

Chapter 3

Ajaz Ahmed:

Entrepreneur, Founder of the £9 Billion Company Freeserve



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Ajaz Ahmed is a man on a quest for his next eureka moment. He had his first ten years ago in a computer store in the north of England. He discovered that having just bought a new PC, none of the staff could explain to him how to get onto the internet. To solve this problem, which he rightly assumed to be widespread, Ajaz set up the company Freeserve with his employer, The Dixons Group. This allowed people to simply and quickly install the internet on their computer. Freeserve rapidly became the UK's largest internet service provider. Within a year it floated on the London Stock Exchange at £1.5 billion. Six months later, it had entered the FTSE 100. At its peak it had a value of £9 billion.

Although born in Lahore, Pakistan, Ajaz moved to the Yorkshire town of Huddersfield in the north of England at the age of three. He grew up in the humblest of surroundings. His father worked at a textile mill and his family lived in a terraced house with an outside toilet. Neither luxury nor success was forthcoming at an early age. Ajaz left school with nothing to show for himself, having failed every exam and without a hope of getting into university. Today he points to other very successful entrepreneurs who also failed to get a degree - individuals such as Sir Richard Branson, Bill Gates and Larry Ellison - and is keen to make a clear distinction between academic prowess and business savvy.

Despite any academic shortcomings, the young Ajaz needed to earn a living and in 1979 he was offered a £30-per-week sales assistant's job at British high street electronics retailer, Dixons. He was a successful salesman and in his twenties he became a manager, rising to take charge of the biggest store in the area within one year.

It was here that he received his inspiration for the idea that would make him one of the most successful internet entrepreneurs of his time. He recalls having heard about "this thing called the internet" which he felt he had to try. But he soon discovered, much to his personal frustration, that there was no simple way for the average person with a limited technological understanding to get online. The idea that was to become Freeserve began to crystallize. Ajaz realized that at Dixons he could do something that none of his competitors could do. He could physically talk to the customer about the internet at the point of sale. His team could get to those customers first. Ajaz worked hard to convince his seniors of the growing importance of the internet as a revolutionary technological medium. He conceived a simple system for getting people online. At a time when all

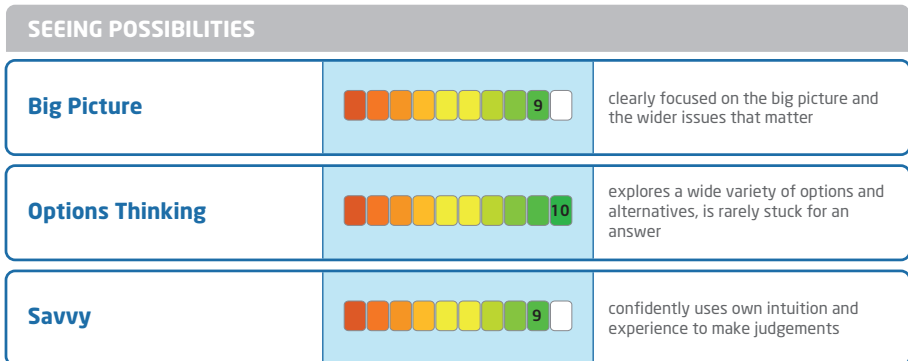
internet access in the UK was via dial-up through telephone lines, Freeserve was one of the first service providers to dispense with a monthly subscription fee. Customers typically had to pay a monthly fee and then the price of a local rate phone call for every minute they were connected to the internet. But Freeserve customers could just pay the local rate and the company collected a share of that call cost.

When Freeserve was bought in 2001 by the France Telecom owned group Wanadoo, Ajaz had the opportunity to turn his attention to other areas. Since then, he has remained a successful entrepreneur working particularly with a number of companies in the science and technology fields. Having started in electronics, Ajaz feels his understanding of this area is a useful strength and prefers to focus his efforts into such businesses. He now sits on the boards of several technology companies.

Ajaz is also involved in a project called Jumble Aid, an eBay style operation which encourages people and businesses to post unwanted items on a website (www.jumbleaid.com). When a customer buys an item on the site, all the money goes to a charity nominated by the seller. It is a simple and effective way to both raise money for charity and to reduce landfill.

Notwithstanding his earlier academic shortcomings, Ajaz also sits on the Governing Council of the University of Huddersfield. In another role which affords him something of an opportunity to return to his retail roots, he is also a partner in Abdul's, a chain of Asian restaurants.

Ajaz completed the Wave Professional Styles questionnaire and his profile provides a fascinating insight into an immensely successful individual. He is extremely inventive and creative and also has exceptional abilities which help him influence and interact with people. From his responses, we can probe more deeply into what motivations and talents underlie entrepreneurial success using Professor David Hall's Entrecode® Model of Entrepreneurial Potential. The Entrecode® is validated against a model developed to identify successful entrepreneurs. In order to do this, it predicts potential in six core areas of importance to entrepreneurs. Notably, Ajaz has a higher indicated potential than 99% of people who complete the Wave Professional Styles questionnaire in two of these key areas: "Seeing Possibilities" and "Opening Up to the World". "Seeing Possibilities" refers to the ability to take in information and create insights. Below is shown three of the ways by which Ajaz achieves this.



Ajaz is clearly focused on seeing the full extent of issues. From his Wave Professional Styles profile we can see that he nurtures a very clear vision for the future and takes a

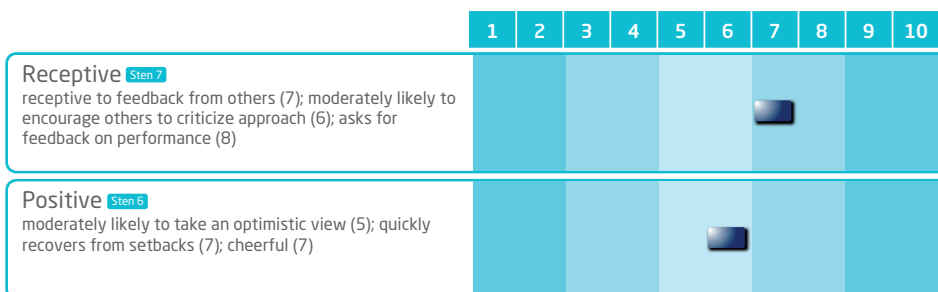
very long term view. He is also able to explore a wide range of different options. All of these are skills that would no doubt be of crucial importance to a self-made entrepreneur whose role requires him to work out which ideas are worth pursuing and which are not.

It is an example of Ajaz's commercial savvy and ingenuity that when he and his friend Abdul set up their restaurant chain, Ajaz made the radical decision to invite British comedian Bernard Manning to officially open the venture. The presence of Manning, who was well-known for a stage act that many felt to be racist and intolerant of other cultures, ensured that national press coverage was devoted to the simple opening of a restaurant. The headline in best-selling British newspaper The Sun the following morning quipped: "Who's a cheeky chapatti?"

Inviting Bernard Manning to open an Asian restaurant exemplifies how Ajaz can clearly "think outside of the box". He evidently considers a variety of options to work to his advantage. His responses place him in the top 1% of people for "Options Thinking", according to the Entrecode® model. Ajaz and Abdul also marketed an aphrodisiac-themed curry for Valentine's Day, having discovered that many of the ingredients in curry did have aphrodisiac qualities. This enterprise had people queuing around the block and proved so successful that they subsequently extended the offer to include the two days either side of February 14th. Ever since, this has been their busiest time of the year and nobody has ever denied their claim that curry is an aphrodisiac. Ajaz confirmed, with a glint in his eye, that none of the couples who'd eaten at Abdul's has ever got in touch and disputed the alleged aphrodisiac properties. "Well, they couldn't, could they?" he joked.

Ajaz's profile highlights another aspect of his behavioural style: his ability to use his own intuition and experience when making decisions. Ajaz particularly embodies this principle of successful entrepreneurship. He likes to focus on companies specializing in science and technology, as he has considerable experience in this area. Ajaz is keen to emphasise the importance of his extensive retail experience in guiding his decisions, as his grounding in this field allows him to speak to customers in jargon-free, succinct terms. He is mindful of the importance of mirroring a customer's language when dealing with them, regardless of the context. In his role, Ajaz often needs to take people's ideas and articulate them in a way that customers understand. He also demonstrates an aptitude for recognizing opportunities and the signals people give off when they are about to make a purchase. As a salesman at Dixons, for example, he recognized that customers who put their bags down were more likely to make a purchase than those who did not.

While he is savvy and prepared to use his own experience to guide judgements, Ajaz is also receptive to feedback from others. He recovers quickly from setbacks, as can be seen in the "Receptive" and "Positive" sections of his profile below.

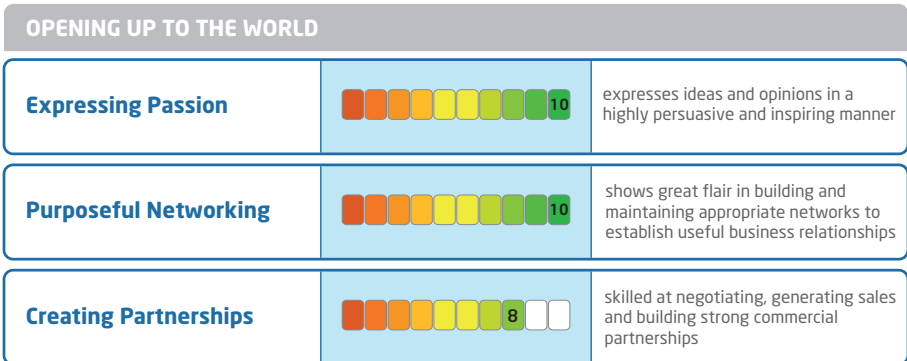


This combination of using one’s own experience to make judgements, while at the same time being prepared to listen to others and learn from mistakes, could be of great use to a self-made entrepreneur. Many truly successful individuals learn just as much from their failures as they do from their triumphs. Certainly, Ajaz was keen to ask for feedback from others as a manager at Dixons. He frequently monitored and sought reactions from his salespeople about their communications with customers. He even recalls asking staff to find out from prospective customers where they might have gone wrong in their dealings. He sometimes asked salespeople to go out and bring customers back into the store so a deal could be closed that day, rather than letting them “go away and think about it”.

Furthermore, while Ajaz admits that he has lost hundreds of thousands of pounds and has had some failures, his outlook is such that he is keen to learn something from every experience. We can see that he is adept at recovering from poor performances and has a flexible, adaptive style. He takes this ability to adapt and learn and also applies it in his personal life. Ajaz’s world was profoundly changed when he discovered he had oral cancer on his tongue, despite never having been a drinker or a smoker. Happily, this was successfully treated by laser surgery. But the experience prompted him to make some lifestyle changes. He started going to the gym and lost a total of 30 pounds in weight. Ajaz regards his healthy lifestyle as a contributing factor to his business success.

The second of the six core Entrecode® competencies where Ajaz demonstrates higher potential than 99% of people is “Opening Up to the World”. This reflects his ability to present appropriate information to the appropriate people. It also concerns building networks and forming those relationships that enable a business to develop.

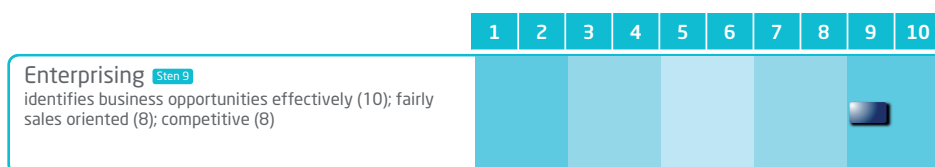
Ajaz has a very high potential for networking purposefully and is skilled at negotiating with people. He builds strong commercial partnerships. However, what must be of particular use to him is that he is skilled at conveying passion for what he does. He is therefore able to express his ideas persuasively and inspires people. The particular methods by which Ajaz is able to effectively open up to the world are shown in the diagram below.



We have seen that Ajaz is adept at seeing possibilities, influencing people appropriately and can also use his own intuitions and experiences when judging a wide-range of options. However, he reports that he is less organised, meticulous and reliable than most people. As Ajaz is so successful, it is clear that these areas aren’t so important to his success. In his job, Ajaz makes judgements about whether something will be successful or not and forms profitable relationships with others. He is not required to pay close attention to detail or to work to regular deadlines. Ajaz believes in the principles of

Monkey Management. If a problem is represented as a monkey, it is important to prevent other people passing their monkeys on to you for feeding. Ajaz is the ideas man. His skill is in persuading and empowering people to get their own monkeys off their backs.

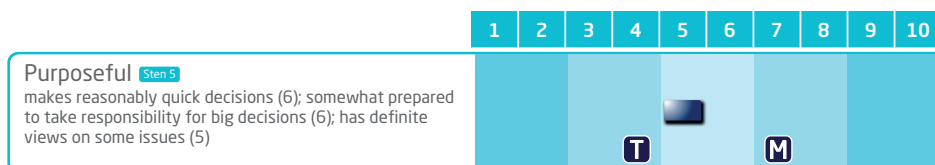
When considered with his ability to create a clear vision for the future, it would be interesting to see whether developing his planning abilities would help Ajaz further improve his already formidable capacity for recognizing business opportunities. Ajaz's interest in identifying business opportunities can be seen in the "Enterprising" section of his profile (below), so this may well prove to be an area he would be keen to develop. For example, he might find that planning could enhance his ability to identify the goals he wants to achieve from a particular project.



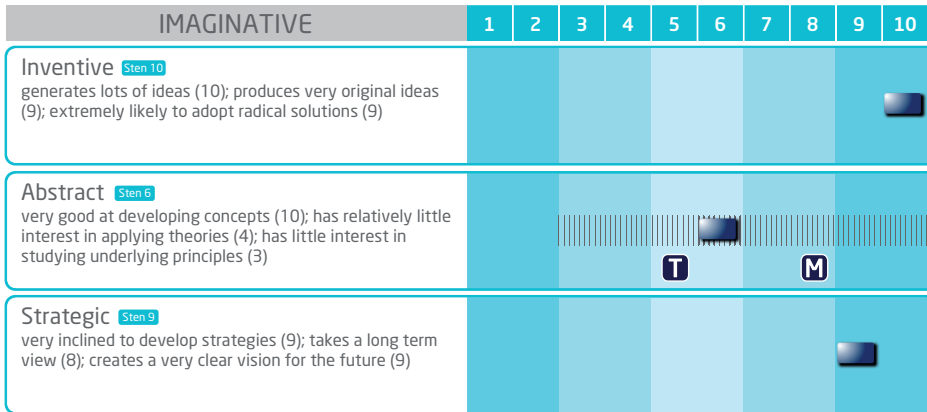
As has already been touched upon, Ajaz's interpersonal skills are a key factor in his successful behavioural style. He is very persuasive and assertive in putting his points across and explains things well. This suggests that he has an effective impact on people. Combined with his very strong networking skills, it appears that Ajaz projects himself to the appropriate people as an articulate and convincing individual. He remains very liberal and likes to be tolerant of other people and cultures and there is no doubt that this outlook also helps him to interact well with others. Ajaz also knows when to tell people about his achievements and is comfortable being the centre of attention if necessary, as indicated by the "Self-Promoting" section of his profile. Such useful skills, employed judiciously, no doubt aid Ajaz in his interactions with others.

It is interesting to explore further the exact nature of Ajaz's influence over others. He reports that he is adept at finding ways to influence people, is inspirational and is clearly oriented towards leadership. But he also says that he is less team-oriented than many people and has little desire to co-ordinate people. Ajaz affirms that he wouldn't want to be a CEO again, because his interests lie in vision and creativity, rather than in co-ordinating people and "their monkeys", which he can find frustrating. In his day-to-day work he is primarily responsible only for himself and doesn't actually have much involvement with teams of people. His profile responses seem to reflect that team working skills are not important to Ajaz, rather than that he lacks these skills per se.

In his Wave profile, an interesting motive-talent split becomes apparent in the "Purposeful" section. As shown below he is rather more motivated by, rather than talented in, this area. His talent for making quick decisions and taking responsibility for decisions is typical of many people, but he is somewhat more motivated by this than many people are. It may well be that Ajaz is considering this as an area for further development.



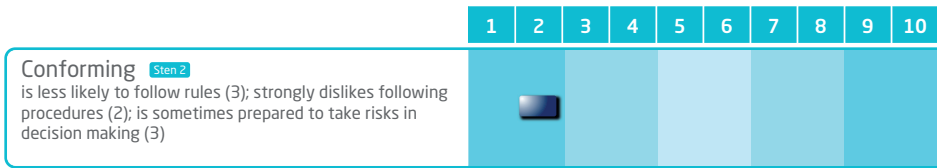
What is perhaps so fascinating about Ajaz's profile is that he demonstrates many areas of strength which interact in striking ways. As we have seen, he combines a powerful set of skills that allow him to influence people effectively. Yet, while he is quick to state that his work involves articulating other people's ideas in a persuasive way, it is eminently clear that Ajaz excels at generating his own ideas too. Perhaps his greatest strength as illustrated in his Wave profile is his inventive and strategic thought style. Ajaz generates many original ideas and is prepared to adopt radical solutions to problems. This makes him far more inventive than most people report they are. He develops concepts, theories and strategies with ease. Ajaz's personal view is that it is the ideas that matter, not the business plan. As we have already seen from his Entrepreneurial Potential profile, Ajaz creates a compelling future vision. The prevailing areas of his thought style are summarized below.



In the "Abstract" section, Ajaz has indicated that while he is very good at developing concepts, he is much less interested in studying the principles and underlying issues. Most people find that developing concepts, theories and underlying principles are allied much more closely than Ajaz sees them. Consequently, his profile highlights a unique aspect of his preferred behavioural style. Taken in conjunction with the motive-talent split in the "Abstract" section, this suggests that he has a distinct motivation to develop his conceptual and theoretical thought skills. Because his reported understanding of underlying principles is somewhat lower than for the other areas, this might be an area that Ajaz could choose to focus on in order to further develop his capability for abstract thought.

Being practically-minded, factual and rational is quite different from being good at abstract thought. These practical areas are prioritized a good deal lower in Ajaz's responses and he is much less inclined to follow the rules than many people. We can see that Ajaz has creative ideas and is talented at empowering people. His empowering skills may be the key to explaining how he is so good at realizing creative ideas despite being less interested in the practicalities of those ideas. Ajaz himself corroborates this hypothesis. He believes that many people are capable of having "eureka" moments, but that a key skill is acting appropriately on these ideas. For him, entrepreneurs are those who are able to do this and direct others to align with their vision. He read and studied how other people achieved success and believes aspiring individuals should do the same.

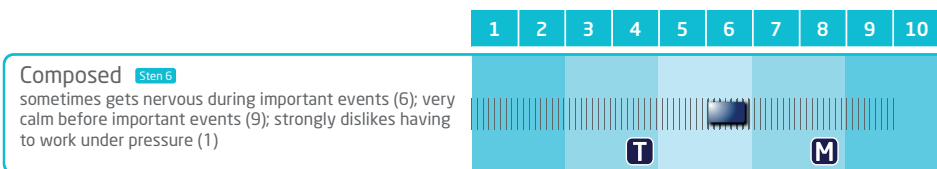
It is also interesting to speculate how Ajaz's very abstract thought style might contribute to his success. Perhaps the fact that he is less rule-bound, factual and risk-averse than many people helps him to produce exceptionally creative ideas, unconstrained in the ways that many people are. Ajaz's "Conforming" section of his profile can be seen below.



In Ajaz's view: "History is littered with examples of ordinary people achieving extraordinary things because they could see things that were completely obvious before anyone else could. That's what life is about, doing the obvious before everyone else and not trying to complicate everything". It seems this combination of a lack of constraint by rules and a very strong creative vision helps Ajaz to see things that are "obvious" before other people do. Ajaz muses: "How many times have I heard people say to me 'I had that idea!?' But the problem is that they didn't do anything about their idea. That's the tragedy".

We can also use the various reports from the Wave Professional Styles questionnaire as tools for guiding feedback in a variety of ways. For example, we have seen that Ajaz's Entrecode® Entrepreneurial Potential profile indicates that he has great flair for maintaining the networks needed for business and that he is inspiring and persuasive. However, while Ajaz's reported talent for resolving situations is lower than that for many people, his reported motivation to resolve situations is somewhat higher. He may therefore already be inclined to focus on these supportive skills. Ajaz is an immensely successful individual, so it is likely that he can effectively self-regulate changes in his behavioural styles in order to maximise success in a range of different situations.

From Ajaz's profile, we can consider areas where his success might be used to extend advice to others. There is a large facet range on "Composed", where Ajaz reports that he is very calm before important events. He is only slightly anxious during important events, but dislikes having to work under pressure. This is illustrated in the diagram below.



It would be enlightening to know when such anxiety can be a help and when it is a hindrance, because Ajaz is certainly very comfortable giving presentations. He reports disliking working under pressure and in a busy working environment, but appears able to flourish in other situations such as networking and giving presentations. Crucially, Ajaz believes that "success is an attitude" so if you can go into a difficult situation believing that you will be successful, that is half of the battle.

The Wave Professional Styles reports for Ajaz Ahmed are a fascinating case-study into the very individual behavioural styles of an immensely successful and self-motivated entrepreneur. Clear strengths for Ajaz are indicated in his creative thought and

interpersonal skills, which allow him to effectively influence people in order to develop his business. He also demonstrates a remarkable ability to invoke his own experience and intuitions to make discerning commercial judgements. The importance of this skill is something he is at pains to stress.

However, what is perhaps heartening for others is that Ajaz believes that ordinary people can do extraordinary things given the right motivations. He explains how one famous British television commercial affected him profoundly. An advertisement for Hovis bread showed a millworker walking down a cobbled street as he retires from a hard life's work. He clutches the clock that has been given him as a leaving gift and looks back at the mill where he has faithfully served his whole life. He returns home and cuts a slice of Hovis bread, when the advert reveals that Hovis is "as good today as it has always been". The message is meant to be one of good old-fashioned values and tradition, but Ajaz saw it in a rather different light.

Millworkers like his father left with nothing but a token gift to show for their life's work. He wasn't going to retire with nothing to show for his toil. For him, success is about wanting to have something to show for your life's work. Ajaz believes that most workers spend six months of the year thinking about the holiday they're going to take and then another six months talking about what they did on holiday. They don't try to make a difference. The desire to make a difference was the driving force of his success.

Ironically, Ajaz's colleagues at Dixons did present him with a clock as a leaving gift, but his drive, determination, creativity and influencing skills have carried him much further than that humble millworker. For many people, the advice, beliefs and behaviours demonstrated by Ajaz Ahmed form the cornerstone of a successful entrepreneur. There is no doubt that he embraces them with verve and aplomb.