014, they had opened a total of 376 Naturals salons across India. They also now have an agreement to open 250 salons inside 250 Bharti "easyday" retail outlets. Naturals is also on target to open 50 stores in the Gulf region, where millions of people from India live and work.

But what gives CK and Veena the greatest satisfaction is not the money they make, not the Number One Salon status, and not all the awards they've received. What gives them the most satisfaction and happiness is that they have created 184 financially successful women

entrepreneurs, 80 percent of whom started out as stay-at-home housewives. And so far they have created 6400 jobs.¹

CK told me that one of his dreams is to erase the word *housewife* from the dictionary and to create 1000 successful women entrepreneurs, 3000 salons and 50,000 jobs by December 31, 2017.

CK's and Veena's story clearly illustrates the power of creating a breakthrough goal and persevering in the face of hardship and rejection, but their story also demonstrates the importance of another success principle—*Transcend Your Limiting Beliefs*. In order to launch their dream of expansion in 2004, CK had to overcome what he described as “the limiting mindset of the Indian middle class”—the deeply ingrained belief that “the rich are greedy, the rich are arrogant, and the rich will exploit the poor, so to desire to become rich is wrong.”

CK realized if he and Veena were to have their dream come true, they would need a lot of money for equipment, technology, marketing and training. That's when he chose to develop a mental philosophy that “every good human being has the moral responsibility to be rich.”

He says, “If good people don't desire to become rich, money will go into the hands of bad people, and they will use it to exploit and destroy good people. It is not the action of bad people that destroys the society; it is the inaction of good people.

“Money is beautiful. Money gives you the choice of what clothes to wear, what car you can drive, where you can live, where you can send your kids to school, and what hospital you can go to when you are sick.

“But money is not everything. Money is like fuel for your car. It is neither the journey nor the destination. It is just a part of the transportation system. Money is a byproduct of providing a good product or a good service, but never the main product (except for banks).

“If you love money and use people, you've got it wrong. If you love people and use money, you've got it right.”

After CK developed this new mindset his life has been in over drive, which has inspired his newest dream—to open 10,000 Naturals salons by 2025, which would make them the number one salon brand and chain in the world.

¹ When I was in Chennai in 2013, the Kumaravels invited me to attend the opening of one of their new salon spas. What an experience! The level of positive energy was over the top. The salon was clean, brightly lit and very welcoming, as were all the staff. But the thing that deeply moved me was that several of the staff were visually challenged. The Kumaravels had discovered that due to their heightened sense of touch, they made the best foot reflexology and massage therapists. And now they employ a large number of these young men and women who would otherwise be relegated to a life of poverty and neglect.