

## Press Interview Briefing:

### Q&A with Tony Tjan, co-author of Heart, Smarts, Guts, and Luck

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Byline: Tony Tjan, Managing Partner of Cue Ball and Co-author of Heart, Smarts, Guts, and Luck

Note: “TJAN” is pronounced “CHAN”

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#### **Q: Why did you and your co-authors write the book?**

First, I want to acknowledge that I wrote the book with two co-authors, Dick Harrington and Tsunyan Hsieh.

This is a book about how you can become more self-aware around the decisions you make, and in doing so make better decisions going forward, and how you can gain insights from a “best of the best” common patterns and principles of behavior of others who already have been there and done that.

#### **Q: So what is that mindset, what is it that makes for great entrepreneurs?**

Our book Heart, Smarts, Guts and Luck surveyed about 500 entrepreneurs throughout the world and with our Entrepreneurial Aptitude Test found four critical success traits – your Heart (that is, passion), your Smarts (not just book smarts, but ability for pattern recognition); your Guts (willingness to try and have resilience), and your Luck (which is really more about an attitude of humility and optimism than it is just about chance).

Everyone needs a baseline of each of these four traits, but you tend to be dominant in one or two in the way you make your decisions.

Key is being self-aware in what drives you.

#### **Q: So help define each of the qualities of Heart, Smarts, Guts, and Luck.**

Heart is about purpose and passion – one’s calling. You don’t start a company just because you want a job; you start a company because you have deep passion behind something. 60 percent of Founders were dominant with the Heart trait.

Smarts – is not just book IQ, but the capacity for pattern recognition. Interestingly, “book IQ” itself was probably the least important trait.

Guts – is the willingness to take risk, to take action, to initiate and most important, to have the resilience to endure, and ultimately evolve.

And finally Luck – which is less about chance than an attitude of humility and optimism that create the circumstances for Luck and the capacity to take advantage of it.

**Q: Can you explain how you came to the conclusion of these four traits of Heart, Smarts, Guts and Luck? Tell us more about this Entrepreneurial Aptitude Test – that people can take at [www.HSGL.com](http://www.HSGL.com) - can we test for this stuff?**

We did interviews and designed what we believe to be the first Entrepreneurial Aptitude Test, which anyone can take at [www.HSGL.com](http://www.HSGL.com). The test forces you to make trade off choices between two right answers – was your success driven more by your brilliance, or your optimism, for example? We found that the pattern of success was a baseline of all four of qualities but people tend to be dominant in their decision-making in one to two of these traits.

What we see is that there are different ways to succeed and different patterns that tend to be more prevalent at different stages of business building. So it is a little like golf where with the same score, there are many different ways people get to the hole.

**Q: When you look at all the leaders we get to meet, why is self-awareness too-often neglected and yet so essential?**

We are, by human nature, insecure; and vulnerability and humility are not natural default states. We are creatures who like to show off our good side. But self-awareness is about looking with intellectual honesty and rigor about what your strengths and weaknesses are. I like to say: understand both your superman powers, but also your kryptonite.

**Q: Can all the four attributes (or personality traits) be acquired by practice? Or do you have to be born with some of these traits?**

The answer is both. On the Heart side, there are people who are just born with a natural passion for something. It is in their blood, as they say. There are people who just have a calling for something. Others acquire that purpose and passion over time.

What was interesting when researching Guts was seeing how people could become “more gutsy.” We discussed this not just with business leaders, but with survivors of personal crises – like a guy who was lost at sea for 76 days alone, or astronaut Scott Parazynski, a veteran of five space missions. It turns out that early childhood experiences, training, and peer support networks can all help with that ability to be more-guts driven.

**Q: What are some of the best habits or these “wisdom manifestos” you call and learned from the folks you met?**

In our research, we identified recurring patterns associated with successful entrepreneurs and leaders. “The power of the pause” is discussed, which is simply about holding back your tendency to react and wait for a period of time. A good example of that is...

...“The Optimism Rule” where we encourage you to wait at least 24 seconds, and preferably 24 hours, before criticizing why something won’t work – think of all the reasons it will work first.

**Q: What are some common misconceptions or mistakes entrepreneurs make that your research will help them avoid?**

Most entrepreneurs tend to overemphasize the formal business plan at inception. In our research, 70 percent of those businesses that had a successful exit did not start with a formal business plan. They may have had a general direction set out, but they focused much more on the people aspects before other areas and did not get too caught up in the theory of a spreadsheet model that will certainly not come through as planned.

**Q: If you need all these traits at some level – is there a tension between them?**

Yes, there can be. We describe a paradox of leadership where people need to walk this tight rope of conviction and humility at the same time. You are seeking to both command respect while at the same time working hard to earn it.

**Q: What is it that is really special about founders and what are their biggest challenges?**

A few interesting things – 2/3 of the folks on the Forbes billionaires list started with nothing. There is an intense optimism and willing suspension of disbelief and desire to do great and new things. Out of our traits, Founders are biased towards the Heart. That is, the passion and purpose behind an idea, alongside all the maniacal commitment and nuance to make their vision great. Because they have

this maternal-like instinct, or what Greeks called agape – sacrificial love – they can bottleneck or hit speed bumps as they try and scale up their ideas. These are points where you need other Smart (for example) driven skills that bring process and delegation.

**Q: So ultimately what do you want someone to take away after reading this book?**

Two things – you can become more self-aware in why you make the decisions you do; understanding this is important not just in business and life and second, to pick up on some of the common habits and principles that can help one think more entrepreneurially and optimistically. What you won't get is a recipe book for a success, but we hope you will gain a lot of principles towards it that will increase your chances.