

# Sherlock Holmes, entrepreneur

**At 221B Baker Street in London, England, the world's greatest sleuth proved time and again that the clues to business success are elementary**

By J. Brian Phillips

**S**herlock Holmes looks up from his microscope and speaks for the first time in nearly three hours: "And that must be Mr. Turner," he says, referring to the doorbell's ring.

"The businessman?" asks Dr. John Watson, the detective's friend and biographer, from his seat by the fire.

"Yes, he has come to receive his report, and I fancy he will not like what I have to say," answers Holmes with a mischievous twinkle in his eyes.

The door opens, and Angus Turner enters the room.

"Good morning, Mr. Turner," Holmes says, motioning to a chair opposite Watson. Holmes remains standing and begins to pace.

"Mr. Turner," the sleuth begins, "I have examined the operation of your business, as you asked. You wished for me to locate your disappearing profits, as you called them. I must say that I truly wonder how you ever made any profits at all. I have never seen such a poorly run operation."

Holmes' client gasps, and Watson frowns at Holmes' usual bluntness.

"But Mr. Holmes, I am quite meticulous in my bookkeeping. Our floors are spotless. Our products have sold for years," says the angry Turner, glaring at Holmes.

"Mr. Turner, please refrain from such outbursts. You asked for a report; please allow me to deliver it. Bookkeeping, floors, tradition. Sales, man, you need sales. Your books may be meticulous, but your equipment is antique. Your clerks spend more time fixing typewriters than typing. Your salesmen are more concerned with sweeping floors than selling."

Holmes stands before his worktable; it's littered with books, beakers of chemicals, and other scientific paraphernalia.

"You have failed to modernize, to use science as an ally," Holmes continues. "The art of detection, like business, largely is based on information. Facts do not change, but my ability to discover and understand them does. New processes, new equipment, new knowledge—let technology save you time and money."

"Look to the future, not to the past. Use the tools that science is creating. And most important, you must use that tool between your ears. Think, man, think! He who seeks knowledge and knows how

to apply it will be successful."

"But how, Mr. Holmes?" asks the businessman.

"The particulars I leave to you. You know your business better than I. I can only tell you to be innovative, daring, independent. In a word, Mr. Turner," Holmes turns toward his client, "you must be an entrepreneur."

Warren Avis, founder of the Avis rental car agency, writes: "The entrepreneur is a unique kind of hero, a person whom many would like to emulate, if only they knew how." Indeed, millions of individuals purchase books, magazines, and video tapes with the hope of discovering the secret of successful entrepreneurship.

People long have held a love affair with heroic figures, whether real or fictional. Heroes always have been larger-than-life, independent, persevering individuals who overcome obstacles and attack challenges as if failure were impossible. Mike Hammer, James Bond, and Sherlock Holmes, for example, may be fictional characters, but they seem very real because they make success a way of life.

Indeed, Sherlock Holmes, wrote Sherlockian scholar Edgar W. Smith, "stands before us as a symbol—a symbol, if you please, of all that we are not but ever would be."

Sherlock Holmes, however, is more than just a symbol, more than just a beacon of reason in a swirling storm of irrationality. He is a living example of Avis' "entrepreneurial hero."

An entrepreneur is defined as "a person who organizes and manages a business undertaking, assuming risk for the sake of profit." Philip Holland, president and founder of Yum Yum Donut Shops, the largest privately owned donut chain in the US, writes: "An entrepreneur is a thinking, calculating person, rather than one who makes decisions based on emotional considerations."

Following his "graduation" from college—we are uncertain whether it was from Oxford or Cambridge—Holmes established himself in London, England, as a consulting detective. Though London had hundreds of private detectives, as well as the venerable Scotland Yard, Holmes saw a need in the marketplace for his particular skills.

His ability to keep private matters private because of his "unofficial" status, in addition to his talents in criminology, eventually attracted a steady stream of



Photography by David Kadlec

## Searching for the real Sherlock

Through the years, there has been much debate over the model for Sherlock Holmes. Sir Arthur Conan Doyle's son insisted that the author himself served as the model for his fictional detective. In a letter to his former medical school professor, Joe Bell, MD, however, Doyle wrote: "It is most certainly to you that I owe Sherlock Holmes."

Joe Bell was a highly regarded surgeon and physician, as well as the editor of the *Edinburgh Medical Journal*. During the 1860s, he began training nurses, joining Florence Nightingale as one of the pioneers in that field. Bell also was a pioneer in combating germs in the operating room.

As a teacher, Bell would exhort his students: "From close observation and deduction, gentlemen, it is possible to make a diagnosis that will be correct in any and every case. However, you must not neglect to ratify your deductions, to substantiate your diagnosis, with the stethoscope and by all other recognized and everyday methods."

Sherlock Holmes later would mouth similar words. Bell practiced what he preached, even observing several benefits from eating moldy cheese—some thirty-five years before the discovery of penicillium.

After the adventures of Sherlock Holmes gained popularity, Bell became the subject of news media attention. He frequently was asked to write articles on Holmes and Doyle. And, when London, England, was terrorized by murderer Jack the Ripper, Bell attempted to identify the criminal.

A week after Bell sent the name of his suspect to Scotland Yard, the grisly murders stopped. But neither the Ripper nor Bell's suspect ever were identified, and Bell's career as a criminologist ended.

clients. Even Scotland Yard occasionally found it necessary to call upon Holmes when it proved unable to solve a crime.

Holmes' first literary appearance occurred in 1887 in Sir Arthur Conan Doyle's novel *A Study in Scarlet*, in which Watson introduced the maverick detective to the reading world.

During college, Watson says, Holmes had not "pursued any course of reading that might fit him for a degree in science or any other recognized portal that would give him an entrance into the learned world." Holmes' knowledge of philosophy, literature, and astronomy was "nil," the doctor wrote. His botany was variable, though Holmes was "well up in belladonna, opium, and poisons generally."

Watson also wrote that Holmes' knowledge of chemistry was "profound" and that of sensational literature "immense." He added that Holmes "appears to know every detail of every horror perpetrated in the century." Finally exasperated, Watson abandoned trying to determine the goal of Holmes' study.

Holmes, however, knew exactly what he was doing. The detective believed that the mind has a finite capacity, and one should be careful about what one stores there. Consequently, Holmes stored only knowledge that would be useful to him, and he excluded all other information. With the resolve of a distance runner, Holmes knew his goal only would be achieved with careful and diligent preparation.

He later would tell Watson in *The Five Orange Pips* that complete knowledge of every subject is beyond human capac-

ity: "It is not so impossible, however, that a man should possess all knowledge that is likely to be useful to him in his work, and this I have endeavored in my case to do."

As a result, Holmes was an expert on esoteric subjects such as tobacco ashes, the shape and size of human ears, signature dynamics, and pipes.

"It is my business to know things," Holmes told a client in *The Blanched Soldier*. And he transformed that knowledge into a successful business.

Similarly, most successful entrepreneurs are not businessmen per se. William Lear, Henry Ford, and George Westinghouse were inventors. Wally Amos turned a tasty cookie recipe into a national chain of cookie stores. Hector Boiardi (Chef Boy-Ar-Dee) used his spaghetti sauce as the foundation for a successful company. And An Wang launched Wang Information Systems after he invented a magnetic memory core for computers. The entrepreneurial world is full of similar stories of individuals who have used expertise in their fields to form successful companies.

Holmes' specialized knowledge, combined with his keen eye, enabled him to notice details that other persons would overlook. In *A Scandal in Bohemia*, he asked Watson how many steps lead up to their rooms at 221B Baker Street. The doctor, having climbed the steps hundreds of times, admitted he didn't know.

The super sleuth bluntly concluded: "You see, but you do not observe. The distinction is clear." Holmes later told a client, "I see no more than you, but I

have trained myself to notice what I see."

Lecturer and author Thomas Peters similarly notes: "I guess the obvious must not be so obvious, or more people would practice it."

Just as many things are obvious to the mechanic, physician, or electrician that are mysteries to the layman, the entrepreneur sees economic opportunities where other individuals do not.

Shortly after being introduced, Holmes explained his method to Watson: "By a man's fingernails, by the callouses of his forefinger and thumb, by his expression, by his shirt cuffs—by each of these things a man's calling is plainly revealed."

Because Holmes knew *what* he was looking for, he knew *where* to look for it. To the uninitiated, he often displayed talents that seemed almost mystical. The detective freely admitted, however, that his powers were not as mysterious as others believed; indeed, he believed that anyone could learn his methods and apply them.

Just as Holmes used observation to capture criminals, the entrepreneur can use observation to capture economic opportunities. The market analyst is, in essence, an economic detective.

"Entrepreneurs," writes Victor Kiam, president of Remington Products Inc., "are those people who understand that there is little difference between obstacle and opportunity and are able to turn both to one's advantage."

Success in any field demands the ability to persevere in the face of adversity.

Holmes revelled in the opportunity to push his skills to their limits, telling Watson: "There is nothing more exciting than a case where everything goes against you."

An old adage holds that the optimist sees the glass half full of water, while the pessimist sees the glass half empty. Similarly, the entrepreneur sees obstacles as a chance for growth, while other persons see obstacles as complex, unconquerable barriers.

As great as were his skills at observation, they by no means completely account for Holmes' successes. Having obtained the relevant facts, "it is our duty to see what inferences may be drawn, and which are the special points upon which the whole mystery turns."

Though Holmes claimed neither infallibility nor omniscience, he did believe that given all the facts, logic invariably would lead him to the truth.

"The ideal reasoner would, when he once has been shown a single fact in all its bearings, deduce from it not only all the chain of events that led up to it, but also all the results that would follow from it," the detective told Watson in *The Five Orange Pips*.

Business consultant Lawrence Miller

calls thinking "the most critical of all productive skills." Indeed, entrepreneurship demands innovative, dynamic thinking. By definition, entrepreneurs are risk-takers who are willing to try new ideas. Entrepreneurs are not frightened of failure; nearly every successful entrepreneur has failed many times.

But as John Naisbitt and Patricia Aburdene write in *Re-inventing the Corporation*: "Successful entrepreneurs take only calculated risks."

Mistakes, Holmes says, "are common to all mortals, and the greatest is he who can recognize and repair them."

Failure, like obstacles, can provide a chance for growth—you can learn from your mistakes—or it can result in atrophy. The choice, however, is yours.

Lawrence Miller predicts: "The business of the future will succeed on the ability of its members to think industriously." It is imagination, Holmes often tells Watson, that separates good detectives from greatness. The same holds true for entrepreneurs.

Successful companies do not limit innovative, logical thinking to the boardroom.

"If decision-making is lacking in rationality at lower levels," says Miller, "it is probably just as lacking at senior levels."

No matter how talented an individual entrepreneur may be, he must surround himself with other talented persons. And by encouraging innovation at all levels, managers and employees are allowed to utilize their talents, push themselves harder, and realize their potential. The result is a shared sense of responsibility, which contributes to greater productivity, improved communication between departments, and ultimately, higher profits.

Tom Peters, however, believes that too much emphasis on planning and not enough on production has resulted in inefficiency and poor quality in American industry. The problem with American management, he writes, "is overreliance on analysis from corporate ivory towers and overreliance on financial sleight of hand, the tools that would appear to eliminate risk but also, unfortunately, eliminate action."

In *The Greek Interpreter*, Holmes tells Watson about his older brother Mycroft, who is his "superior in observation and deduction." However, Mycroft is "absolutely incapable of working out the practical points that must be gone into before a case can be laid before a judge or jury."

The successful detective, whether economic or criminal, must integrate thought and action. Ideas without action are useless, and actions without ideas are an invitation to disaster.

Success, of course, seldom occurs immediately, and the most carefully laid

plans can go awry. Warren Avis lists a high-energy level and plenty of staying power as prerequisites for the entrepreneur.

"You must be emotionally, mentally, and physically able to work long and hard," say Naisbitt and Aburdene, "and you must believe in your idea when no one else does and be able to replenish your own enthusiasm."

Neither criminals nor economic opportunities appear when it is most convenient. Holmes would often go days without food or rest when he was on the trail of a criminal, telling Watson in *The Norwood Builder*: "At present I cannot spare energy and nerve force for digestion."

And though starvation certainly is not recommended, missed meals and long work days are typical of successful entrepreneurs.

By the time Watson met Holmes in 1880, the detective successfully had established himself in his profession.

"You can hardly realize, then," he later told Watson, "how difficult I found it at first, and how long I had to wait before I succeeded in making any headway."

When clients were few and far between, Holmes filled his "too abundant leisure time studying all those branches of science that might make me more efficient." Not only was Holmes confident of his eventual success, he was turning an obstacle (his lack of clients) into an opportunity to expand his abilities.

Though the ability to think and act is essential for entrepreneurial success, it seldom is enough. To persevere in the face of seemingly unending obstacles, with uncertainty around every corner, with doomsayers predicting imminent disaster, one must truly enjoy one's work. Monetary rewards simply cannot be the primary motivation.

In *The Speckled Band*, Holmes told a client: "As to reward, my profession is its reward."

Warren Avis agrees that "the most successful business people love business first." An enthusiastic entrepreneur can overcome many obstacles solely because of his or her dedication. Those persons who view work as a necessary evil do not make successful entrepreneurs or consulting detectives.

An editorial in the *Baker Street Journal* stated that Sherlock Holmes "is the personification of something in us that we have lost or never had." The entrepreneur and the consulting detective are spiritual cousins. Each demonstrates that hard work and dedication, intelligence and innovation, independence and confidence can lead to success.

As the global economy becomes increasingly complex and competitive, the role of the entrepreneur is sure to grow. To recognize opportunities, to maximize productivity and profits, the entrepreneur must become an economic detective. The secret to success, as Holmes would say, "is elementary, my dear reader." ☐

## Holmes: 'born, bred, and buried' by Doyle

Sherlock Holmes was "born" in 1854. Thirty years later, he solved his first case, *The Adventure of the Gloria Scott*.

Dr. John Watson was "born" around 1852. He graduated from the medical school of the London University in 1878 and promptly enlisted to serve in the Second Afghan War. He was wounded in the war, and after a period of convalescence, returned to England in the fall of 1880.

The following January, Holmes and Watson were introduced by a mutual friend, Stamford. Holmes was looking for someone to share several rooms he had found at 221B Baker Street. Watson found Holmes an interesting companion and soon joined the detective in many of his adventures. In 1887, he published *A Study in Scarlet*, establishing himself as Holmes' "biographer."

The reading public initially was not interested in Sir Arthur Conan Doyle's detective. But in 1891, with the publication of the first short story, *A Scandal in Bohemia*, Sherlock Holmes achieved popularity.

By this time, Doyle was highly regarded as a writer of historic fiction. He soon tired of mysteries, however, and in 1893 he "killed" Holmes in his famous battle with the Napoleon of crime, Professor Moriarty.

Twenty thousand subscribers immediately cancelled their subscriptions to *Strand*, the magazine that published the adventures of Sherlock Holmes.

Doyle spent the next eight years writing several plays and another novel, lecturing, and serving in the Boer War. In 1901, he wrote *The Hound of the Baskervilles*, "a previously unrecorded adventure of Sherlock Holmes." Public reaction was so favorable—and the publisher's monetary offers so substantial—that Doyle reluctantly "resurrected" Holmes.

In all, Doyle wrote four novels and fifty-six short stories chronicling the detective's work. Holmes' last recorded adventure occurred on August 2, 1914—the day World War I began.