

FOR WINNERS ONLY !!!

Patty Pinkstaff, 2018

Is planning really necessary? Yes. And no.

Yes, because everything you do must have a plan. Particularly if you're running a business. You can't just make an investment or jump into a new project without a reason. You have to have a long-term objective in mind and a plan for achieving that objective. Smart business people always have plans. They hate surprises. They want to make sure they've thought through all the options. But planning only goes so far. At some point, you're going to have to actually execute and take a chance.

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Take, for example, Greg Koch, the co-founder and CEO of California-based Stone Brewing Company. Koch and his partner started the company back in 1996 and have grown it to around 900 employees. They've certainly benefited from the recent wave of popularity for micro breweries around the country, something that no one could have planned. A few years ago, Koch decided to expand to Europe and become among the first, if not the first, American micro breweries to do so. So he made his plans.

Koch hired a business-development person whose sole job was to find the right place for the company's first European operations. Over a four-year period they visited, together and separately, over 130 sites in nine countries. They solicited local search firms and consultants in the process. They met with regional authorities, ate unfamiliar foods, watched bad TV and sat on airplanes for hundreds of hours.

Ultimately, the company settled on the perfect place: a historical building right smack in the center of Berlin, Germany. Koch doesn't speak German. He's only been to Berlin a few times. But work is already underway. People are being hired. Millions are being spent. The facility, a combination brewery and restaurant, is expected to be up and running by the end of 2015.

This is a big move for any company. And such a significant investment must have taken a lot of planning, right? Of course. But the actual decision to pull the trigger? That was nothing more than, well, a hunch.

Analysis can be a great thing, Koch tells me. But in the end you have to go with your gut.

Sure, he's been running his micro brewery for almost two decades, but he claims he's no beer-industry expert.

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Market studies are a waste of time, he says. Focus groups and surveys and public opinions may be OK for some but not for my business.

There's no data to support whether Koch will succeed in Germany. In the end he's taking a leap of faith. He's relying on his instincts. He's taking a risk. And this is what successful entrepreneurs do -- they plan and then they just execute.

Koch knows he could be wrong. He's made plenty of mistakes in the past. But luckily, nothing too large. He's taking a big risk on the Berlin location, but he's not betting the farm. No smart business owner would do that.

Planning is important," he says. "But in the end, it's tenacity, force of will, intelligence and a little bit of luck that makes the difference.

He's right. Planning is important. But some business owners can never seem to get past the planning stage. They analyze. They research. They pore over the numbers. They hem. They haw. They try to consider all the angles, all the potential problems. And, in many cases, this just becomes counter-productive.

People who grow their companies are taking risks all the time. They're thinking, they're getting data where they can, they're analyzing -- but in the end they execute. And they know they're doing so without all the information they need. But that's OK. In the end it's instinct. It's a feeling. It's a gamble. And no amount of planning will make up for that.