



ROBERT G. ALLEN'S

How to Develop Free Agent Thinking

How to Empower Your Yourself as a Free Agent.

By Robert G. Allen

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Since, most likely you are presently working at a job as an employee, I encourage you to make your leap into twenty-first century wealth by doing something drastic.

Fire yourself!

Not actually... but at least in your mind. Make up your mind that you will become a different kind of employee --a free agent intra-preneur. Most employees make the fatal assumption to get a job and build a career for retirement. The facts are far different. Most college graduates will experience at least 10 different jobs in a lifetime and will move through 3 totally different careers before retirement. And those are old statistics. The future will mean more job-hopping and more career-changing. If you're going to be jumping around anyway, it's best to begin thinking of yourself as a free agent.

Here's how to make the shift. When pro athletes sign a contract with a team, they are looking to the time in the future when they will be free agents. They know that if they have constantly improved their skills, there will be several teams bidding for their services. The most likely result will be a new contract at a higher salary. Their first goal is to increase their value to the team they are playing with... so that at the end of their contract at least one team will be bidding for their services... their current team.

Step one. Set a goal to be worth at least twice what your employer is paying you.

Setting a goal is one thing. Actually doubling your value is quite another. Maybe you already feel that they're only paying you half what you're worth. Then, the problem may not be with you but in how you are being perceived--or in what your employer is willing to pay for your type of work. It all has to start, however, with your goal to not only double your value but double your paycheck.

Let's first start with value. What could you do right now in your job to be perceived as being worth far more than what you are actually being paid? Spend one hour in the next week recording a list of at least 25 things you could do to be more valuable to your employer. In any company, only 20% of my employees are vital to the long-term success of the company --they are irreplaceable. The other 80% of the employees are replaceable.

Which group are you in? Suppose we were to have an economic depression. If your company was to survive, it would have to let certain people go.....to pare down to fighting weight. Certain people would stay. If you had to make the decision, would you let yourself go? What makes you vital to your company? Why should your boss, when confronted with the choice of keeping you or letting you go, have to come to the conclusion that you are just too valuable?

At a seminar I was teaching, a young man came to tell me that when he informed his boss that he wanted to take the week off for the seminar his boss threatened to fire him. The young man thought about it...his work was a specialized position in a chemical factory. He decided it was now

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or never. He marched in and quit. His boss called back in a few days and asked him to reconsider... supposedly the boss hadn't thought about how critical this one employee had been to the operation of the factory. The young man who had been making about \$35,000 a year, decided to see how far he could push his boss. He asked for a 100% raise... and his boss agreed. Doubled his salary. The young man turned it down. He felt since he was now worth \$70,000 a year it was time to become his own boss. He left to start his own investment business.

How valuable are you to your company? Let me put it another way. Suppose your immediate superior should happen to be given a promotion and the task to form a new division of your company. Why would he or she be tempted to take you along? Are you essential to your immediate superior? The fact is, if you're not indispensable... you are dispensable. How many stories have you heard of people being let go just a few months from retirement because they were no longer needed? That must never happen to you. So how do you become indispensable?

Step Two. Think like the boss.

Every business is about two major functions: cutting expenses and bringing in sales. I call this the bathtub theory of economics. Money flows into a business bathtub through faucets and flows out of the bottom of the bathtub through leaks. Your boss is constantly concerned about plugging leaks and turning on faucets. What's left over between leaks and faucets is called profit. You must become a profit finder. Be on the lookout for ways to cut costs and ways to bring in more income. Fact is, most employees are regarded by their employers as expense items... or leaks in the bathtub. In fact, on Wall Street, when a major corporation cuts a large number of employees, the stock of that company usually goes up. Do you want to play in a game in which your boss immediately wins by eliminating jobs---maybe your job? Your employer must not see you as an expense item...as a way to lower costs or increasing profits in times of belt tightening. Your employer must see you as a source of income or revenue or profit. The only way this will happen is if you let him or her know. Constantly share your cost cutting/revenue producing brainstorms. Show your employer that you are interested in the bottom line. Think like the boss... and you're more likely to become one.

This reminds me of a story I heard a long time ago to which I've added a few of my own details. A father came to ask an employer why his three sons, all working at the same company, each earned such vastly different salaries. The employer decided to let the father learn for himself, so he asked the father to secrete himself behind a door while the first son was called into the office to be given an assignment. The first son arrived and was told that an airplane from the Far East had just landed at the airport and that he was to go down to the airport, take an inventory of the plane's contents, determine if there were any items which would be worth purchasing and report back his findings as soon as possible. The first son accepted the assignment, left the office and returned about 15 minutes later with his report as follows: "I made a call down to the airport and was able to determine that the plane was loaded with some relatively worthless merchandise consisting of approximately a hundred dozen toy dolls, about a thousand dozen pencils and some rolls of

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fabric.”

The first son was dismissed and the second son was summoned. He was given the same assignment. He left and returned to the office about an hour and a half later with this report: “I went down to the airport and asked a member of the crew to show me the cargo manifest. It listed 135 dozen Taiwanese toy dolls of adequate quality. 2000 dozen boxes of inexpensive colored pencils. And 500 rolls of fine silk fabric from Hong Kong.” The second son was thanked for his efforts and dismissed.

Then, the third son was summoned. He, too, was given the same assignment. He left and did not return to the office till long past closing time. This was his report, “I went down to the airport and asked a member of the crew to help me inspect the contents of the plane. There were 135 dozen Taiwanese toy dolls. The price and quality were adequate though did not warrant spending a lot of our time marketing them. I called our distributor in New York and made a quick deal for him to buy the entire shipment of pencils. This will result in an immediate profit to us of about \$2,000. I also discovered two thousand dozen boxes of colored pencils. The quality here was extremely poor. No matter what the price, it wouldn’t be worth the risk to market them, so I passed. Next, there were about five hundred rolls of supposedly fine silk fabric from Hong Kong. Upon closer inspection, I determined that only two hundred of the rolls were of exceptional quality and at a price to make a substantial profit. I called our San Francisco distributor and sold the two hundred roll shipment for a gross profit of \$4,000. Finally, while checking deep in the cargo bay, I discovered some items that were loaded onto the plane at the last minute so they did not appear on the inventory list. Luckily, this was the best part of the inventory...fine carvings and antique statues of extremely rare quality. The finest I have ever seen. Yet, the prices were substantially below their value. I contacted a local expert in antiques for a second opinion and only a short time ago he was able to confirm my initial appraisal. So I took possession of the entire collection. I have no doubt that given proper marketing and adequate time we will be able to turn at least \$100,000 profit. I’ll give you a detailed report in the morning.” The third son was thanked for his efforts and dismissed.

Then, the employer called the father from his hiding spot to discuss what he had witnessed. “You see, said the employer, the first son does not do what he is told. That is why he is paid the least. The second son does only what he is told. That is why he is paid a little more. But the third son does far more than what is asked of him... far more than is expected from a mere employee... that is why he is paid the most. Frankly, your first two sons are not much different from any others in my company... adequate but dispensable. But your third son is rare indeed. To me he is indispensable.

Pattern yourself after the third son.

Step Three. Make your immediate supervisor look like a winner.

Be the champion of your boss. Make him or her look good. This may not sit well with your fellow employees... who might be more interested in the age old adversarial battle between the

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management and the working class or upper and middle management. But you don't want to stay where you are. You want to rise like cream to the top --to make yourself more valuable. If necessary, make peace with your boss. Have you ever tried approaching your boss and asking for an extra assignment? Ask your boss what he or she needs done. Make yourself more valuable. Commit yourself to your bosses' goals and objectives. Let him or her know not only by your words but by your actions--special extra actions-- that your goals are the same as your

bosses' goals. Give credit to your boss. Some may call this butt kissing. I call it doubling your value. Besides, realistically, you're not going to be playing on this team forever. You are just improving your value for free agent time. You are building your resume.

Step Four. Find your purpose* at work and decide to be the best at it.

If you want to be worth more at work, find what you love to do, what you enjoy about your job. Follow your heart and the money will follow. If you are not presently doing what you enjoy make a plan to move toward that position in your company as soon as possible. You will only be great... and worth a great salary... if you find what you do best and what you also love to do. Do that. When you go into work tomorrow, find what there is that you enjoy, where you can find fulfillment.

What a tragedy it would be to tolerate your work for 40 years when with just a bit of extra effort you could find someplace to grow at what you love to do. If growth is not possible where you now work, you should take your search elsewhere. Life is too short to sell yourself cheap at a job you hate just for the sake of a little security. Your greatest security lies in learning and growing into bigger and bigger responsibilities. That is how you'll turn on your faucets. You can always go back to where you are now. You know that. Stretch yourself out into the unknown. Grow. You might uncover new opportunities that had been shielded from your view.

I think you should constantly be looking for better employment. It hones your skills to interview with other companies. Ask for positions of challenge and greater income. They can only say no. And you can always go back to your old job. Decide where you really want to be professionally and create a game plan for arriving there. If you need more education, schedule it now. If you're not growing, you're rotting.

*Although it's outside the scope of this special report, I've written extensively on the subject of Purpose: How to Find your Natural Niche and Multiply your Chances for Life-time Success. From the letters I've received, some people think it's my most profound work. If you'd like to receive my special report on purpose, go to www.robertallen.com and type in the keyword: Purpose. I'll email a copy of it to you as my gift.

Step Five. Constantly retrain yourself

The world is changing too fast for you to learn all you need on the job. You will be learning for the rest of your life.

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In addition, you need to learn three specialized skills:

- How to think like a bottom-line business person
- How to negotiate, persuade and influence.
- How to package and market yourself

These are just basics for being a free agent employee in the twenty first century. In a more traditional sense, companies try to engender in their employees a sense of ownership by allowing their employees to participate in 401K retirement plans where employees can buy company stock, receive stock options, or can have the company match company stock purchases. All of these types of plans allow you to build ownership and create a retirement value which can create long term residual income. These programs are well and good.....and you certainly should be participating in them to the fullest extent. But being an intra-preneur goes a step further. Your goal is to become a part owner of your enterprise. An inside trader of your own company.

The question, then, is: How can you turn your money trap paycheck into a money tree residual stream of income? Here is where it gets harder...because there isn't a model in the corporate world for little entrepreneurs operating inside a company and acting like independent contractors. At least there hasn't been a model. A few enlightened companies are starting to allow their employees to act this way. I understand that 3M Corporation has a program where certain of their employees can work on their own projects, using company office space and resources on the condition that if a product is created, 3M participates in the ownership with the employee/intra-preneur. Indeed, the Post-It note that is found on almost every office desk in the world was the result of just this type of intra-preneuring. I'm sure you've heard of other situations.

It would be nice to be an employee at a company where such a policy existed....where you become a hybrid employee/entrepreneur with a steady income plus the upside potential of actually owning a stream of income from an idea that you implemented on the job.

What if, however, you work at a company where no such policy exists? Obviously, you're going to have to become the pioneer. This means that you might end up with a few arrows in your back before you blaze the trail. It may mean that you eventually move on to a new position at a more open-minded company. It may even mean that you leave and start your own company. But as long as you remain an employee, your thinking must be colored with the horrible thought of you walking up a down escalator for the rest of your life and getting thrown off the escalator just a few feet from the top.

Don't bet your financial future that the company you now work for will take care of you for the rest of your life. When you get up in the morning, the question you ask yourself should be, "What percentage of my time today will be spent creating residual income streams?" Keep asking yourself that question until your answer is: 100%.

Here are a few ways that you can end up with your piece of the action.

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Choose companies which believe in employee ownership. If you work for United Airlines, you own a piece of the company. So it is with hundreds of companies nationwide. Make it a part of your checklist to ask for and expect to receive equity as part of your compensation package. True, most jobs do not even offer this option.....but if you are lucky enough to be selecting between two companies and one offers an employee stock purchase/stock option plan, lean toward the option that gives you ownership in addition to your salary. If this is not an option, then you may have to take a more aggressive stance.

Act "as if" you were a consultant. Companies pay thousands and sometimes hundreds of thousands of dollars to outside consultants to come in and advise its owners. If you know the answers, why shouldn't they pay you? Perhaps because you aren't perceived or positioned to render advice. But why not start? If your ideas are good, you could write a letter explaining that in your position you have discovered ways to increase sales or decrease expenses---ways which are either being overlooked or underutilized in your company and you'd love the opportunity to explain it to the appropriate people. Your letter may be completely ignored, but that's not why you write it. You're writing to position yourself as a person who is business-minded and profit-oriented. You're also writing to begin the process of shifting your own attitudes. You are beginning to act like an intra-preneur. An insider who consults.

Try at first to share your ideas without hope or desire for compensation. Then, explore the possibility of sharing ideas for some form of compensation...either a one-time bonus or an increase in salary...or for those once-in-a-great-while ideas, even a small percentage of profits, or stock options or company ownership.

Does this seem unreasonable, outlandish or out of place for an employee? Yes. But you're not an employee; you're becoming a free agent - an intra-preneur. I can tell you one thing, if you never ask, you never receive. If your ideas are constantly rebuffed, either your ideas are lousy or you're just not in the right environment. Perhaps your company has competitors who would be more responsive.

One way or another, you're changing the way you see yourself from a mere employee to a partner in the growth of the enterprise. I would highly recommend that you visit your local library or bookstore and check out one of the dozens of books dealing with how to become a consultant or expert advisor.

Become a commissioned sales person in your company. If this fits with your personality, you may be more comfortable being on commission than on salary or a combination thereof. A good salesperson is never seen as a leak but always as a faucet. What business doesn't need more sales? Thus, you will have less difficulty joining on to another sales team when your contract expires with your old one. It is sometimes frightening to leave the comfort and security of a steady paycheck but remember that your security really only exists in your ability to produce profit for your company. Being on the firing line may be more uncomfortable for a while but it gives you unlimited upside potential.

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All sales positions exist on a continuum with high residual income possibility positions on one end and zero residual income possibilities on the other. In other words, if you're going the commission route, choose those kinds of industries where you have the potential for creating residual income from your sales.

In a sense, all good salespeople create repeat business by excellent service, but some industries are particularly advantageous to the concept of residual income. For example, some insurance sales people end up, after a period of time, creating repeat insurance business which eventually becomes almost residual. If you do the job right the first time, you build a repeat clientele which has such a value that you can even sell your business for its residual value. The same holds true of some securities sales positions.....being a stock broker, investment advisor or financial planner.

One widely misunderstood field which is just coming into its full potential is network marketing. New ways of doing networking marketing are creating huge lifetime streams of income for the distributors of certain companies. There's a complete chapter on this in my book, Multiple Streams of Income.

At the other end of the spectrum as those selling situations which are "one-time-only" with absolutely zero possibility of residual sales. If you're going to sell something, why would you choose a situation which requires you to start from scratch every day? That was the old way of doing things. You're learning to get on the up escalator.... so you need to move to up-escalator type opportunities.

Good luck as you move from employee to free agent.

The information business is the most rewarding, the safest and the most lucrative business in the world. Let me be your guide.

After reading this booklet, if your intuition tells you that it's appropriate to work with me, give my office a call 866-748-3567 code **RGAPLCI**.

Financial Prosperity,

Robert G. Allen