The Personal Business Model: A New Tool for Thriving in Turbulent Times

“How can I find job security in an economy like this?” “Job satisfaction … maybe now isn’t the time to go there.” As a career expert, you can testify that many people are uneasy about their work lives these days. And, of course, you have a set of tools to help people address these anxieties and move toward better career stability.

Here’s another powerful tool to add to your repertoire: business model thinking. Yes, it may seem counterintuitive at first. Can business principles really apply to personal life, especially when so many businesses are in trouble?

Yes, they can.

The term “business model” might sound like jargon used by high-priced consultants and business-school professors. That’s too bad, because understanding and analyzing business models remains a rare and valuable skill — yet one anybody can learn.

What does “business model” mean, anyhow? There’s little agreement on a precise definition, but two common explanations are “a blueprint for a business” and “how a firm makes money.” These definitions are general and don’t mean exactly the same thing. Still, both suggest that business models play a key role in business success.

Why is this important?

Because most of us care about our employers’ survival. And if that’s the case, then it follows that we should be keen to understand how business models apply to and help sustain the organizations we work for — as well as why new models have disrupted the telecommunications, publishing, music, and advertising industries, among others.


“A business model describes the rationale of how an organization creates, delivers, and captures value.”

In other words, a business model explains how an enterprise provides value to customers — and gets paid for doing so. Specifically, “providing value” means helping customers with a job that needs doing.
The Business Model Canvas
This logic can be expressed in a Business Model Canvas, a simple diagram that depicts a business model’s nine key “building blocks.” These building blocks include Customers, Value Provided to Customers, and Channels, among others:

Let’s see how the Canvas works by diagramming the business model of Jiffy Lube, a drive-in, quick oil change service franchisor based in the United States.

Jiffy Lube helps automobile owners accomplish a crucial but messy, hassle-laden job: maintaining their cars. Jiffy Lube helps customers with this important job by quickly and expertly changing oil — and saving them from dirtying their clothes or having to recycle used oil. Customers, in turn, pay Jiffy Lube for the value it provides in keeping their cars running trouble-free.

Here’s a Canvas depicting Jiffy Lube’s business model. It includes Customers (car owners) Value Provided to Customers (keeping cars running trouble-free) and Channels (how value is delivered — in Jiffy Lube’s case, on-site at Jiffy Lube locations):
Seems simple enough, right?

Here’s the key point: Though it embodies crucial organizational logic, a business model like the one shown above is typically unseen — an undefined, intangible asset that resides … well, nowhere. Few organizations bother to actually describe their models on paper. Doesn’t it seem odd that something so important so often remains invisible?

Therein lies the beauty and value of the Business Model Canvas. Drawing the model on paper makes unspoken assumptions explicit. And that makes them available for others to understand, challenge — and build upon.

**Business Models Go Personal**

Now, here’s some good news for individuals: By getting a better understanding of how our organizations operate, business model thinking helps us perform more effectively at work. But more than that, once we become familiar with the Business Model Canvas, we can apply the same ideas to our own careers.

How?

Simply by considering ourselves single-person enterprises with “personal business models.”
For example, we all work for others (Customers), helping them complete the jobs they need to have done (Provide Value) — and we do so through various mediums (Channels). Of course, we don’t typically use business terms to discuss our work. But that’s where the Canvas proves useful. When we use its structure and language to help us describe what we do, we open the door to personal and professional innovation.

Last year, for instance, a friend named Chris discovered the power of defining a personal business model. Chris had developed a side business copyediting scholarly papers for university professors, and she decided to analyze this professional activity by drawing a Canvas. In the “Value Provided to Customers” building block, she wrote, “improve article readability and style.”

But after pondering Value Provided, Chris realized the job she was doing was something far more valuable: helping professors get articles published in leading scholarly journals.

For university professors living in a “publish or perish” world, this was a mission-critical job indeed. Chris raised her rates significantly — and attracted more, not fewer, customers.
If you’re interested in using these ideas to help your clients improve their careers, here are three simple takeaways:

1. Learn to use the Business Model Canvas — it’s a simple but powerful tool for both organizations and individuals.
2. Like Chris, put your personal business model down on paper to clarify the value you provide to customers.
3. Use Post-it notes to change the content of different building blocks and imagine new ways to add customers, serve them through different channels, or boost your “value provided.”

Be Part of a Bestseller Business Model
Chris’s story isn’t unique; anyone can benefit from defining a personal business model. With this in mind, together with the authors of Business Model Generation, I’m now working on a new book about applying business model ideas to personal career development.

The work is tentatively titled Business Model You! [http://BusinessModelYou.com/] We figured a book about business models should itself adopt a non-traditional model, so that’s what we’ve done. We’re inviting readers to co-create the book by critiquing draft chapters, voting on design elements, or simply supporting the effort through online forum membership. In exchange for pre-purchasing one copy, each member will be credited within the final work as a contributing co-author (this is a traditional paper book, not an e-book).

This is the same model that made Business Model Generation an international bestseller — you can read about this rule-busting approach in an essay [http://jeffreykrames.com/2010/02/20/a-new-business-model-and-a-new-bestseller/] by Jeffrey Krames, the agent who represents us.

Nearly 500 contributing co-authors from 45 countries joined us in the production of Business Model Generation. Now we’d like to invite career experts to join us at Business Model You! While we can’t guarantee that the new book will also become a bestseller, if you join us, the odds are in our favor — and yours.

About the Author