

MIROSLAV MIŠKOVIĆ

MASTERING
THE CRAFT

Everything I Have Learned
About Business The Hard Way

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Miroslav Mišković
TAJNE ZANATA

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*Sharing knowledge and
experience is the most noble
thing one can do.*

Author's Note

If I were to sum up my entire life philosophy in one word, it would be *knowledge*. Knowledge distinguishes the successful from the unsuccessful. It allows good companies to stand out from poor ones, and the best to rise above the good ones. Knowledge makes a nation prosperous, while its absence causes others to stagnate, leaving them in a struggle to catch up.

Knowledge propels our progress both as an individual or society, whereas ignorance holds us back. Ignorance can have a damaging, sometimes even devastating impact on a community.

If I value knowledge as the most essential quality of both as individuals and society, then I believe the sharing of knowledge to be one of the most important responsibilities of every person and institution. Learning is the best indicator of our success,

whether we are talking about a formal educational system or informal, everyday learning. And it remains essential, until the very last day of our lives.

All it takes is a glance at a country's educational system to reveal almost everything about it: whether it is prosperous or stagnant; whether it is modern or traditional; whether it nurtures the individual or prioritizes collective interests. Acquiring knowledge is a crucial part of each of our lives.

The most useful thing we can do for those around us is to gain knowledge, structure it, add experience to it, and then share it as openly and widely as possible with those who wish to learn. As a wise saying goes, while one can benefit from sharing material possessions, sharing knowledge brings greater rewards.

This brings us to this book and to the motivation to once again, after my autobiography *I, Tycoon*, collect the insights I have gathered over decades and form them. The goal is simple: to publicly share everything I have learned from others, everything I have seen and experienced in life, all the successes I have achieved and all the failures I have endured (there were far more than people think) – with anyone who wishes to become familiar with this experience, and especially with those who want to learn. I have devoted my life to business, which is the primary focus of this book. I have several decades of

leadership experience in industry; for more than 30 years, I have headed a private company; I had a brief six-month stint in the Government of Serbia. Unfortunately, I also had a seven-and-a-half-month stay in the detention unit of the Central Prison. So, I spent more time in prison than in politics.

The company I operate has executed the largest sales in the history of Serbian industry. Our subsidiaries have employed tens of thousands of people. We have implemented projects that have changed the entire region's landscape. I can't even begin to count all the business meetings and negotiations I've been a part of. A portion of these experiences is now presented to you.

This book also explores other aspects of life because business is a part of life. An important part, but still just one part. I believe that to be a complete businessperson one must be a well-rounded individual, someone whose knowledge and interests reach into many other fields, such as sports, culture, science, friendship, parenting, and leadership.

The purpose of this writing is to inspire reflection and to promote the exchange of ideas. I do not claim to be correct in my conclusions. Life has shown me time and again how often I can be mistaken, and I will mention some examples. In many instances, I have revised my views and acknowledged my errors.

What is certain is that my perspective on life and business has been shaped by tremendous experience, and for that reason, I believe it deserves your attention. I want to share with others everything I have learned about business the hard way. I hope this will, in some small way, ease someone's business journey. I look forward to hearing the opinions of others, especially from the younger generations and their understanding of what I aim to communicate.

Youth lies in the heart of those who are willing to learn, open to change, ready for challenges, and not afraid to make mistakes.





Business is like a fish that must constantly swim to avoid death.

1.

What Is Business

It is the end of the twentieth century. By exiting a major business in the former Soviet Union, we secure significant funds for future investments in the process. My primary focus is not on what Delta lacks, but what the citizens of Serbia truly need. Contrary to popular belief in our region, I have long believed that the greatest secret of business is not in producing goods but in creating customers. And that means recognizing and fulfilling their needs.

Upon thoroughly observing the Serbian market, it is clear that Serbia lacks the modern retail chains found worldwide. Stores are neglected, the sales methods are outdated, and there is practically no understanding of consumer needs. The business logic of retail completely differs from the one in developed countries. Recognizing an opportunity, we

steer Delta toward developing the retail sector. By the end of 2000, we opened our first four Maxi stores.

A period of exceptionally rapid growth follows. Within three years, we expand our network to nearly 50 supermarkets. We deliberately do not optimize operations at this stage; our priority is rapid revenue growth and we will address cost-cutting later.

At one point, we receive an offer from the European Bank for Reconstruction and Development (EBRD) to join Maxi as shareholders – co-owners of 10% of the company. However, their perception of retail business is different from ours: they believe that cost control must be rigorous, and that growth should be slower, capped at 20% annually. In contrast, our growth ranged from 50% to 100% annually. We realize that, in our weak market at that time, EBRD's strategy would not yield results because competition could emerge at any moment, outpacing us with a more aggressive expansion policy. Consequently, we decline this partnership proposal. We aim to establish our position, assuming that we will have time to streamline the company later.

Soon, the privatization of public retail chains begins, and Delta actively engages in this process. We face serious competitors. The competition is eager to capture the Serbian market, and we can't let it happen. Maxi stores are expanding, and we know best what can be achieved with Pekabeta and C Market.

So, by offering a higher price, we outbid our competitors and acquire these chains. And we don't stop there – not because we are endlessly seeking expansion, but because we must position ourselves relative to competing chains. First, we must survive and then we can continue to grow. As Delta's retail presence expands, competitors become increasingly reluctant to invest. And without investment, it's impossible to secure or maintain a strong position. This constant competition among players ultimately benefits the end user, the citizen, and thus society and the state.

That's why business is one of the most important social activities. When compared to other fields such as science, culture, healthcare, or education, we quickly see that business is involved in each of them. Business keeps them vital and sustainable.

None of the important segments of society can function without a certain level of business knowledge. No school, healthcare institution, sports club, or civic organization can operate outside of the rules of economics and business. In public affairs or culture, one must also understand market principles, the rules of business, and leadership. This is often not the case, and I largely blame the education system, which doesn't include economics or business courses, except in economic studies.

It seems to me that society, especially in the Balkan region, is not fully aware of how much knowledge of

business and economic principles impacts the quality of our daily lives. Knowledge of economics is not needed solely to run a private company or the corporation where we work. Economics also involves managing personal and family finances, the way we borrow and earn money, and the way we spend it.

Anyone who lacks basic business logic makes irrational decisions that can harm their economic well-being. Society advances more slowly when a large majority of people disregard economic logic.

What makes business both beautiful and complex is that it doesn't rely solely on one specialized knowledge. Business knowledge must be diverse. Knowing one industry or one type of business does not mean you understand every business. That's why business is challenging; it is a lifelong pursuit, with no retirement in sight, but often pays more than even the highest-paid sports.

A businessperson faces demanding and ever-changing obstacles. The path is so unpredictable that even the wealthiest individuals can quickly lose everything if they lack essential skills and understanding.

Business demands constant progress. Just as it is not in human nature to stagnate, society as a whole cannot remain static which further implies that the society is declining, with no advancement. With such a mindset, we would still be riding in carriages instead of driving in electric cars. Fortunately,

humanity does not work that way, and each generation brings new knowledge and discoveries.

Business is no exception to this trend. Perhaps, due to its market-driven nature, the competition in business is even fiercer than in other fields. If you remain stagnant for only a year or two, you can be sure that your competition has advanced, and your position is not the same as it once was.

A person may have personal wealth in the millions of euros, enabling them to do nothing for the rest of their life. But things in business don't operate that way. There is no stopping. Just as certain species of fish must keep swimming to avoid death, money must keep circulating, and business must keep moving forward. Business thrives only as long as it grows and develops.