Distinguishing constructive criticism from bad business advice

by Jason Cohen on December 29, 2008

Beware of advice that tries to change who you are. True wisdom guides you to a better version of yourself.



Haiku:
With their eyes of ice
high-powered executives
know better than you.

I was starry-eyed when Frank showed up 18 months after the birth of my company, Smart Bear. Picture it: Frank was a silver-haired ex-VP-of-Sales for a big, successful company. An IPO had made him comfortably wealthy, and now he wanted to hook up with a promising new startup. With his résumé and enough money that he never had to work again, he could be choosy.

And he chose little ol' me!

And boy did I (think I) needed him. "I'm just a software developer, I don't know anything about sales" I explained to Gerry , who had already unknowingly cemented himself as my mentor. "I'm just a lowly engineer, ignorant of the mystical voodoo of six-figure purchase orders. I don't even play golf! Frank has been there."

Gerry tried to explain. "There's no magic to it. I've sold companies for \$100 million without stepping foot on a golf course. You have a good product, you have some customers, just keep going."

Of course I didn't listen.

So Frank and I headed down the road to partnership. Frank had lots of ideas that "we have to implement, otherwise no big company will give us money." For example, we had to change our name. "Smart Bear" sounded to Frank like a dorky one-man shareware site. (Ahem...) We needed something stoic and corporate. His suggestion was "Software Test and Deployment Systems, Inc," or STDS ¹ for short. Big companies like acronyms, he explained, as if "big company" is an entity that can express an opinion.

There was more: We needed patents ("to keep competitors at bay"), we needed a sales team ("software doesn't sell itself"), and we needed to lighten up ("I like to knock off early on Fridays"). In fact it seemed I was doing very little right!

Fortunately Gerry finally got through. "Let me get this straight," he rightly admonished me for the fourth time, "this guy wants 50% of the company, he wants a salary while you get none, he's going to work 35 hours a week while you work weekends, he's not bringing any money to the company, and his big idea about how to get more customers is to change your name to venereal disease?"

Gerry's criticism of Frank was harsh—as harsh as Frank's criticism of me—but Gerry was right and luckily I (finally!) heeded him.

Two weeks later I landed a \$50,000 deal with a "big company." (It was Intuit.) A few years later we were doing millions in revenue with "big companies," still called Smart Bear, still no patents, still no sales guys. Who knew? (Gerry knew.)²

¹ It apparently didn't occur to him that this acronym is already taken. At least we could have used viral marketing.

² Editor's Note: I later <u>sold Smart Bear</u>, and now it's worth over \$2,000,000,000. And still called Smart Bear.

You have to understand though, saying no to Frank was hard. He had the expertise, I didn't. I was convinced that he was right and I was wrong. If it wasn't for Gerry's guidance, I would have gone through with it.

So how do you separate the the good counsel from the bad—the Gerrys from the Franks? Both sounded like advice and criticism, both were experienced, both were strong-willed, and both truly believed in what he was saying.

Here are a few things that have helped me filter advice:

- The best advice doesn't come as a barrage of statements but rather from a series of questions, asked by someone playing devil's advocate. Rarely will an advisor know more than you do about your domain of expertise but that doesn't mean an outside voice is useless. Pointed questions force you to defend your choices. A healthy debate challenges your assumptions without implying they're false. New ideas are batted around as a brainstorm rather than handed down as gospel. In my case, Frank presented his view as a series of statements, axioms even; Gerry couched his perspective as pointed questions that required either rebuttal or agreement. In fact, playing devil's advocate is a great exercise to do periodically anyway. Find an intelligent foe, take her to lunch, and follow Scott Berkun's advice about Rude Q&A.
- "This is how it's done" is almost never a good reason.
 If the sole basis for the advice is "tradition," it's just momentum and you might be right to buck the trend.
 Example: Smart Bear posts its prices on the Internet

- rather than negotiating. Enterprise software sales are rarely done that way, but posting your price is honest and <u>makes business sense</u>, so we do it anyway.
- It's easy to cut down ideas; it's hard to create and execute them. Give me any idea and I can find someone who thinks it's dumb. So what?
 "Constructive" criticism means constructing, not just blasting. Look for advice with a clear method for implementation and a clear path for results.
- Does the criticizer volunteer a way to measure the success of her new idea? If so, the only reason not to try it is time or money. This is the guiding principle behind our marketing efforts. If not, how will you ever know whether or not it was wise?
- Actively develop a network of trusted advisors. These
 could be local entrepreneurs, on-line forums, even
 bloggers you like. Everyone needs a Gerry or two.
 Advisors won't always agree with each other of
 course, but nothing beats running ideas past people
 you respect and who truly have your interests at
 heart, even if their advice ends up being wrong.

Besides, no one knows what's right, not even me.

Seek advice that helps you become a better version of yourself, not advice that aims to change who you are.

Being yourself is the only thing you're going to be good at, anyway, which is what will give you the leverage you need to win.

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