

What My 4 Year



myBurgerLab

Degree Taught Me

By Wee Kiat Teoh

PART I



AND JUST LIKE THAT, 4 years have passed, since the day we embarked on an idea from Renyi's home, to testing our burgers with friends at the Red Bean Bag, to what we have now at 4 locations in Klang Valley.

Sometimes I do wonder how everything just happened, cause it just feels like yesterday that

we were talking about the idea. There were so much emotions that came and went throughout the journey that makes it even more surreal.

The whole 4 years did feel like a degree sort of, a degree which is actually cheaper than my actual education degree, and has taught me so much, especially in the year 2015 as it was the toughest year ever. It was as if I was going through a FYP/Thesis phase for my final year.

It's been a while since I last wrote about our journey. The emotions, growth, self-reflection and friendships that have occurred over the years have fueled me to write this 4 part article, due to be released every weekend till our Anniversary week, July 10. Many of these things have not been covered by any media, and it's about us opening up our vulnerability to the

world to see what are the things that happens in that black burger joint.

Many thanks to the people who were part of my life over the years. Thanks to my family for continuing to trust me, the myBurgerLab team to give their all hustling through a roller coaster ride, my myBurgerLab partners for believing in the journey and hustling non-stop, the customers for the continued trust in us with their returning visits, my Ops Ninja partner and team, my budding entrepreneur friends (your presence itself is a good reminder for me to hustle) and my friend Li Kheng who supported me spiritually since I've known her.

Throughout these 4 years, we went from selling 600 burgers a day to facing a decision on whether to call it a day for the business. We went through a few fundraising talks which all

didn't happen in the end. We took risks to work with someone abroad to open our Cambodia location, which we learnt a lot from working with someone else. We lost staff along the way, some of which we should have fired faster, and some where we over-hired. We had to reshuffle roles and responsibilities many times. We made so many friends along the way, many of whom helped us one way or another, giving us advice and supporting us emotionally.

And after such an intense journey, I will be covering 9 things that I've learnt along the way.

1. MINDSET

Starting a business starts from having the right mindset. Your why and conviction has to be strong and clear.

Entrepreneurship as they call it, is not something glamorous to begin with. The media has worked its way to glamourize entrepreneurship that has made a lot of students contemplate about quitting their studies and jumping into entrepreneurship.

Awards, PR Release, News Coverage are good for business marketing, but it doesn't guarantee personal success. We are just people who just wanna create things for the world and grow a bunch of people to serve the people of the world, teaching them to put others first.

If someone wants to start a business because they say “at least I have something on my own”, or “I’m tired of working for people” or “I don’t like working at my place”, I will go like F**K you!

That is because business is not a game of just try and see what happens. Being naive is good firepower to have when you first venture into a business, but being able to focus on yourself first and not others will cause you burnout in the long run.

The amount of responsibility you hold as an owner is large. So large that it involves other people’s lives – your staff and their children, their family, their partners.

Take this perspective into account – you look at your financial statement and worry that you have to lay them off when you go into the office. It’s so mentally torturing. Sometimes I will just

feel ashamed to even go to work, but I know the 2 routes that exist are either downwards or just keep on trying to go upwards.

We get paid last when it counts.

There's no security, no fixed schedule of a 5-day work week, no benefits of public holidays and to sum everything up, we are not even building something that is ours, because we will never be able to bring it with us to the grave.

So why bother taking such a difficult route?

If you ever want to start a business, please start with these questions.

“What will keep you going if you have to eat bread every day for a couple of months just so you can issue paychecks to pay your staff? Are you able to take the grit test and put others first when it counts?”

And it is through these hard times, I finally understood why some people are just reluctant to start their own business. Some people's lives will be made miserable if they venture into entrepreneurship. Honestly some people are just better off working. Many of my peers now are making even more than me in their monthly salary. The good thing is, through this difficult journey, it has also helped me evaluate a founder of another business sharper if I were to work with or invest in them.

2 years after the Alliance Bank challenge, now I finally understood why Tan Sri Liew Kee Sin asked me these 2 questions:

“Why is this important to you?”

“What happens if this venture doesn't work out?”

When a seasoned businessperson goes through hard times, that is when you truly understand that the only way out, is the person itself, and that is all that makes the difference.

It is not the best years that count, it's how you handle the bad times.

It's no longer which idea is the best or whether this idea would change the world, but how much grit do you have to just run a business successfully. It is true when top VCs in the States say that it is difficult to find someone that can qualify as both a founder and a CEO at the same time, because both roles do require different set of emotions.

End 2014, early 2015 was the toughest times of our lives, as we had to get some money to open our 3rd store to ensure our survival. It was either taking that risk to do one last push or end

up losing everything (explained more in Part III). That struggle, the motivation to even go ahead for one last push was questionable. There were doubts on whether there could ever be a light at the end of the tunnel, despite thinking we have done the best we can.

From 18 months of having people queue outside our first outlet to face shutting down the business, it was a mental ping pong in my mind. I was really lost, struggling to pull myself out of bed sometimes. It's depressing, that's a fact of life. You just don't see it in the media.

And through those difficult moments it is when each of us would have to find our own source of motivation. For me, it was the people who trusted us to embark on the journey at the beginning. There's just too much sacrifice from their end for me to let them down. If it's up to

me to battle it out once again, it's for the management team, the young energetic geeks and the customers.

Who else could possibly do a burger joint with such creative burgers and such energetic service if it's not us. If it's meant to be, we should be the one who power through to leave a legacy and put Malaysia on the map.

80% cut on my pay for 15 months, cut down on spending to buy time, working 18 hours a day, weird sleeping patterns, hustle to make more sales and started another business (Ops Ninja) with my other partner (Chok) to fund my living. When times get tough, you just have to do whatever it takes to just make it work. No negotiations, just whatever it takes (within the moral discipline of course). If there's anything

to blame, it's to blame it on ourselves as entrepreneurs.

Throughout those difficult times, catering for Maxis management lunch saved us. Catering for Digi annual internal staff celebration saved us. Samsung Star Light Cinema events saved us. Many more events saved us and it is true that when people said “When you ask for a miracle, you may just get what you want after all.” The world does work in mysterious ways, and that is when I learn how to be grateful for what I have.

I'm usually stressed out over things, what more when the business was at such an uncertain stage. But it was through the understanding of what these 2 words “Acceptance” and “Impermanence” really meant that helped me detach myself emotionally from the business.

Acceptance – Being able to accept that whatever happens, happens for a reason and instead of resisting them, it's all about accepting them and asking ourselves what's next. Acceptance starts from giving the permission within to accept the situation and scenario. The more we resist, the more friction it creates, and then, there's where paralysis happens.

Impermanence – Nothing in the world is permanent. Look at Nokia. Look at the various banks worldwide. Nothing will last forever and that is just the fact of life. It was the biggest breakthrough for me as I understood that the business success and failure doesn't define me. This helped me make more objective decisions instead of emotional ones.

We as entrepreneurs are always faced with the challenge to always take the emotions of our

team into account. Sometimes we know better that we have to do what's best for the business because through that, the business will in return be able to take care of the people. No matter how hard we try, it will not be ours forever. We are just given this duty from the universe to serve others in this lifetime.

And it is these difficult times that made me realise why so many of the successful people out there are so humble, because they have been through terrible times and they are just here to make other people's lives better.

So start with the right mindset, a purpose, a why that is bigger than yourself because once you start a business it's no longer about you. It's about others.

If you are in the working world, and wanna do your own thing, talk to your boss to see what

you can help him to kick start. There's a new trend called Intrapreneur, and that is much better as you have at least some safety net.



2. FOUNDERS

Some say birds of a feather flock together. Some say we attract what energy we portray – if we are positive, we will attract positive people.

When you have the right mindset, your circle of people will usually have a similar wavelength of mindset. It's true because over the years, I could see how my network of people grew, from budding startup friends to seasoned entrepreneurs. But both having the same purpose and mindset, just that they are in different stages of business.

Hence when you are starting up your business and are looking for a founding partner, you will be able to attract the similar kind of people if you have the right mindset. After listening to so many stories of founders' breakup over 4 years, I

am seriously grateful to have my partners as my partners. Sometimes when people ask us what our success of myBurgerLab is, I don't even know really because it's a combination of so many different things, but sometimes I like to think that it starts from us having a good partnership which is honestly unexplainable.

Many people have asked me before, should I have a partner? How is it like working with partners? People say 2 is hard to deal with already how do we go with 3?

To be honest, if you can handle marriage or a relationship, you can definitely handle business partnership. It ain't that bad really, in fact it's much simpler because usually the bigger end goals and directions are clearer, it's only the small little goals that builds up to the bigger goal along the way that has its own challenges.

Having partners and no partners have no right and wrong, both just have different consequences and it's how we perceive each choice to be.

When you have no partners, it just means that you have to find really good people for your team to complement what skill sets or mindset that you do not have. More importantly find good hires for your team that can cover you when you are sick or unavailable or to hedge on the risk of the continuity of the business. The good part of having no partner is the simplicity it can create for your team in terms of directions and culture, as they don't have to be stuck in the struggle of partners to make a decision. Sometimes that could cripple the speed of taking action in an organization.

When you have partners, it could create more conflict but it also helps to keep each other in check. Having partners is good to complement each other and with that, together everyone can achieve more things going forward.

There are bound to be conflicts as long as there's more than 1 human being, so if you are not a conflict person, my advice is try to stay away from partnerships. I myself don't really like to deal with conflict but over the years I have learnt that conflict exist because of 2 things:

1. Not putting myself in their shoes to address their concerns.
2. Focusing on self goal rather than the bigger goal.

The key is how do we turn the conflict into a resolution that is for a bigger purpose, which in our case is what would make customers happy and have a better experience. If it serves that, personal agenda will immediately be nullified, because customers at the end of the day are our boss, not us. They pay our bills.

Both my businesses myBurgerLab and Ops Ninja do not have full length partnership agreement kinda thing, and I think that's because of our trust towards each other that somehow we just don't see the need to. And that sometimes is what they say the best partnership is, people who can work with each other naturally without much black and white terms.

I have always liked what one of my favourite entrepreneur, Tan Thiam Hock, shared about his partnership history with his late partner Mr.

Ang in his first few ventures. It just shows that trust is the most valuable thing over any fees that you pay to the lawyers to prepare an agreement.

From my own experience, if your partnership is gonna involve 2 people, then it's best to have one handle operations and the other to handle business development + marketing. Cause these 2 are the main core of early stages of the business. If you can't handle accounts, get someone else to do it. Having more money in the bank is more important than recording money in the bank. Go out and be a hunter.

One piece of advice I can give is to find partners who share the same kind of values. Having similar life values would really help.

The only caution I would have for having multiple partners is how it can affect the culture

of the company, which I will continue in next week's column.

Till then, this marks the end of Part I.

2. Founders



*Where it all began in 2012.
Photo taken at The Red Beanbag.*

PART II

Firstly, I just wanna say that the response of you readers for Part I was really overwhelming, it was really unexpected. And I just want to clarify that I didn't actually have to eat bread everyday (though economy rice was the actual one), but the statement I was putting out there was a "What If" question of a worst case scenario. Sorry if you thought I did, Pai Seh...

*** back to Part II ***

DO YOU EVER WONDER why some companies can last longer than some, and some companies just

die after a few years? Do you ever wonder how some companies just thrive more than others during different times?

It was a question that I asked myself constantly after the first year of starting out and there are all sorts of reasons given from books and the media – from being unable to adapt to change to not pivoting fast enough. Is there no fool proof way? Or is there a fool proof way “sort of”?

Then I realised that essentially a business is just like life, everything has ups and downs. People come and go. Deaths and births happen. There’s never a fool proof way to last forever and this goes the same to the Central Bank. Maybe one day, central bank may not exist anymore too.

Fun Fact: 80% of businesses fail within the first year!

From my personal journey and assumptions, I can narrow down to only 3 internal factors after seeing how some companies succeed and fail. It all starts from the founders' mindset, the team that is part of the business and the culture of how things are run internally.

3. TEAM IS THE REAL KING PRODUCT IS THE QUEEN

One big observation I came to conclude is that product is no longer king, that is really an old philosophy. Screw it. Many people talk about how good a product is and how life altering an idea can be, but that is just a surface reason.

Products and ideas are actually by-products of people.

How Nokia fell and Apple rose is what usually people claim to be the product problem but in all honesty the real reason is the team behind these companies that dictate the future of the business. They are the ones who will decide on:

1. Whether to go ahead with new innovation?
2. What direction of innovation to take?

The people in the team can make or break the business, just like how Leicester beat everyone in this season's Premier League. It's not just Jamie Vardy, it's the whole team collectively.

It's not about how much money one company raises, cause if it is, then all the latest startup failure stories in the USA wouldn't have happened. The suicide cases of founders wouldn't have happened.

A great team will find ways to do whatever it takes to make things happen. If the goal is 5 million sales this year, then it's to go out and make 5 million sales possible. If the founders and the team are great, they can weather any downturn in the company.

Building a team is probably the highest learning curve that I faced throughout these 4 years. We were really lucky. We got off to a really good

start by having great people from the get go, and having hired so many young people aged below 25 gave us a really big advantage to create the myBurgerLab experience that we want.

Seeing how many of these kids grew over the years is personally rewarding. 97% of our crew have no culinary or hospitality background and to be able to understand our philosophy in what we do and translate that into action by putting customers first is amazing. Some geeks just got the hang of it from the start, some took a while.

Many of them do not know how great they could be in the start, and after a few weeks of seeing them in action it is when you can truly see them flourish. I have seen geeks who are so quiet in the first 2 weeks and then they really opened up and just had fun working. I have seen geeks who are over self-confident and have lots of ego, but

after a few weeks they value team work, help others out and put excellence as a priority. They probably don't see it as clearly as we do, but many of them grew along the way.

I have personally seen a geek (whose mom runs a pet store) who didn't know much about F&B and was unsure of what he wanted to do in his life after SPM. When he came in he was fairly quiet and timid, yet eventually opened up to be one of our best geeks. Seeing how they were when they first came in and how they have become at the end of their journey is great as it is aligned to what we want to achieve, which is to educate and teach the young generation the mindset of serving and putting others first. It all starts with attitude and I'm glad most of our hires have great attitude (though our rejection rate has raised to almost 50% compared to 10% in year 1).

The energy and vibrancy that these geeks bring to the team is just priceless. myBurgerLab wouldn't be what it is today if it weren't for them. Having said that, it is really challenging to handle such a high turnover and manage a group of raging hormones. There's just a lot of team dynamics to deal with. I guess it comes with a price for having what we want to achieve, but it's still manageable. 😊 Credit goes to the store managers! Thank you Geeks for the hard work too!

If you ever come to the lab and enjoy your experience with the team, drop us a message. Any compliments about a particular geek will always be passed down. Give them a high 5 when you see them, they will appreciate it 😊.

That's for the part timers. For the full timers it's a different experience as they are the ones who

set the core foundation of everything we do. We made a few hiring errors in the first 2 years and we also lost several full timers along the way. Much of it is due to how we as founders hire people. I can't stress on how important it is now to hire correctly especially at the start of the business. We as founders have to be clear with what we want, what kind of people we want and how to manage their expectations at the start of the hire.

To know how important it is to build a great team, it takes seeing failures over a period of time. It takes time to learn how to conduct an effective interview and selection process.

I finally understood what it means by hiring experienced people. If a staff is inexperienced or having at least worked at our other places before, he/she may experience stagnation after

a few years if the business has a weak system and process (which was very much in our case previously). This is because as the business grows, the experience required at the stage is very much different from what was required at the starting phase. There are of course certain exceptions where inexperienced hires can pick up really fast and surpass expectations as well. All in all it's the attitude of the person, but having the experience of even working could be a really big edge.

You will need to look into your budget and determine what kind of people you can hire and what each hire can bring to the table. Some experienced hire may not even be suitable to work in a startup environment which lacks systems and processes. Getting a few experienced people at the start will help create long term stability, while hiring fresh grads will

help create fearless creativity, so hiring both these opposite profiles of people in a team at the start is really crucial.

Every staff lost along the way is always a kick in the gut for me, as I feel that we have let them down in presenting myBurgerLab as a great opportunity for them, but I have learnt to accept that it is part and parcel of building a team. It is these failures that we can see how else we can improve how we do things.

I always thought that my life can't be worse than what many football club managers have to deal with for all the summer transfers and change in team dynamics. I just know that for some I had to let them go, mainly for their own benefit as we had poor learning pipelines for some of our functions and it requires an experienced eye to set that function up properly. And in some cases

it was a poor estimation of hiring needs, hence the over hiring.

All these are part of lessons on how to overcome internal organisational challenges, and it helps to be on our feet in developing a strong learning programme for the team. We changed roles and responsibilities of our core team quite often as we grew and always had to develop processes to patch things up. I wish there's a textbook on this but there's nothing better than experiencing it ourselves.

3 of us are really grateful to the team, some took risks to join us from the start, and for some it was their first job. It was because of such sacrifices from them to trust us from the start, that has made us take the risk to give one last push to see how else we can bring the business back to sustainable terms.

3. Team is the real King



myBurgerLab

we're missing someone.

4. CULTURE

I was invited to speak at Jobi's career fair recently to speak about building team culture in a company and that topic has really got me thinking of what culture really is. Looking back over the years, we hit several great home runs in terms of the culture we managed to establish, but there were also some which I hope we had established earlier.

Back in 2009-2013, the media was showing all the trendy cool working culture at the great offices around the world which had cool bean bags, pool table, flexible hours, free breakfast. Boy, was I sucked into the media thinking that those perks should be the benchmark to establish a great working culture environment at myBurgerLab.

At the back of my head, I always questioned over the years on whether we are good enough. There's no PlayStation in the office, no Wii. Would we be good enough for people to join or to even stay longer? Such pressure at a startup can be quite self destructive because sometimes we forget that we are comparing ourselves to big companies who are well funded or big multinational companies who existed for years.

But over the years, I have learnt that the truth is, people will not decide whether they will stay based on what facilities are available (in fact I call those benefits perks and not culture). The key is what kind of mindset and culture do you want to set to attract the kind of people you want and to help to push the organisation forward.

Culture is very much explained by how things are done and what kind of thought processes are being cultivated across the team.

For example, not having much resources available on hand could open up an opportunity for the team to build on a culture of “how to be resourceful when there are no resources”. This creates creative thinking on ideation and execution. For example, a pre-sales business model, where sales and transaction is captured even before a good/service is shipped out.

Not having a cool kickass office with pool tables and ping pong tables could open up an opportunity for the team to build on a culture of “gratefulness of having essentials and how to use those essentials to build on to bigger things”.

This is the type of culture which is important in the long run. Putting others first and giving back to the community are 2 big parts of our culture. Humility is another.

Culture is very much dictated by how the founders behave and react, and that transcends to the core culture of the company. If punctuality is one non-negotiable thing in the company, it will create a culture of people being on time.

One thing I'm glad it started from top down is that when us founders and shareholders do dine at our restaurants, payment is required. We don't write off the bill as free meal, cause this would create a culture of abuse in the future among us and the staff. It's better to communicate across what kind of culture to set at the start.

I even queue with other customers to place an order. It's all these small things that we have to set an example to the team.

One culture that I wish I had cultivated earlier among the team is developing a stronger sense of ownership and developing a risk-taking mindset to make decisions. Being in a founder's position, there's this tendency to always want to make the final decision or make the decision, which sometimes can hamper a staff's ability to think, suggest and take risk. Sometimes the best way to teach them is to have them go through the experience of trial and error, instead of creating fear in them to try.

Another is the culture of working through people. Frequently, we as founders will give instructions straight to an employee by bypassing their superior, and that gives the

superior less accountability. By working through people, it can create a better sense of respect of a superior and subordinate relationship among my managers. Over time we could see the importance of working through them and holding them accountable to their actions. Wish we could have done it sooner.

It was this year that I started to craft out ways to have the team start taking steps to make strategic decisions. I have seen progress from creating parameters of expectations for them and giving them the creativity to develop ideas to work around so long as it meets those parameters. For example, a minimum profit margin can be a parameter. Amount of time to test the idea can be a parameter. It's just developing a system and creating a safety net for them to take a step to try, and to buffer their failure if they fall.

Remember – flexible working hours is a benefit, hustling late night to do whatever it takes is a culture. We got to know what is the difference.

And that is why it is important to lead by action through words, cause actions can send a lot of messages. If we treat our customers or client right and put them first, the staff will follow suit, cause that is the culture we wanna showcase.

Try being late as a founder for a week, and you can start seeing your team members have punctuality issues. I have learnt over the years on how to be neater (due to my ever messy table), cause it does translate down to how the team keep things in order. One very bad habit/culture I have learnt to kick is the sleep on the restaurant bench habit (which was really terrible in the first 2 years and I became famous

among my geeks for that. I wish I had taken it seriously but it is through various experiences that we learn the magnitude of impact each action could have on the team.

Unfortunately, as a founder, your every move is that brutal, because it's the type of energy you are sending out to the team to follow. So do catch yourself next time. I'm still learning.

So how do we know when to hire and what function to hire for? This starts from planning which we will cover in next week's column. And I will also touch on the juicy story some of you have been wondering what actually went wrong in 2014/2015.

Till then, see you.



P.S. We're always hiring, if you know anyone who wants to join our team, head on to our page [here](#).

PART III

A reader pointed out to me that I did not cover in Part II about what I mentioned in Part I, which is how having co-founders would affect the culture if it's not aligned or managed properly.

It all starts with the mindset of individuals on how things should be done. In our case, we know that food quality and service are always important, hence the underlying foundation of everything we do revolves around that. We only ship out a new product if the product is good, and the pace of our growth is very reliant on how we can maintain our quality and service.

Once the fundamental culture is established (which is the easy part), then there are the multiple small cultures like the magnitude of hunger for sales, the pace of execution of ideas, the frequency of relationship building and networking which could dictate how the rest of the team perform. That's culture, and it is always a progressive process to align, breakdown and realign again to move forward.

Every stage of growth will require a level up of experience, mindset and alignment, and it is through challenging times that we will experience it. We just have to step back sometimes and see it from a third party point of view on how the company is doing and then move on from there (with no emotions attached).

**** Back to Part III ****

I MEET A LOT OF ENTREPRENEURS who always say they wanna do this because they are passionate about this and that. A classic example is people who open cafes always start from claiming that they are passionate about coffee. Few years down the road, they wanna sell off their business. Or some of them close down? I'm like what?!

So is passion really all that is enough to really venture into the business world? Or is that the words we tell people and ourselves because that's just what the norm of the answer is.

To me, pure passion is overrated. It is when you understand how important it is to build a

sustainable business, then you understand what it means to keep the passion burning. Then you will not say you will just do it solely for passion.

Sadly, that's how the world works, and we just have to learn how to play around the rules of the game. When we accept that sustainability is required through proper planning and the hunger to sell, then we will become responsible towards everything and everyone, rather than brushing it off saying that it's not important and claiming that it's just the passion.

Part III is about the tough times that we went through because of the failure of planning and not having a more aggressive approach in selling.

5. PLANNING

“If you fail to plan, you are planning to fail”

These words have never been so true until we faced our toughest time. I learnt this when I was still studying in university. Yet after I left university, I never felt the magnitude of importance when it comes to planning until the shit hits the fan.

Being complacent with life back then when I was 23, 24 when we were raking in money so easily with people lining up the door blinded me to plan for the future. Things change so fast in today's world that you have to keep your eye on the ball at all times. Momentum breeds on momentum.

And this mainly comes from the mindset of mine of fearing to plan, because at the end I

may just set a goal which is too big to achieve or I will just self sabotage the goal. When I learnt more about myself, and understood how my mind and fear worked, that was when things started to change.

Blaming external factors is always an easy way out, the reality is that we lack strategy.

The fact is that if you want to start a business, you just have to own up to it.

So what actually happened back in the day? Why did a business that had the media talking with 600 burgers a day ran into such tough challenges? It just seemed ok from the outside but similar to any other businesses, what you see from the outside and what you know in reality is really different.

Chung Lynn from Nando's told me that running 1 store to 2 stores will be different, and from 2 to 4 stores will be even more so. We knew to a certain extent that it would be different, but we didn't know how different the fundamentals of the business were once you expand.

We opened our centralised kitchen in Q1 2013, to cope with production for our Sea Park outlet (which was doing 600 for a night shift), before opening our OUG location in Q3 in the same year. Things were still doing pretty decently well, till we closed Sea Park for renovation of downstairs and upstairs while we launched OUG.

When both stores were open we were doing more burgers collectively, but on average burgers in both stores dropped. It was great that our central kitchen was open so that we could

produce more, but it was over the couple of months that we saw collectively the percentage of volume increased from opening an additional store was not 100%.

So in pure math terms, if we are doing 600 a day, we should be doing 1200 out of both stores, but in reality things just didn't go that way. We did not account for the drop in volume collectively when we did our budgeting and because of that, the increase in revenues were not proportionate to the increase of costs to support both.

We had a top heavy headcount, which meant that we had too many full timers being hired in the office, but not enough traction to utilise such a big team.

In short, we were below capacity of what we could accommodate and the revenue was just not large enough collectively to cover our cost.

So on some months we make money, on some months we lose money.

We lacked strategy to boost sales in both stores, but more importantly our fundamentals of an F&B business were not ideal. You see, when we run with one outlet and our production is being run in the same location, our cost is being maximised across all verticals. And we can always have the option to close once a week, as we are neither top heavy nor have heavy commitments of full time wages. But as we expand, cost goes up but our revenue may not go up by similar percentages.

If we were to turn back time, we would have crafted out a solid strategy on how to open up 3 additional stores and its timeline before opening our centralised kitchen. If we didn't then it would be better to just stick it out with

one outlet. What's more challenging is that our store managers work 5 days a week, instead of the norm of 6 days a week, and our store only opens 6 days a week.

As you scale for F&B, a lot of things which you would have done for one store would unfortunately have to change, as it's just business fundamentals. Adapt or die. Which is why when people say opening more chains is better, I beg to differ. Better is always relative, it's the bottom line that counts. It took us 3 years to finally open 7 days a week and that move itself changed everything. Imagine if one day's sale is 3,000 on the low end per store, 4 stores would mean 12,000. And one month it would mean extra 36,000¹ of sales by just opening one

¹ We open 3 Mondays in a month.

more day across the board. Every bit of it helped even though the margins may not be as high.

On the down side, the price we have to pay is lesser bonding time, which usually we use our Mondays for. But, at this stage it was going down entirely so it was a partial sacrifice, as we made the first Monday of the month our geek outing day. And I'm glad we chose the latter.

And that's why we know we just needed to fill up capacity for all the staff hired for production and management, which made the 3rd and 4th location necessary. There were moments when we were lost on how to go and fundraise for our third location. In the end we resorted to taking private loans (not from banks) to give it one last push. That's when we opened our third location at Bandar Sunway late 2014 and then Cyberjaya right after in May 2015. At the end of the day, it's

unfortunately a business that thrives on volume, like airlines. It's a volume game. If we want to scale, we have to be ready to pay the price.

It was during this downturn that I learnt the importance of planning. It's better to have a plan than not — at least you have a direction, instead of moving fast without a direction.

There will always be questions on “But where do we start? How do I know whether what I plan for is achievable? What should I be planning for?” When we plan, we will never know what will happen, but it all starts from doing 2 things:

1. Setting a goal that you want — try starting small then go bigger. From daily sales of 1k to 1.3k for example, that's a small goal, but it's practicing that goal setting step that is essential.

2. Break down each strategy into very small steps on how you need to hit the goals.

One example now that we practice now is setting sales goals for the year and bonus schemes, as well as coming up with a proper budget based on our cost structure. Once we do all these, we will then know what are the sales targets we need to achieve monthly, by store.

Besides, it took me 3 years to see the importance of budgeting. It was not something I liked doing when I was younger, because to me things always change. But budgeting has taught me to use it as a guideline to know what are the sales we need to hit for our own cost structure, and not treat it as a tool that may cause rigidity.

The best lesson I learnt from my trip to e@Stanford (under my other startup Ops Ninja) last year was to start with the end in mind and

then reverse engineer from there. It was something so simple, yet so hard to see. If you can draft out your end goal in mind, a lot of things will fall into place really clearly. In this case, if we knew how much the cost was gonna be as we scale, then we would know how much revenue we would need to hit in order to be sustainable.

Also, by doing the reverse engineering method you will then be able to plan out hiring as well. This would help you dictate what kind of function to hire and when to hire. Every industry is different and every stage of business is different. From my experience, as mentioned previously I would hire for sales and operations first, and then accounts, and HR will come much later. But this is different if you are doing a big scale cross country fast growth like K-Fit, where they would hire heads of multiple

functions because their directions were clear. With proper planning, you would be able to figure out how you can use certain technology tools to automate or simplify processes so that you wouldn't have to hire so many people.

Note for F&B business wannabes – again, sometimes doing an outlet is better than doing more outlets. You will require a very detailed expansion forecasting plan to move from one location to multiple location, because there's a lot of extra expenses required such as extra management head count.

Make sure to do your cost structure properly and then figure out how much money is needed for your expansion and then do what it takes to get there.

If you think getting a franchise will get you rich, think again. If you really want to go and take a

franchise, go sit at their outlet and do the math on how many people actually walk through the door, and not believe whatever numbers the franchisor gives you. This is because I have seen so many being affected and they just close down in the end. Or even better, go to SSM and print out their annual report. It's as simple as that.

It's just perception vs reality when people look out for F&B business to invest in. That is why we are refraining from franchising because the amount of people who can execute a myBurgerLab outlet properly is really low and we would rather maintain our special experience for our customers. Sometimes it's easy to forget that success is built over a number of years and it's not just an overnight thing, so be patient and plan it out 😊.

FOURTH ANNIVERSARY
10TH JULY SUNDAY
#MBLCHARITYBUILD
#LETSDOGOODTOGETHER

TIFFIN
BURGER CHALLENGE WINNER

THE UMAMI BURGER
ONLY 1000 BURGERS AVAILABLE
TODAY ONLY
TRUFFLE MAYO
SWISS CHEESE
SHIITAKE SHROOMS
PICKLED GINGER
CILIPADI

*The Umami Burger marks 4 years of
planning, execution, and hustling*

6. SELL, SELL, SELL

If you want to start a business, you have to start from selling.

If you don't like to sell, you just can't not do it. Everyone sells. People sell themselves when they apply for a job. Students sell themselves when they apply for scholarships. A mom sells cakes to fund her family living if she has to.

Everyone can sell, it's just whether the results meet your target. Good or bad results is again relative — relative to each individual's goals.

Selling in one location and selling in multiple locations is so different, with different demographics, different consumer behaviour, different city development structure. These are all factors of how well one can sell to achieve the target.

I personally don't like sitting back and hoping for customers to walk through the door. This is what I know I set my mind to before we opened. I like to be busy. Fortunately for us, when we opened on the first day, the customers were just pouring in. When we looked back it was the timing of the social media boom period that we capitalised on and also our tasting sessions at the Red Bean Bag.

Selling goes beyond marketing, especially what we all learn in universities with the so called 4 P's. Those are theories, but in reality it's much, much tougher. Which is why I always encourage whoever who wants to open a F&B to work in an F&B place first so you will understand consumer behaviour better.

My friend Han King once shared with me that he goes to a supermarket and stand in the body

and personal care aisle to observe how consumers shop and how they make a decision on which brands to purchase. That really taught me a lot in respecting consumer behaviour, as it starts from understanding the behaviour of all types of consumer groups from ground level.

Our OUG customers behave very differently from our Sea Park customers. They come in bigger groups — families mainly and thankfully our location is a bigger location to accommodate such a demographic. Otherwise our sales will be affected even more.

As you start your business you will learn that there too are factors that affect a customer's decision making at different points in time, from long queues, to convenience, to special treatment, to fear of losing out, to peer recommendation, to peer pressure, to many,

many more. I'm always astonished how different customers make their decisions and I learnt a lot of from cashiering at the counter for almost 2 years.

One big lesson learnt was when we got our first phone number (after 3 freaking years) where people could actually contact us. Previously people just contacted us online through social media or email, but when we got our phone number, we realised 3 things. People actually googled about us, and there were so many more customers we missed out just because a lot of them did not know when we opened and where we were exactly located. The last thing we realised was sometimes customers really wanted to come and eat before we close but because they didn't know if they could make it in time, they decided not to come. But with the phone number, now they can call us to place an

order before we close our kitchen so that they can still enjoy our burgers when they arrive.

It was really not funny how many opportunities we have missed out. When the trend was about social media marketing, for us it was just a simple phone number. Selling is not just about what you sell, or how you sell, but also what channels you are selling your products through. Having extra channels means you get to reach out to customers who behave differently.

What made us take it to the next step with a mobile phone channel was the inspiration from startups like BeMalas and Helpr, where we want to provide a convenience to customers who want to “BeMalas” to WhatsApp in their orders at least 1 hour prior (at non-peak times)² to pre-

² We sometimes do reject orders through WhatsApp if the store is like super busy, so you would still have to walk in.

order their burgers. This helps us fulfil our downtime capacity. This behaviour is not uncommon as my dad always does it back in my hometown where he will call his usual restaurant and order fried rice so that he can just go and collect it after 10 minutes.

We even launched our non-heavily publicised delivery service through WhatsApp to test out the feasibility of the delivery market and how to go about coping with it operationally as the orders scale. The experience has been pretty fruitful.

Many people see our social media as a case study, but we have a lot of sales funnels beneath the surface that we work with because we know social media cannot be the sole bread and butter. This goes similarly to many businesses. We always keep an eye out of how different

verticals do their sales channel, be it AirAsia, Tesco, Hilton, Apple, McDonalds — there are many lessons to be learnt from these seasoned guys.

One piece of advice to learn is that selling doesn't just start with the sales and marketing team, but the operation team are also the sales people. Sales and Marketing converts customers to come, while the operation teams are the ones who convert them to returning customers. Both functions have to work hand in hand in order to build a kick ass sales team. In our case it's our geeks, our store managers who walk the talk when it comes to food quality and customer service. Without them, no matter how kick ass our social media marketing is, it wouldn't work.

All these are just lessons that we learnt throughout our journey. And it all starts with the

hunger to sell, if you want to make it, you will do
whatever it takes and explore whatever it takes
😊.

* * *

WhatsApp 010-3695275 and say Hi to our lovely
Evan who will handle your request 😊

* * *

PART IV



This article marks the last part of my sharing and this part is mainly about the non-technical aspects of business. A lot of sharing below is based on the deduction of my own self-reflection over the years which could only occur by connecting the dots backwards.

So here goes, my last 3 pointers...

7. NETWORKING AND SUPPORT

We wouldn't have gotten till where we are today if it weren't for the support given to us by all of our friends and families. If it weren't for 3 of our network of friends, I don't think we could really have gotten till this far.

A lot of times in university, people talk about the importance of networking and I did expose myself through various events out of university to open up my eyes. But it wasn't till myBurgerLab was started that I realised the importance of having a big contact list of friends.

We got our current centralised kitchen head — 4 years now since they started — through my ex-boss' referral. We wouldn't be able to test run at the Red Bean Bag if it weren't for my partners

working there before we started. When I look back at connecting the dots, it's amazing to see how everyone we met just connected the dots for us. It's somewhat amusing.

To tell you how crazy sometimes having a large network can be, I will tell you about our Sunway outlet journey. We initially rented a place way further down the street but had to forfeit it due to the lot not being able to run restaurants (some MPSJ quote allocation crap). And then, we hunted for another shop on that row, but there was no "to let" sign at all. On and off we would go and check out the row, and one day I was just walking along the row and noticed the mamak (which is our lot right now) was closed during the day. It felt weird to have a mamak closed at such hours so I asked around to see if it was shut down. And apparently it's closed but there was no "to let" sign.

Fortunately, there was a water bill attached to it, and the name was fortunately the landlord!

That's because I took the name, typed it in Facebook, stalked his friends list and saw a few of his friends have mutual friends with me and I contacted those mutual friends to get to him. In the end, it was my friend's friend's dad. Funny, surreal, yeah it was. I still can't believe how Facebook helped us get our lot. It's a story I will never forget.

Another is the recent fundraising process that we are doing for our 4th year anniversary (in fact it's today) with Epic Homes. We are raising RM 70,000 this year to fund for a home to build for the Orang Asli. As of now³ we are already half way through the mark. This is because a big chunk of the contribution came from corporates

³ Early July 2016

and this support again is from our network of people who trusted us and believed in what we do over the years. It's amazing to see how people just trusted us in what we do and this couldn't have been achieved if we didn't uphold the integrity that we had since Day 1.

The world is really, really small, especially the community in KL. That is why, to have a good network it just starts from us being nice, sincere, and treating people how we want to be treated. Any wrong move once, and people will know. I thought my hometown Sungai Petani network was small, but in KL, it's no less different.

I could see how my network grew over the years, from frisbee friends to budding entrepreneurs and young students (our staff). I guess once you embark on this journey, most of

the people who can relate to entrepreneurs are those who have done so themselves because of the magnitude of responsibility one has to bear. That is why I finally understood why many businessmen, like Tan Sri Liew, are interested to be part of the Alliance Bank challenge because he wants to contribute back to budding entrepreneurs as the entrepreneurship journey is a tough one. And once one has gone through such a journey, the mindset will grow into a giving mindset – giving to customers, employees, friends, and the world.

Often times, we will feel like it's a lonely journey especially when we have to make a big decision. No one will know how things will turn out, and it has to be us that make up our minds to face the music. Hence, it is important to form a network of support and that is why I have friends from various industries as well as those

equipped with different levels of experience to share advice and perspectives with me. It is through their support that I still have the grit to last till this year. Their presence alone is really very comforting.

Seeing Daniel Cerventus hustling every year in his shorts to build events, form communities and organise TEDxKL reminds me that there is a lot more to go. Sometimes they don't have to say much, because their actions are already an inspiration.

Every leader needs an allied leader and that the same goes for an entrepreneur. I wish I had an experienced mentor during the journey, as it would have really sped things up. If I were to go back in time to change things, that would be one of it, though I'm still glad we went through the difficult times as it really made us experience

hardship and as a result, learn how to appreciate things a little more.



8. DECISION MAKING

Back when we were short on funds, an opportunity to raise funds arose and we went to check it out. It was the most daunting experience of my life as it's our first time raising funds to be honest, with equity dilution stake on the table. When I look back, I am glad we made the right choice. There was a potential investor that wanted to inject RM 1.5 million into our company for a 50% stake back in mid-2014. The pressure was big to make a decision on whether to take the money or move on, as we were dealing with someone whom we were unfamiliar with as well.

Speaking about the importance of networking and support, that was the time that I had to reach out to just anyone for opinions, to really assess if such opportunity was too hasty. Patrick

from myElephant asked me some really good questions to ponder. I even reached out to Azran Osman (we used to play frisbee together) for advice and he just recommended me the book – The Hard Things about Hard Things. I bought it the next day and then started reading it to just find some advice or tips somewhere in the book.

Over time, I realised that my friends will not give me direct answers because they know they are not in same situation as me and the best thing they can do is to ask me questions for me to find clarity and I think that itself is a big support to me.

In the end, we decided to call off the proposal close to the last minute. Firstly we realised we didn't know them well enough to see common values between us (mainly because the way we run our business is really different), and to give

up 50% at Series A would hamper us to raise further if needed to. We believed we could have done better if we fix the fundamentals right. If we are going to raise funds and have an external party to push to hit certain KPIs, why can't we dictate that KPIs ourselves to push ourselves without an external pressure. And then later on if needed to, take that result and raise funds.

When there's a will, there will be a way.

We wouldn't have known at that point of time whether it was a good decision but now when I look back, I'm glad we did what we did. There will always be pressure from other parties but at the end of the day, us being entrepreneurs, we have a responsibility to pay our staff and serve our customers better. The last thing we need is to have external pressure shrink our portion so that they can get their returns. It was mind

tormenting back then as it was our first time dealing with fund raising, and I'm really glad that we got some advice and perspective to calm our minds down to think objectively.

This was because we weren't as educated in fund raising process as we are now, but I'm grateful that we went through the process anyways as we have learnt more things.

The biggest take home point I got from this is that, for a decision as big as this, it is alright to sit on it for a period of time. In fact, when there is a need to make a decision, it's good to make a mental decision without implementation, and just sit on it for a brief period of time. Then take this mental decision and bounce off a few people to get some advice and perspective. This would allow you to assess the mental decision made repeatedly, instead of still being stuck at

assessing which decision would be better. This has helped me make decisions faster than I used to, mainly because of the constant fear of how it would play out back then.

Disclaimer: This belief does not apply in all industries as some industries just need investors to grow, fortunately for us we are a cash business.



9. LEARNING ABOUT MYSELF

I would not be at today's mental state without the help of many of my friends, particularly a personal development programme I went through for 6 months in 2013. That has made me more conscious about many of my actions and the reasons behind it. It is always easy for us to get into the moment whereby we just do things automatically and not be conscious about them. I'm glad I went through the self-discovery journey (by Milestone Trainings), otherwise I don't think I would have the wisdom to pull off what is possible today.

Being able to laugh at myself is the greatest liberation as it signals acceptance of self and wanting to learn how to grow within. I have learnt so much, and would like to just share with you some of it below.

I had a dilemma after 2 years in the journey, on whether going back to working world was a viable option, as there are not much worries, fixed income, and certainty in terms of holidays. It took me a while before I made peace with my decision to stay when I realised that I need flexibility of doing whatever I want to do anytime of the day, even though it's hard work of 16 hours a day. I can work long hours (thanks to 4 months in Pricewaterhouse), but it has to be within my control in terms of time allocation. And with such clarity, I never looked back and am just focused to go forward.

Another big piece of learning I got about myself is the problem of focus. They say founders often want to start new things one after one another, and I believe this is indeed a common trait across entrepreneurs. It is very easy to be swayed and I am no exception. It's so tempting

to always start something else after thinking that I have started something really well. Only when reality hits the fan then it pulls us back to reality. The amount of distraction in today's world is more than ever and the ones who will go furthest are the ones who has the focus and the grit to get to the finish line. It was Cheryl Yeoh who made me realise (during my e@Stanford trip last year) that I have been focusing too much on width that I forgotten about depth. It became so clear that the businesses I had was lacking a lot of depth and when I came back from the USA, that's when a lot of restructuring happened and we had to just focus and build a more sustainable foundation in my existing businesses.

One more lesson that I will always remember after these challenging times is to always have a respect for money. We will have to learn how to

spend every \$1 wisely and treat every \$1 like \$1000. As entrepreneurs, we are all here to build sustainable businesses and not to just build glamour, because there is too much to lose if we don't take care of our finances carefully. This is because when you have no money to move forward, it sucks. It just does. I'm glad that when I was young, my late grandfather always taught our family to, "Always have money for rainy days, you will need it one day". I guess being a businessman himself, he knew how difficult not having money can be when things are really tough. That phrase has always stuck to me since, and if I didn't have some savings throughout the years, I wouldn't be able to take my pay cut to buy time during the difficult period that we went through. In fact, all 3 of us had to take a pay cut for some period of time during this

tough period, and I'm really glad we managed to sustain till today.

So get out there, read books, go hiking, diving, get a mentor, learn more about yourself. All these will really help you to progress in life.

Get a buddy who will not take your bullshit and excuses.

Be open and vulnerable to what advice people give you because it requires a lot of energy to help someone really.

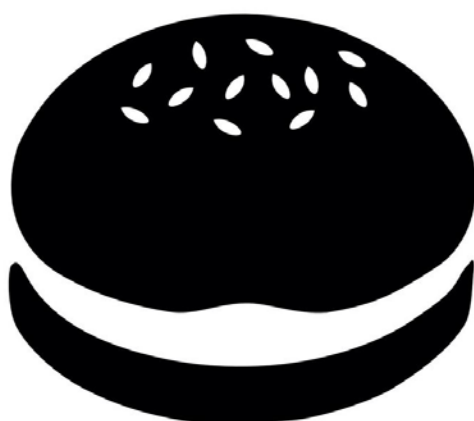
TO END, I just want to say that success is impermanent. It's actually made up of multiple milestones in life, and it can be big or small. A lot of people deem myBurgerLab as successful but really success is just a perception. After we have gone through this stage, we are just glad that we are still here, existing to serve customers as best as we can. All the awards at this stage is really menial now; at the moment, true success for us is that our staff continues to take care of the customers so that the customers continues to take care of our staff, and hoping that the cycle does not end. That itself to me, is the biggest success of anything.

Thanks for your time to read this series, I didn't expect such a large readership. If you really want to start an FnB, I really advise you to go work at a place for at least 3 months, non-

negotiable. It is required to know what you are getting yourself into, be it a hawker or some fancy restaurant. If you are not willing to clean a grease trap, you are not ready to start an FnB. It's tough to be sustainable, so put your money to good use.

I will be sharing more of my learnings in the future. If you have any topics you want me to touch on, do tweet me [@weekiatteoh](https://twitter.com/weekiatteoh) or leave a comment on [my blog](#).

To end this series, I just want to again thank everyone who has helped us since Day 1, despite the long lines. We are in the midst of looking at how technology can help with the line going forward since things have progressed a lot in the tech space since we started.



ENDNOTE

Authored by Wee Kiat, Teoh [@weekiatteoh](#)

Edited by Chia Wei, Ong [@ksat90](#)

Edited from original post at <http://weekiatteoh.com>. I tried to keep as much of Wee Kiat's style while clarifying some points. Hope you enjoy reading it as much as I did!

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