

Lessons from Building Praxis – Part 4

“The most powerful force in the universe is compound interest” — Albert Einstein
(unverified)

Ever heard that riddle about whether you should take a million dollars or a penny, doubled each day for a month? Take the penny. You’ll end up with \$1.3M if it’s a 28-day month, and as much as \$10.7M if it’s a 31-day month.

Doubling is extreme, but even growth of a fraction of a percent compounded every single day can achieve mind-boggling results. When you’re trying to go from idea to inception, progress each day is crucial. You can’t get stuck waiting for one big leap. You need to take at least one step every single day.

Do one thing every day to make your company more valuable

I was in way over my head when I decided to make the idea for Praxis a reality. How to file for incorporation? Do I need to do that before I build a website? How to build a website? Do I need money? Where to get it? Do I get businesses lined up first, or start selling customers first? What price-point makes the most sense? How to describe the company? Do I need brochures? Do I need a formal business plan? Do I need to build the curriculum first, or get some market interest first? Do I need to setup a business bank account? Who could help me navigate all this?

My brother, a seasoned entrepreneur already, told me to chill out. He said none of that matters right now. “Just do one thing to take the idea closer to reality. Just one thing. Then after that do one more thing. If you run out of things and hit a wall that requires some kind of outside assistance, get it. Until then, don’t worry about it.”

I was mentally trying to solve problems from the future. I had a list of hurdles I imagined stopping me tomorrow, and it was crippling me today.

His advice was freeing. I was still working full-time and wasn’t able to devote all my time to Praxis anyway, so I made a commitment. I would do at least one thing every single day to make the company more valuable. That’s it. Just one thing. No other deadlines or goals of having this or that done by this or that date. Just every day, I had to answer ‘yes’ to the question, “Is Praxis more valuable now than it was yesterday?”

Some days I couldn’t do anything but search the web for ten minutes looking for similar programs in the market, or buying a domain. Not massively valuable, but one thing was done.

Other days I spent hours on end feverishly writing marketing copy, contacting business owners, talking with college students about whether they'd consider alternatives, building spreadsheets to play with the business model, talking with web designers, outlining the curriculum content, and more.

I did as much as I could whenever possible, but what really mattered was hitting my minimum of one thing done. What really mattered was not letting a single day go by where this thing didn't make progress. Time is the enemy with a startup. A day without action means you're going backward, losing value.

This approach worked wonders. The idea never lost momentum. There wasn't enough time to talk myself out of it. Some days I was on fire with enthusiasm and faith in the idea, other days I did my one thing with little excitement and lots of doubt. But I committed to doing one thing every day, so I had to act regardless of inspiration. It moved me from the vulnerable sand of emotion to the unsexy concrete of action.

And it did compound. I made it so much farther than I ever imagined before I even needed to think about things like raising money or addressing big huge hurdles I imagined.