

# THE EDUCATION OF MILLIONAIRES

IT'S NOT WHAT YOU THINK AND  
IT'S NOT  
TOO LATE



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## INTRODUCTION

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### THE CRAIGSLIST TEST OF THE VALUE OF A BA *(or, Why Practical Intelligence Almost Always Beats Academic Intelligence)*

You've been fed a lie. The lie is that if you study hard in school, get good grades, get into a good college, and get a degree, then your success in life is guaranteed.

This might have been true fifty years ago. But it is no longer true today.

If you want to succeed now, then you must also educate yourself in the real-world skills, capabilities, and mind-sets that will get you ahead outside of the classroom. This is true whether you've been to college or not.

This book shows you the way.

**A thirty-seven-year-old Harvard MBA** and a twentysomething college dropout, the latter a few credits shy of a film and theater degree from USC, are sitting across from each other in a job interview. The MBA is wearing a crisply pressed three-piece suit with a yellow tie. The twentysomething is wearing jeans and a pullover sweatshirt, with no shirt underneath. The twentysomething is unshaven, and the state of his hair suggests that not much grooming had occurred between his departure from bed that morning and this interview.

The interview is going very, very poorly. The interviewer is entirely unimpressed with the academic background the inter-

viewee brings to the table, and feels the interviewee doesn't have enough experience to provide tangible value in the chaotic environment of a real-world start-up.

Bryan Franklin, the dropout theater major, decided to hire someone else that day for the \$10-an-hour administrative and data entry job he had posted on Craigslist a few days before.

Bryan had started a sound design business in college and got too caught up in building and running the business to finish his degree. Eventually, over three hundred feature films were edited or mixed at his studio, including *Gladiator*, *The Last Samurai*, and *Artificial Intelligence*. Bootstrapping the business from the ground up and never once taking on investor money, he eventually sold it in 2000, after Dody Dorn was nominated for an Oscar for editing the film *Memento*, which she cut at the studio. The sale of the company "bought me a house on Lombard Street in San Francisco," as Bryan put it with a smile.

Now in early 2002, he was on his third self-made, self-funded, profitable business, and he needed an assistant, so he posted an ad on Craigslist, Bryan told me. "Within twenty-four hours, I had two hundred responses. Most of them had BAs, but there were also many masters', several with JDs who had passed the bar, a few PhDs, and around six MBAs. The Harvard MBA got me curious. I put him on a shortlist. He was one of the ten or so I interviewed.

"He came to my house in a three-piece suit. I was talking to him about the website he was going to be doing data entry for at ten dollars an hour, and he was stuck in a very 1999 mentality about the Web. I don't *think* he said the word 'IPO,' but I'm pretty sure he said the word 'liquidity' at some point in the interview.

"And I'm like, 'Look, I'm looking for data entry and customer service. I want to make sure that when a customer calls, they feel taken care of.'

"And he said, 'Well, you know, I think that we need to be strategic about which relationships we can leverage . . .' And that's kind of how the interview went. At one point he started saying, 'So, there's obviously several disparate paths involved and different priorities, so one of the things I'd do in my first week is build a priority matrix, so that we could reference . . .' And I just had this picture in my mind of him building his priority matrix while I was doing all the work.

"I ended up hiring a young African American woman. She was a high school dropout, but she had a great work ethic and lots of

street smarts. She ended up doing a terrific job over three years. She got several raises, and at one point was managing three people.”

**There are, of course,** many wonderful things you can learn in college, which have absolutely nothing to do with career and financial success. You can expand your mind, sharpen your critical thinking skills, get exposed to new ideas and perspectives, revel in the intellectual and cultural legacy of the world’s greatest thinkers. These are all worthy pursuits.

But the idea that *simply* focusing on these kinds of things, and getting a BA attesting to the fact that you have done them, guarantees you will be successful in life is going the way of company pensions, job security, and careers consisting of a single employer for forty years. More and more people—including people who haven’t even graduated college yet—are waking up to the reality that the old career and success advice is no longer adequate. We need to start taking some new advice.

Let’s say, in a tough market, you’d rather be Bryan Franklin than the Harvard MBA. In other words, you want to optimize your chances in life of being the one *posting* job ads during a recession instead of the one begging for the job. Let’s say you want to be the one hiring (either as an entrepreneur or as a leader within an organization), not the one out on the street looking for work.

If this were your goal—to maximize the chances of your professional success under any economic circumstances—then what would you need to start learning?

That is the central question this book answers. I’ll be answering this one question, in detail, for the next several hundred pages.

But let’s take a first pass at answering it right here.

Why was Bryan the one hiring that day, despite having no college credential, and why was the man with the Harvard MBA the one seeking the job?

I don’t know the MBA personally, so I can only make educated guesses about his plight. But Bryan’s story I know quite well, as he’s a close friend. He had by that time spent a decade of his life in passionate pursuit of learning things that would make him successful—sales, marketing, leadership, management, finance, and accounting—within the context of owning real-world businesses, with his own money at stake. In other words, Bryan had focused his self-education outside of class on what some research-

ers call “practical intelligence”—how to get things done effectively in the real world, a.k.a. street smarts.

The other man, the Harvard MBA, had presumably studied the same material about marketing, sales, management, leadership, accounting, and finance. But my guess is, he did so primarily in an abstract, theoretical way. To get through such hallowed educational grounds, the focus of his education was probably on academic intelligence—how to do well on tests—not on get-it-done-now real-world practical intelligence.

Both men were highly educated, but one man’s education consisted—I am guessing—primarily of *theory*, which is the stuff most readily on tap in colleges and universities. The other man’s education (and it was self-education, not obtained in a formal classroom) consisted primarily of *practice*. One man’s education was bureaucratic, formal, and by the books; the other man’s education was gained on the front lines, often on the brink of personal disaster. One man was educated in the most prestigious institution in the land, the other in the school of hard business knocks. One man had focused on book smarts, the other on street smarts.

Which kind of smarts do you think wins in an economic downturn? Which wins when the economy picks up again?

In the eternal debate between practical intelligence and academic intelligence, street smarts and book smarts, there’s little ambiguity about which side parents, relatives, teachers, media pundits, and politicians push us toward when we’re kids.

In the famous scene from *The Graduate*, Dustin Hoffman’s character Benjamin, a newly minted BA, receives some unsolicited career advice from a family friend at a graduation party around the family pool. “I want to say one word to you. Just one word. . . . Are you listening?” the family friend asks.

Benjamin nods yes.

“Plastics.”

If we had to boil down to just one word the career and success advice we give our own young people, that word would be “education.” Or, if we had fourteen words, it would be: “Study hard in high school, get into a good college, and get your BA.”

Yet, like “plastics” in *The Graduate*, this advice is starting to feel more and more hollow, stale, and outdated. If you want to know the value these days of having a BA certifying your academic intelligence—the value of the *single thing* we repeat to our young people again and again they should get, at great cost in time and

money, in order to be successful—you need only place an odd-jobs employment ad on Craigslist.

I myself have placed many employment ads on the site over the years, for small odd jobs, moving and packing boxes, cleaning out garages, hauling junk piles. As in Bryan's example, I can confirm: *there is literally no job too shitty or low-paying* for which you won't get a *river* of BAs desperately asking you for the work.

These degree-bearing applicants have attained the very thing society, their parents, their teachers, and everyone else around them told them they needed to attain in order to be successful—a credential certifying their achievement in academic intelligence. And yet, in Bryan's case, the comparatively tame recession of the early 2000s had hundreds of these BAs, MAs, JDs, PhDs, and MBAs lining up for a \$10-an-hour shit job posted by a scruffy young business owner without a college degree.

Is this really the best life advice we can give young people? As with “plastics” in *The Graduate*, shouldn't we ask ourselves if our advice couldn't use a bit of updating and refining?

## ■ DO YOU WANT TO CHASE DEGREES, OR DO YOU WANT TO CHASE SUCCESS?

For people in the industrialized world, middle-class and above, the primary focus of our waking lives between the ages of six and twenty-two is—to a first approximation—grades. To a second approximation, the agenda also includes narrowly defined extracurricular activities, such as sports and music and volunteering, which look good on college applications and entry-level resumes. But if you ask, what is the primary thing parents, teachers, politicians, and society want us to focus on during sixteen years, roughly between the ages of six and twenty-two, the answer is plain and simple: get good grades.

Have you ever stopped to ponder how utterly *bizarre* this state of affairs is? How in the world did we all get so convinced that *academic rigor* constituted a prerequisite, necessary, and sufficient training for *success in life*? How did we all get convinced that this one end merited devoting sixteen of the best years of our lives toward it? That we should spend almost our entire youth—potentially some of the most creative, enthusiastic, energetic, and



*fun* years of our lives—in pursuit of little numbers and letters certifying our academic intelligence?

Sir Ken Robinson, author of *The Element: How Finding Your Passion Changes Everything*, has pondered this puzzling question a lot. In a video talk in the famous TED (Technology Entertainment and Design) series, entitled “Ken Robinson Says Schools Kill Creativity” (which became one of TED.com’s most downloaded talks ever), Sir Ken says: “If you were to visit education, as an alien, and say ‘What’s it for, public education?’ I think you’d have to conclude—if you look at the output, who really succeeds by this, who does everything that they should, who gets all the brownie points, who are the winners—I think you’d have to conclude the whole purpose of public education throughout the world is to produce university professors. Isn’t it? They’re the people who come out the top. . . . And I like university professors, but you know, we shouldn’t hold them up as the high-water mark of all human achievement. They’re just a form of life, another form of life.”<sup>1</sup>

Libertarian critic of our current educational system Charles Murray makes the point another way: “We should look at the kind of work that goes into acquiring a liberal education at the college level in the same way that we look at the grueling apprenticeship that goes into becoming a master chef: something that understandably attracts only a limited number of people.”<sup>2</sup>

These critics are saying, essentially: training to become a college professor and academic scholar is fine for those who truly wish to do so. But if you’ve already gone through college, you are now the product of a system and cultural norm that holds that, in order to prepare for success in life, you must spend sixteen years of your life essentially training toward an ideal of academic perfection.

If you haven’t noticed already, this is a silly system. It’s silly for a very simple reason. For most fields you’d want to enter—aside from, say, research science—beyond basic levels of academic intelligence, developing additional academic intelligence will have virtually no impact on your life prospects and success. Developing your practical intelligence will have *far more* impact on the quality and success of your life.

In a core section of his book *Outliers: The Story of Success*, for example, Malcolm Gladwell argues meticulously that, above a certain IQ (around 120, which is considered “above average/bright,” but not even “moderately gifted”<sup>3</sup>), additional IQ points have little



correlation to real-world success. Ditto for grades—beyond a middling level of academic achievement, there is little evidence that grades (the center point of our waking lives for almost the entire sixteen years of our educational track) bear any causal relationship at all to real-world results, success, achievement, or satisfaction in life.<sup>4</sup>

In one segment, Gladwell compares the lives of two men born with exceptionally high IQs, Chris Langan, known as “the smartest man in America,” with an IQ over 200, and Robert Oppenheimer, scientific director of the Manhattan Project. The brilliance of their minds is comparable, yet one of these men (Oppenheimer) had a profound impact on world history, and another (Langan) has had very little, despite repeated attempts to get his work published.

What is the difference between these two men? According to Gladwell, the main difference is that, in addition to his rocket-high IQ, Oppenheimer also possessed exceptional practical intelligence in navigating his way through the people who could influence his success in the world, “things like knowing what to say to whom, knowing when to say it, and knowing how to say it for maximum effect.” Langan in turn possessed little of this kind of intelligence, and thus was never able to gain much of a toehold in the world of practical achievement.

In his book, Gladwell shows that once a person has demonstrated passable logical, analytic, and academic skills, other factors have *much* more influence on real-world results—specifically, creativity, innovative thinking, and practical and social intelligence. To the extent that we develop these aptitudes in our lives, we tend to do so out in the real world, not in formal institutions.<sup>5</sup>

This book is your guide for developing practical success skills in the real world. I focus on seven key skills that will be crucial if you want to succeed in your work and career. These practical skills are not meant to be a replacement for college. Indeed, a classic college education—in its most elite conception—is not meant to teach practical skills at all. That’s not its purpose. You can learn many wonderful things in college. You can be exposed to new ideas, broaden your perspective on life, learn critical thinking skills, and immerse yourself in the great intellectual and cultural treasures of the human mind and spirit.

But, even if you’ve already gone through college, one thing I’m certain wasn’t on the curriculum in school was how to translate these abstract, academic teachings into *real-world results* in your

own life. Yet, this additional education around practical skills is not optional. Learning the skills in this book well is a *necessary* addition to a college education, if you want to achieve more success in your work and life. This book shows you the way.

I will turn to the seven key skills in a moment. But first, let me tell you a little about who I am and why I decided to write this book.

## ■ MY SHOCKING REALIZATION

Around two years ago, at the age of thirty-two, I came to a shocking realization.

Not one penny of how I earned my income was even *slightly* related to anything I ever studied or learned in college.

I was bringing in a very solid income as a direct-response copywriter, on a freelance schedule that many of my friends with paychecks and bosses envied (never at my desk before 10:30 A.M., lots of time for Rollerblading in Prospect Park, Brooklyn, in the middle of sunny weekdays). One could say I learned writing in college, but it is more accurate to say that I had to *unlearn* the turgid, academic style of writing favored in college, in order to write anything that moved product or made money for me or anyone else.

What's more, I wasn't making solid money (somewhere around \$75,000 as a freelance copywriter, plus additional money coming in from my own book writing, which pushed me over \$100,000) simply because I had become good at writing copy. I was earning money because I had become good at *marketing* and *selling* my copywriting services. There are boatloads of good freelancers who are broke, simply because they don't know how to market and sell their services. Think I learned any marketing or sales at Brown University? Rather, I spent my time writing papers decrying the capitalist system in which marketing and sales take place (and most of those papers came back with an A on them).

Beyond career, for the first time in my life, I was also having the feeling of being successful in my personal life. I had just gotten engaged to Jena and was enjoying a loving, stable, fulfilling relationship with her. This was after about a decade (my entire twen-

ties) of being a total mess in relationships. It didn't just happen by accident that I was now enjoying a great relationship; I *learned* how to be a better partner, by investing in a zillion workshops and reading a zillion books on the topic, until something started to shift.

I was also enjoying vibrant day-to-day health for the first time since college. Years of partying (starting in college), combined with poor eating habits, began to take their toll in my twenties, as I began seeing a gauntlet of doctors and specialists for symptoms of depression, constant low energy, and mood swings. I didn't get better until I started paying a lot more attention to my diet and lifestyle. After doing that, I began to feel energized and vibrant on a consistent basis for the first time since I was a kid.

In other words, for the first time as an adult, I was absolutely loving my life. My professional and personal life were exactly where I wanted them to be. Yet, as I took stock of my life in this moment, I realized: the fact that I had done well in college—even the fact that I had gone to college in the first place—had absolutely nothing to do with my adult happiness, fulfillment, success, or contribution to others. Zero. Zip.

I had learned a lot about how to live as a successful, happy adult. Yet nearly all that learning had been self-education in practical matters, out in the real world in my twenties, outside the bounds of a classroom.

This got me thinking: *What would education for a successful life look like?* You can define a “success” any way you want—wealth; career; family; spirituality; sense of meaning and purpose; vibrant health; service and contribution to community, nation, and humanity—or any combination thereof. What would an education look like that was laser-targeted *only* toward achieving these real-world results, and zealously cut out all bullshit not directly related to living a happy, successful life and making a powerful contribution to the lives of the people around you?

Certainly, this education would look nothing like anything taught on current college campuses, or anywhere inside our nation's entire educational system. If you wanted to take this course of study, you'd have to do so on your own, outside of college, as your own teacher, because this course doesn't exist anywhere within the halls of academia.

So I decided to write this book, in which I pose these simple

questions: What do you actually need to learn in order to live a successful life? How and where can you learn it?

While there are many ways I could have gone about answering these questions, I decided to answer them by interviewing and learning from successful people, like Bryan Franklin, who did not finish college.

I first got the idea to take this tack after entering into a serious relationship with Jena, who is now my wife. Jena, a year younger than I, did not complete college. Yet during her twenties, she amassed far more wealth than I did, despite the differential in our educational credentials pointing solidly in my favor. What did Jena learn during her self-education about making her way in the world that I did not learn during my college education?

Around 90 percent of the people I interviewed and feature in this book are literal millionaires, and several are even billionaires. Some are famous, many are not. I've also chosen to include, for around 10 percent of my interviewees, people like Jena, who are not millionaires (yet!), but who are clearly on their way, who exemplify the spirit and lessons of this book, and who are accomplishing amazing things in the world, via the strategies described in this book.

For the record, I'm not a millionaire myself, and I did complete college (Brown, class of '99). I'm *not* an example of the self-educated millionaires I write about in this book. But I've learned a tremendous amount from them. I write extensively about the changes I've experienced in my life applying the skills and lessons I've learned from them, so you can see how these skills apply to all people, not just those who are already millionaires, and not just those who didn't complete their formal education.

All of the millionaires and successful people I interviewed for this book said "no thanks" to the current educational model. And with their self-education, they have built businesses, amassed fortunes, helped others live better lives, and even changed the world.

These are the people we're going to be learning from in this book. They have much to teach us about how we can educate ourselves in the practical skills we need, in order to be successful in a rapidly evolving, shape-shifting, and self-reinventing economy. They are going to teach us how we can get, for ourselves, "The Education of Millionaires": the real-world skills that these millionaires studied and learned in order to get where they are in life.

What they have to teach applies to you no matter what age you

are and whether or not you've been to college already. Lifelong learning and professional development are necessities in the current career environment; this book is your guide to self-education for success in the twenty-first century.

The people in this book also have much to teach us about what kinds of practical life skills and career-oriented content your children should be learning if our educational system is to take the new realities of this twenty-first-century digitized, globalized, flat-world economy seriously—an economy in which every traditional assumption is being turned on its head, shaken up, and called into question, including traditional assumptions about education.

**We Americans are obsessed** with success, and we readily snap up books promising insight into the lives of successful people and how to emulate them. Yet, up until now, there have been few voices making this obvious point about success (normally only spoken about in hush-hush tones, as if it were a dirty secret): despite sixteen years or more of schooling, most of what you'll need to learn to be successful you'll have to learn on your own, outside of school, whether you go to college or not.

I am passionately pro-education. There are few things I care more about than reading and learning constantly.

Yet, the lives of the people profiled in this book show conclusively that *education* is most certainly not the same thing as *academic excellence*. We've conflated them, at great cost to ourselves, our children, our economy, and our culture. And, while education is always necessary for success, pursuing academic excellence is not in all cases. As Mark Twain said: "I have never let my schooling interfere with my education."<sup>6</sup> (Twain dropped out of elementary school at age eleven to become a printer's apprentice.)

The driving theme of the stories in this book is that, even though you may learn many wonderful things in college, your success and happiness in life will have little to do with what you study there or the letters after your name once you graduate. It has to do with your drive, your initiative, your persistence, your ability to make a contribution to other people's lives, your ability to come up with good ideas and pitch them to others effectively, your charisma, your ability to navigate gracefully through social and business networks (what some researchers call "practical intelligence"), and a total, unwavering belief in your own eventual triumph,

throughout all the ups and downs, no matter what the naysayers tell you.

While you may learn many valuable things in college, you won't learn *these* things there—yet they are *crucial* for your success in business and in life. Whether you're a high school dropout or a graduate of Harvard Law School, you must learn and develop these skills, attitudes, and habits if you want to excel at what you do. In this new economy, the biggest factor in your success will not be abstract, academic learning but whether you develop the real-life success skills evinced by the people on these pages, and how early you do.

This is a book about practical education. Street smarts. It's about what you have to learn in order to be successful in life and how you can go about learning it on your own, outside of traditional schooling. It is about the skills, habits, and mind-sets *you* need to make an impact on the world and find happiness and success doing so.

If you've already gone to college, you still probably want to make a bigger mark on the world than the one you're currently making. Even if you're a doctor or a lawyer—and you literally could not practice your profession *without* having graduated from college and graduate school—these real-world success skills are every bit as relevant to you for accelerating your career. And they definitely weren't on the curriculum at law school or medical school.

If you haven't started college yet—or if you're in college and wondering what you should do there and whether you should stay—then this book will also be an important read. If you do choose to go to college, or to stay there if you're already there, this book can help you get the most out of your college experience by helping you to avoid a lot of the BS you're likely going to encounter and to pay more attention to learning things that will actually be valuable to your achieving your dreams later in life.

This is the book I wish I had when I was sixteen, seventeen, or eighteen. If I'd had it then, I would have saved a lot of misery, stress, and drudgery in the rest of my education. I would have been more focused and clear on my path.

It also would have been useful to me as soon as I graduated college. If I'd read this book when I was twenty-two, I may not have spent a good part of my twenties wandering aimlessly.

In fact, this is the book I want *now*, at age thirty-four, well into

my career. It didn't yet exist, so I wrote it. I'm definitely still learning, with more appetite than I've ever had before.

If I can give just one person the value from the book I wish I'd received at the age of seventeen, eighteen, twenty-two, or later, the whole endeavor of writing it will have been worthwhile.

## ■ OUR CURRENT EDUCATIONAL SYSTEM IS A TYPEWRITER (WOULD YOU LIKE A WI-FI-CONNECTED LAPTOP INSTEAD?)

The already-questionable connection between *academic excellence* and *preparation for success in life and career* became all the more questionable during the time I was writing this book, as the Great Recession of 2008–10 unfolded. As I was writing, a rash of articles came out in a number of major publications in which Americans expressed rage about their inability to earn sufficient money, given their expensive academic education. The bargain used to be: give up four years of your life (or more for graduate school), incur hundreds of thousands of dollars in tuition, debt, and forgone earnings during the years you study, and when you graduate you'll be set for life earnings-wise.

People who entered into this bargain four or five years ago are beginning to realize that only half the bargain has held up: the half in which they spend four years, incur up to \$100,000 in debt, and forgo earnings they would have gained in the workforce during their years of study. The other half of the bargain, in which they were virtually guaranteed a job with a great salary upon graduation, has vanished.

An article in the *New York Times*, called “No Longer Their Golden Ticket,” covered the tidal wave of recent law school graduates, often carrying hundreds of thousands of dollars in student debt, who can't find jobs. For those who were lucky enough to find or retain employment during the recent colossal shakeout in the legal profession, “it is harder to maintain that sense of esteem now that your contract work is being farmed out to low-cost lawyers in Bangalore, and your client who is splitting up with her spouse can handle it herself with a \$31.99 do-it-yourself divorce kit from Office Depot.”<sup>7</sup>



Beyond the grim scene for recently minted JDs, MBAs, MAs, and PhDs, the picture was no brighter for fresh college graduates. We now live in an age when it is likely that the person pouring you your coffee at the café in the morning has spent four years studying literature, or even business and marketing, in a degree-granting institution. That person is likely to be carrying tens of thousands of dollars in student debt, and more in credit card debt accrued in college, for the privilege of having studied to pour you your coffee with such literary and business acumen.

A *New York Times* article entitled “Jobs Wanted, Any Jobs at All” describes Katie and Kerry Barry, twins who were then seventeen months past their Rutgers graduation, as living in “an unwelcome continuum of mass rejection.” The twins had collectively applied to 150 jobs: “a magazine for diabetics, a Web site about board games and a commercial for green tea-flavored gum; fact-checking at Scholastic Books, copy editing for the celebrity baby section of People.com, road-tripping for College Sports Television. They did not get any of these. More than a year has lapsed without so much as an interview. Apparently, even a canned response was impossible in New York.”<sup>8</sup>

While the recent bust times will have hopefully passed by the time this book comes out, more and more people of all ages are beginning to question traditional assumptions about how to make a mark in the world. Throughout most of the last century, large bureaucratic organizations dominated the path of social mobility, from school age to retirement. If you wanted to be successful and have an impact, you studied hard in high school, got into a good college, got an entry-level job at a large corporate or government bureaucracy, and rose through the ranks of middle management.

It is now widely understood that the latter portion of this timeline—getting an entry-level job and rising through the ranks of middle management at a large bureaucracy—is no longer the best way to do things, for two reasons.

First, job security is dead, as anyone who has had a job recently knows. You’re going to have many different jobs, employers, and even careers in your life. So where you get your first, entry-level one—the single thing that a BA credential really helps with—becomes less and less relevant. Building a portfolio of real-world results and impacts you’ve created, over time, becomes more and more relevant.

Second, the Internet, cell phones, and virtually free long-

distance calling have created new opportunities for flexible, self-created, independent careers; this trend has been helped along by the gathering storms of millions of hungry, highly educated young men and women in India, China, Eastern Europe, the Philippines, and elsewhere, happy to do the work that entry-level Organization Men would have done in years past, for a fraction of the cost. This emerging competition has encouraged many people in the West to “think outside the organization” to create careers for themselves that can’t be outsourced, offshored, or automated.

More and more Americans of all ages are waking up to the reality that you don’t need a nine-to-five job to be a valuable, contributing member of society and to create wealth for yourself and others. Millions of small-business owners, entrepreneurs, computer programmers, graphic designers, independent consultants, writers, and freelancers make valuable contributions to society (creating four out of ten new jobs in the economy), outside the realm of working for a boss nine to five (or eight to eight).

Until the last decade, the kinds of opportunities that got you ahead in the world—medicine, law, engineering, or rising up through the ranks of a large corporation—were all guarded by “gatekeepers” who checked your formal credentials vigorously before letting you in.

There were very few other ways to get ahead. The zeitgeist is changing, however. While the classic professions still require credentials, for young people today these professions are no longer the *only* (and certainly not the hottest) avenues toward social advancement, economic opportunity, and making a difference in the world.

A new breed of American is arising, and they are creating a new breed of opportunity. For them, the American Dream still includes a wonderful family life, a home, and financial security. But it does not include waking up each day and going to work for a boss. They want to work for themselves, creating value for other people on *their* terms—perhaps on a Wi-Fi-connected laptop from a mobile location.

These people, young and old, read books like *The Four-Hour Workweek: Escape 9–5, Live Anywhere, and Join the New Rich* by Tim Ferriss, *Escape from Cubicle Nation: From Corporate Prisoner to Thriving Entrepreneur* by Pamela Slim, and *Career Renegade: How to Make a Great Living Doing What You Love* by Jonathan Fields.

Daniel Pink, in *Free Agent Nation: The Future of Working for Yourself*, his 2001 book prophesying the current tidal wave of microentrepreneurialism, small business, and self-employment, calls them “self-employed knowledge workers, proprietors of home-based businesses . . . freelancers and e-lancers, independent contractors and independent professionals, micropreneurs and infopreneurs, part-time consultants . . . on-call troubleshooters, and full-time soloists.”<sup>9</sup>

These new kinds of opportunities, open to anyone who wants to pursue them, without any formal, traditional, or academic qualifications necessary to compete, have arisen largely because of technology. As Pink points out in *Free Agent Nation*, there was a time in our nation’s history, before the Industrial Revolution, when most people were self-employed—that is, “the butcher, the baker, the candlestick maker.” In these times, writes Pink, mass self-employment made sense because “most of the things people needed to earn their living they could buy easily and keep at home.” However, writes Pink, “it was only when these things—the means of production, to use Karl Marx’s famous phrase—became extremely expensive . . . that large organizations began to dominate. . . . Capital and labor, once so intertwined the distinction scarcely mattered, became separate entities. Capitalists owned the equipment. Laborers earned their money by receiving a sliver of the enormous rewards those giant machines produced.”<sup>10</sup>

Pink argues that in the last decade, in one area of the economy—called “knowledge work”—a shift has occurred as massive and with implications as far-reaching as those during the shift from an agrarian to an industrial society. For knowledge workers in the developed world, the tools of their trade have become so ridiculously cheap that the “means of production” have once again become affordable to individual workers. These workers no longer have to depend on bosses or large organizations to furnish them with the means of production. They can quit the factory-style organizations and become “butchers, bakers, and candlestick makers” once again—that is, digitally connected entrepreneurs and solopreneurs.

Pink calls it “Digital Marxism: In an age of inexpensive computers, wireless handheld devices, and ubiquitous low-cost connections to a global communications network, workers can now own the means of production.”<sup>11</sup> And increasingly, more and more

of them (especially younger ones who have grown up with the Internet) are deciding to take their means of production, strike out on their own with their copy of *The Four-Hour Workweek* in their laptop bag, and flip a big, bad massive bird to their former employers.

And here's something else these self-employed people, small-business owners, and micropreneurs are starting to realize more and more: for them, formal educational credentials are irrelevant to the new economic reality they are operating in.

In this new reality, no one gives a damn where you went to college or what your formal credentials are, so long as you do great work. I'm not saying we're all the way there yet. But it's clearly the way we're headed. As science fiction writer William Gibson said, "The future is here—it's just not evenly distributed."

Education is still necessary to learn how to do the great work that gets you paid. But these days, almost all of the education that ends up actually earning you money ends up being self-education in practical intelligence and skills, acquired outside of the bounds of traditional educational institutions.

I asked Bryan if he felt he learned more starting up his businesses during and after school than he did during school. "Oh, my God. There's no question," he answered. "It would be the difference between a very well-planned seven-course meal done by one of the world's top nutritionists, and compare that in nutritional value to a gumdrop."

Let's say you want to eat the seven-course meal done by one of the world's top nutritionists, rather than the gumdrop.

This book provides you with a guide for acquiring key success skills you are very unlikely to learn in college. These are the real-world skills the self-educated millionaires I interviewed in my book all focused on learning, instead of abstract academic skills.

The typical college education consists of thirty-two courses—four courses a semester for eight semesters. The courses in *The Education of Millionaires* consists of seven key areas of lifelong self-study. These courses can and should be followed in addition to (before, during, and after) your traditional formal schooling in a classroom. But these aren't like normal college courses. Here are some key differences.

**Normal college courses are . . .**

**Abstract.** While these courses can be interesting, edifying, and enlightening, very little of the content bears any useful relationship to confronting your goals, dreams, problems, and challenges in life outside of the class.

**Courses in The Education of Millionaires are . . .**

**Practical.** Course content is directly related to helping you tackle challenges, achieve goals, solve problems, and reach for your dreams in your career and personal life beyond the course.

**Focused on Your Achievement in the Course.** In a typical college course, grading becomes the focus of the course, with little attention paid to how the object of the grading relates to your life outside of the course. If my Marxist and post-modernist professors were to turn the barrel of their lingo away from capitalism and instead point it at their own noses, they'd say the grades had become "reified" and turned into a "fetish," a "simulacrum" of reality. And who wants that?

**Focused on Your Achievement in Your Life.** There are no grades in these courses. Your "grade" is the results you get in your actual life. If you get the job you want, you're doing well in the course. If your small business starts making tons of money, you just passed the test with flying colors. If your dream guy or girl says "yes" to a date (or a proposal of marriage), you just got an A. Your success is your results and achievement in the real world. Period. There are no formalized, abstract evaluations of the material.

**Evaluated by Bystanders with Nothing at Stake.** Your college professor may have exacting, thoughtful, careful standards on how she tests you, grades you, and evaluates you in the course. But ultimately, she's not the one who's going to hire you. She's not the one who's going to buy your product. She's not the one who's going to pull out her wallet and invest in your idea. She's not the one who's going to say yes to a date. (Well, actually, I have some stories about that one . . .) Her opinions about how you should develop are like the opinions about military tactics offered among the gentlemen and women who watched Civil War battles from hilltop picnics.

**Evaluated by People in the Real World.** Since your "grades" are simply your results in the real world, your progress is being evaluated by people who've got skin in the game—who've got something to lose if you fuck it up. You're getting feedback in your course progress all the time by customers, employers, social connections, and loved ones. The feedback you get is vastly more meaningful.

**Normal college courses are . . .**

**Bound by Four Months.** In the context of a lifetime, four-month courses are to real learning as Big Macs wolfed in the car between appointments are to fine dining. You can learn a lot in four months, but anything truly worth learning takes a lifetime to master. So why do we cram most of our higher learning into a four-year period consisting of these four-month courses, and then select for that four-year period an age range when many people seem more concerned with guzzling shots and learning what condoms and beer bongs are good for?

**Courses in The Education of Millionaires are . . .**

**Bound by the Cradle and the Grave.** (*This book just points the way; it is not the way itself.*) Welcome to the new lifelong learning. You don't "graduate" from any of these courses. But also, you're not stuck to cramming all of your "higher learning" into four years between ages eighteen and twenty-two. You get to enjoy the pleasure and fruits of study and learning throughout your life, at a realistic, comfortable pace, without having to cram for finals, give up career earnings while you study, or take out student loans. Take the pointers I give you as jump-off points—but ultimately, you're going to have to find most of your learning materials and teachers for these courses *on your own*, during the rest of your life.

OK, drumroll please. Here they are, the courses in *The Education of Millionaires*.

**SUCCESS SKILL #1:** How to Make Your Work Meaningful and Your Meaning Work (or, How to Make a Difference in the World Without Going Broke)

**SUCCESS SKILL #2:** How to Find Great Mentors and Teachers, Connect with Powerful and Influential People, and Build a World-Class Network

**SUCCESS SKILL #3:** What Every Successful Person Needs to Know About Marketing, and How to Teach Yourself

**SUCCESS SKILL #4:** What Every Successful Person Needs to Know About Sales, and How to Teach Yourself

**SUCCESS SKILL #5:** How to Invest for Success (The Art of Bootstrapping)

**SUCCESS SKILL #6:** Build the Brand of You (or, To Hell with Resumes!)

**SUCCESS SKILL #7:** The Entrepreneurial Mind-set versus the Employee Mind-set: Become the Author of Your Own Life

These seven courses, which correspond to the seven core chapters of the book, focus primarily on skills related to success in career, money, work, and business. Of course, for a truly integrated sense of success, in the fullest sense of the word, we all need to learn many practical personal skills as well. These include skills such as how to find and maintain a wonderful, loving relationship, how to sustain vibrant health, and how to navigate our spiritual beliefs in a world that seems to get more chaotic every day. It is possible to be a financial millionaire and an emotional and spiritual pauper. All the money in the world provides little comfort if we are lonely, sick, or forlorn of love.

But I will leave those personal success skills (crucial as they are) for another book. Since this is a business book, I am focusing here on skills related to success in the realms of career, money, work, and business. The seven success skills I explore here are of course not exhaustive, even in the realm of career and financial success. But they go a long way.

My format in the chapter devoted to each of these skills is quite



simple. First, I provide some stories of successful self-educated people who learned and applied these skills, to great effect, in their own lives. Then, I give some examples of how I applied the same skills in my own life and the results I got. (I would never recommend to you something I hadn't battle-tested in my own life.) Then, based on the experience of my interviewees, as well as my own experience, I give some practical tips about how to go about learning and applying that chapter's skill in your own life.

Welcome to your own journey of self-education.

We're about to dive headlong into the success skills. But before we take the plunge, I want to offer two minor disclaimers, in the interest of full disclosure and transparency.

■ **DISCLAIMER #1:  
MY VIEWS ARE MY OWN! (AND PROBABLY NOT  
SHARED BY ALL OF MY INTERVIEWEES)**

I should make something absolutely, beyond-a-shadow-of-a-doubt clear: my opinions, controversial as some of them may be, are mine and mine alone; they are not necessarily shared by the people I interview or feature.

My interviewees all chose to share their amazing stories of self-made success for this book, for the benefit of us all. They chose to share these stories because they all believe that no matter where you are in your life, no matter what your age or your life circumstances, you can strive to achieve more in life, to make a greater impact, to aim for higher dreams.

This book would not exist without the generous participation of the many, many experts and self-educated people I interviewed. My interviewees are a diverse, brilliant, and cantankerous bunch, with a wide range of opinions on many topics, as well as a wide range of backgrounds. I am profoundly grateful for their participation, and am proud that I am able to share their cutting-edge insights and their moving stories.

I'm certain, however, that some of my interviewees will outright disagree with some of my own views, as well as some of the views expressed by other interviewees featured in this book. Thus, I want to emphasize that there is a gulf of difference between my interviewees, having agreed to share their personal stories here,

and their agreeing with everything or anything anyone else (including me) says in this book.

The interviewees I feature in this book are responsible only for their own views, clearly delineated by quotation marks, and for my general paraphrases of their views, both of which I have submitted to them to check for accuracy. (I edited all interviews for flow, readability, and space.) I repeat: interviewees' participation in this book should *not* be taken as endorsement for any other aspect of this book other than their own views in quotation marks.

I give a hearty thank-you to *all* my interviewees for their participation in this book.

■ **DISCLAIMER #2:  
I INTERVIEW SEVERAL CLOSE FRIENDS AND  
BUSINESS CONNECTIONS**

The vast majority of the people I interviewed in this book were strangers to me before I interviewed them. However, several of my key interviews come from people who are very close to me. For example, I interview my wife, Jena. Another major source, Eben Pagan, is engaged to my close friend Annie Lalla, and I played a large part in introducing them.

Bryan Franklin, whom you met in the Introduction and about whom I write more in the coming pages, is one of my best friends. He officiated at my wedding ceremony. And I've done business with him in the past, both as a client and a vendor, and probably will again in the future. (Another company I mention in one of the stories, the Institute for Integrative Nutrition, was a copywriting client of mine in the past, though is not at present.) Whenever I have a personal or business relationship with anyone else mentioned in this book, I will disclose that.

(One other thing: if over the course of interviews I've talked to someone enough that I would address them by their first name in conversation, I decided to use their first name here in the text; otherwise I use their last name to refer to them.)

In no case did I receive any financial or other specified benefit for featuring anyone in this book. No pay for play, ever.

(OK, enough caveats. Let the fun begin . . .)

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## SUCCESS SKILL #1

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### HOW TO MAKE YOUR WORK MEANINGFUL AND YOUR MEANING WORK

*(or, How to Make a Difference in the World  
Without Going Broke)*

A twenty-one-year-old singer, songwriter, and guitarist named David found himself in a hospital in Paris one night, being treated for malnutrition, in 1967. The reason he was malnourished was that he was not making a lot of money and couldn't afford proper foods, as he played gigs at bars, nightclubs, and dances across France and Spain.

No gig tonight, no eat tomorrow.

Two years before, he was in his sixth form in Cambridge, England (equivalent to the last two years of high school in the United States). David simply stopped going to his A-levels, the series of exams that determine university entrance in the UK. All he really cared about was rock music, and he dove fully into it, playing in local bands and eventually living by his wits, gig to gig, in France and Spain. Had you seen him in that moment in Paris, sickly in the hospital at age twenty-one, lacking funds to feed himself properly, you might not have thought he had made a good choice leaving his A-levels, or that he had any decent prospects in life.

And while that judgment may be correct for most starving artists, in the case of this particular artist—who was starving not just figuratively but literally—such a judgment would be as off the mark as you could get.

David returned to the UK, and later that year, a drummer he knew named Nick Mason asked him to join a little band they were

putting together called Pink Floyd. The band went on to sell over 200 million copies of its albums over the next forty-plus years. *The Dark Side of the Moon*, the band's most famous album, has sold upward of 45 million copies worldwide and ranks among the greatest-selling, most critically acclaimed, and most influential albums of all time. As lead guitarist, lead vocalist, and songwriter for the band that produced so many hits for over forty years, David Gilmour (<http://www.davidgilmour.com>) is easily one of the most important musicians in the history of rock.

I count myself as a fan. I thank David personally for providing the soundtrack to so many blissful nights in university, philosophizing about the meaning of life or making love instead of studying. Some of the most educational parts of my college experience, truly. And the music still brings joy, inspiration, and awe to my life—and surely to millions of others—a decade out of college. David Gilmour has made a massive difference to the lives of many people on the planet. The world would be a much poorer place without him and his music. He has lived—I would say—a deeply meaningful life.

Yet, there is something profoundly unsettling about his story as well—and indeed, about the story of just about anyone who has made a great difference in the world.

A year before he became famous, David was roughly the same musician, with roughly the same musical gift, and the same die-hard determination to make an impact on the world of music and live a meaningful life. At that time, however, the world didn't care much about whatever impact he wanted to make on it or what "meaning" he wanted to create within it; in fact, in exchange for his musical gift, the world barely rewarded him enough to keep himself alive. One of the most monumental musicians in the history of rock nearly died as a starving artist, before he and his band got "discovered."

All of us—at least the most idealistic among us—want to make a difference in the world, whether it's in business, the arts, politics, philanthropy, science, or technology. At the very least, we want to make a difference in our communities. This is what feels meaningful to us: making a difference, having an impact, living for a purpose.

Yet, there's a paradoxical aspect to "making a difference" and "having an impact." The world doesn't always *care* whether we want to make a difference or have an impact on *it*. In fact, it can be

downright hostile to us when we try. The world doesn't automatically open its arms to us just because we have good intentions. It may laugh at our great sense of "purpose" or, more commonly, simply yawn and turn its head to something else.

At the highest levels of success, there's a capricious aspect to making a difference in the world and living with purpose, which we must come to terms with squarely before we start talking about "secrets to success," "success skills," and so forth. Indeed, I asked David about the secret to his success, and he gave me a frank answer: "I got very lucky. Luck plays a big, big part in the kind of success I've had. They say you have to make your own luck, but I'm not too sure of that sometimes. There are a lot of people I know who had the same determination I had, followed my same path and threw their lot into the music business without going to university, and didn't end up making a successful living playing music. They were thereafter stuck in jobs which were fairly hand-to-mouth. They were not doing what they could have done with their lives if they continued with their studies. It's absolutely not a course I would recommend to anyone, *unless* you were absolutely 110 percent convinced that your passion was something you had to do and you would be willing to forsake a lot of other things for it."

Very few of us, when we dream about the kind of impact we want to make on the world, dream about things we could achieve with little risk. Very few of us dream of staying anonymous middle managers, or paper pushers lost in sprawling bureaucracies for the rest of our lives. That doesn't feel like much of a purpose at all.

No, our dreams and purposes are the stuff of romance, adventure, and excitement. We dream of becoming famous, wealthy, of making a big mark on the world. We dream of becoming rock stars. If not literal rock stars, like David, then some other kind of star: a famous athlete, actor, writer, filmmaker, artist, politician, lauded scientist, CEO, or millionaire or billionaire entrepreneur (such as some of the entrepreneurs I interview in this book). Or we dream of making an impact in a traditional profession, such as law, medicine, or academia, or making a great impact in our community in a position of leadership or charity. Perhaps we dream of being a star teacher and making a difference in hundreds of children's lives.

Yet, such dreams of making a difference always involve risk. The more you want to be a star in your respective field—whether

it's being a teacher, a doctor, a lawyer, or an artist, musician, or entrepreneur—the more risk you will have to take in your career choices. Few people become stars in their industry, make a difference to the lives of lots of people, or find a sense of purpose in their career simply by sticking to the script and hewing close to well-trodden paths.

You can take a stadium full of highly talented twenty-one-year-olds with lots of drive and determination, all passionate about making an impact on the world in the ways young people dream about, in fields such as music, art, writing, acting, filmmaking, politics, policy, science, technology, media, philanthropy and charity, or entrepreneurialism. Out of this whole stadium of talent, only one or two of these young people will become superstars in their respective fields, on the level of a David Gilmour.

Many in that stadium will end up flat on their asses, broke. That's a terrifying prospect. In response to such prospects, out of fear, many young people in that stadium will stop sticking their necks out in their careers, clinging to safe scripts in their careers, where there's little risk of failure and equally little risk of achieving anything truly remarkable.

What distinguishes these one or two superstars who reached their dreams and made a huge difference from the rest of the talented, ambitious, idealistic individuals in that stadium?

I've asked many superstars their secret for success. While they all mention talent, persistence, drive, determination, believing in yourself, never giving up—the standard chestnuts of the self-help literature—the most honest and self-aware of the superstars, such as David Gilmour, add an additional factor to the list. They also pay respect to the role of serendipity, synchronicity, and random chance. The stars shone on them. The gods smiled upon them. The right place at the right time. Simple, blind luck.

They don't call it a "lucky break" for nothing.

If there wasn't risk involved, and the fear that accompanies that risk, we wouldn't be dreaming about it, we'd have already done it. (The grocery store is always hiring checkout clerks. If your dream was to become a checkout clerk, you could be living your dream right now. But I'm willing to bet that's not your dream.)

So, how do we reconcile our deepest dreams of making a difference in the world—our dreams of leading a meaningful, impactful life, a life of purpose—with the stark reality that the world

doesn't always care what kind of difference we want to make or give us an A for effort?

Navigating these rocky existential waters is one of the most important aptitudes you could develop. Err too far in either direction, and it's very unlikely you'll end up happy in life. Err too far on the side of reaching for lofty dreams within your career, without any attention to existing market risks and constraints, and you may end up, as David did at twenty-one, in a hospital for malnourishment, at least metaphorically speaking. And few people who end up in that place of starving-artist-hood have the fortune to get out, as David eventually did.

Yet, err too far in the other direction, giving in to fear and sticking to the safe path, without even a nod to the larger impact you want to make, the greater purpose you want to achieve, and you may end up feeling like you missed out. You may enjoy some level of predictability or security in your income, but it won't feel very satisfying to you inside. Few people would call this "success."

Therefore, at the outset of any discussion of success, what you need is not another motivational rah-rah lecture on "believing in yourself" or "never giving up" or "working harder," the standard fare of other books. What you need is an honest discussion of how to navigate gracefully among dreams, risk, and ruin in the real-world marketplace.

## ■ THE CONFLICT OF MAKING AN IMPACT VERSUS LIVING A PREDICTABLE LIFE

I'm going to say something that has probably never been in print before in a business book. It's probably never been in a business book because, at face value, it sounds kind of depressing.

The bigger the impact you want to make on the world or in your chosen field—the bolder your purpose is—the greater the risks you're going to have to take. Which means, the greater the chance that you'll end up making *no impact at all*. Other than the impact of your ass hitting the floor and failing at your purpose.

In a moment, I'll elaborate on why this conflict between safety and making a difference, between predictability and living your



purpose, exists. I'll also provide a detailed plan for navigating these rocky waters. But first, consider the following family drama, which plays out in thousands of households across America each year.

Dad and Mom have scrimped and saved for years, maybe even decades, to send their daughter to college, so that she can have a leg up on life. When Daughter gets to college, she decides to major in drama, or art history, or feminist critical theory. A fight ensues:

PARENTS: But how are you going to *earn a living* from being a drama [or art, creative writing, philosophy, literature, poetry, feminist critical theory, underwater basket weaving, etc.] major? Where are the employment ads that say, "Now hiring full-time drama majors"?

DAUGHTER: But Mom and Dad, this is what I'm *passionate* about in life. Do you want me to live life as a faceless office drone, enriching a bunch of corporate fat cats, and let the art inside of me die?

PARENTS: Of course we support your passions in life. We just want you to have a *backup plan* in case the acting thing doesn't work out. You're so smart, you've always been such a good arguer. Why don't you think about becoming a lawyer, like your cousin Sue? Then you can act on the side, on weekends. Acting is a wonderful *hobby*.

DAUGHTER: You just don't understand me! Life isn't just about boring job security! There are bigger things out there, more meaningful things, than how much money is in your bank account. You'll always regret being the ones who didn't allow me to go for my dreams [etc., etc.].

**Similar arguments play out** when high school students tell their parents they're not planning on going to college, or when college students tell their parents they're dropping out. Cameron Johnson, a wildly successful serial entrepreneur, self-made multimillionaire (and college dropout), recounts two such arguments with his parents.

The first arose during his high school years, when he told them

he wasn't going to go to college, as he was too busy building his already-successful businesses.

"Michael Dell doesn't have a college degree," I told them. "Bill Gates doesn't have a college degree."

They pointed out that I was not Michael Dell or Bill Gates. I was their son, and they wanted me to get a good education!<sup>1</sup>

Cameron succumbed in that argument and started as a freshman at Virginia Tech. However, soon after starting college, a similar argument arose, when he informed his parents he was leaving college to build his business.

They said, "No, you're not."

I said, "Mom, Dad, look at all the basketball stars and football stars who go right from high school to the NBA, or the actors and musicians who don't bother with college because their careers are already in motion. There have to be business stars, too, who don't need to go to a four-year program to learn their field. If I go through four years of college, I'll just be on a level playing field after four years—whereas now I have an *advantage*. Spending four years in school means I'll be four years *out* of the business world. Everything changes like lightning in the Internet world, and they'll have caught up to me."

My dad said, "A college education doesn't hurt anyone."

I said, "I agree, but it'll still be there ten years later if I still want it."

He said, "Cameron, you can lose your house, you can lose your company, you can lose your money, you can lose your wife—but you can't lose your education. It's the one thing you'll always have."

I said, "That's true, I don't disagree, but I *am* getting an education—a real-world education. Even though I'm not in the classroom every day, I'm still learning, and at a faster pace than my friends in college, because they're trying to learn about these things in the classroom, whereas I'm learning these things by actually doing them."<sup>2</sup>

These types of family dramas and arguments, in my opinion, boil down to arguments about our sense of *safety* versus *heroism* in life. Safety and heroism are almost always opposed. Imagine a

movie in which the hero exposed himself to no risks or dangers, took no chances, and in fact wrapped himself in bubble wrap to protect himself from everyday slips and bruises. The movie consists of him walking on the sidewalk, on a nice sunny day, in this protective bubble wrap, to go to the store to purchase a few ingredients for dinner. Finito.

Sound like a very exciting movie?

Kids, in their idealism, want to make a big impact on their world. They want to change the world, to feel like their existence makes a difference. They want a big sense of purpose and excitement. They want to be heroes. No kid dreams of being an anonymous paper pusher or a faceless office drone.

Parents want their kids' lives to feel meaningful and satisfying as well, but they see that the kinds of careers that young people tend to dream about (arts and entertainment, literature, blogging, social media, sports, activism, entrepreneurialism, etc.) are also very risky.

And on that point, the parents are absolutely correct: these endeavors *are* more risky. In other words, there's a greater chance you'll end up flat-out broke if you follow them than if you become, say, a dentist or an accountant. So naturally, in their inviolable, nonnegotiable role as parents to protect and look out for their children, they tend to advocate safer, less risky, more predictable, more conformist paths as their children contemplate a career. They tend to talk about "backup plans" and "fallbacks," and to think about their children's creative passions and quests for meaning as "hobbies."

Why does this conflict between safety and heroism, impact and predictability exist? For a very simple reason. Almost by definition, "having an impact" or "making a difference" or "living a purpose" involves going beyond what already exists in any given workplace, organization, field, marketplace, or society. It involves innovating, or exercising leadership. Bryan Franklin, whom we met in the Introduction, defines leadership as "creating a future for others which wouldn't have happened otherwise." If what you're trying to achieve would have happened just the same without you, it's hard to say that you're having that much of an impact or that your purpose is very significant.

Yet, trying to change the course of the status quo—that is, trying to have an impact, living into a great purpose in your career—is also financially riskier than not doing so. This is just as true if

you're a traditional professional (doctor, lawyer, or manager) trying to achieve big things within your company or your field as it is for people in artistic/entrepreneurial careers, for two simple reasons:

- ▣ People tend to feel safer and more comfortable with the known over the unknown. An “impact” is a change in course, so if you want to make an impact in your field, you're asking people to venture into the unknown. The more of a change of course your innovation or leadership represents, the more you are asking people to abandon safety and comfort, which is not usually something they're willing to do without overcoming a great deal of resistance.
- ▣ There may be entrenched interests who are quite happy with the way things are now and who aren't interested at all in your “impact,” thank you very much. In fact, they may say you can take your impact and shove it! Try to rock the boat too much, make too much of a change, and these people may try to oust you from the organization, community, or marketplace, or even try to harm your reputation or career prospects. Anyone who has dealt with office politics knows this. Any artist or entrepreneur who has tried to do anything innovative knows this.

If you want to become wealthy or famous, which I presume you do if you're buying and reading a book on success, then you're going to need to make a difference in the lives of *many people*. (By definition, it's impossible to become famous, and it's also very difficult to become wealthy, if you impact the lives of only a few people.)

Yet, when you're trying to have an impact on the lives of large numbers of people, two additional challenges arise, unique to the interactions of people in groups:

- ▣ Making an impact on large groups of people involves *leading* them in some way. Yet, seeking to be a leader is akin to seeking what economists call a “positional good.” A classic example of a positional good is a penthouse apartment. You can't have a penthouse apartment unless there are apartments below it. Not everyone in society could have a penthouse apartment. Similarly, you can't have leaders unless there are followers. Not everyone in any given situation can be a leader (unless you live in

Lake Wobegon, Garrison Keillor's fictional town, in which "all the children are above average"). In the real world, not the world where everyone gets a ribbon and a gold star, there will always be competition to lead people. The more people you want to lead, the stiffer the competition. And the stiffer the competition, the less you can be sure you'll win.

- Those who do end up leading often achieve leadership, amass wealth, fame, or support, or make an impact on the world, largely through the effects of word of mouth. Followers/customers/fans convert other people to followers/customers/fans, who convert more people to followers/customers/fans, until a big group—which business author Seth Godin calls a "tribe"—has amassed around that given leader, company, or artist. This is how most artists, musicians, actors, writers, and entrepreneurs who become famous and wealthy do so—through the viral-effects word of mouth. When word of mouth takes off, its effects are extremely rapid and dramatic (the "tipping point" that Malcolm Gladwell writes about). Yet, word of mouth is one of the least predictable things on the planet. No one really knows what the next word-of-mouth sensation will be. There's a capricious nature to word of mouth, fame, and fandom, which has even a bona fide genius like David Gilmour giving a strong nod to the role luck played in his success as an artist.

In your career, whenever you are faced with two paths, you will almost always be facing a choice between one path that is more predictable (in which you're more or less a cog in a predetermined script) and one that offers the chance to make a bigger impact (e.g., a leadership position) but has more risks associated with it. This is as true for a lawyer or corporate manager as it is for a start-up entrepreneur or a musician.

Another way to see it: at any point in your career, you'll usually be choosing between one path that is safer and one path that has the potential to feel more meaningful to you, between one path that is more certain and one that offers more of a chance for a sense of purpose and heroism. It's hard to be a hero if there's no risk involved.

A good way to think about "living a meaningful life," to a first approximation, is "making a difference in the lives of people you care about." It's no wonder our sense of meaning is so tied up with myths and stories—the heroes of myths and stories take risks in

order to make a difference in people's lives. If you're not making a difference in anyone's life, it's unlikely you'll feel that your own life has been meaningful. You may end up, like the title character in "The Secret Life of Walter Mitty," living a mediocre life and merely daydreaming of heroism.

This is, as Thoreau put it, a "li[fe] of quiet desperation." Truly making a difference and living into a meaningful purpose has all kinds of dangers associated with it, including the dangers of failure, rejection, even ruin and going broke.

So, how do we navigate our desire for safety with our desire to make a difference in the world? How do we navigate between our desire for heroism, adventure, and romance and our desire for some level of predictability in our lives? How do we reconcile our idealistic dreams with the harsh realities of the marketplace?

These are the questions I answer in the rest of this chapter, indeed in the rest of this entire book. One thing I'm not going to give you, I promise, is a bunch of unrealistic fluff, yet another cheery pep talk about "never giving up on your dreams." Whenever I hear that kind of motivational guru-speak, I think of someone standing next to me as I contemplate a bet on a roulette wheel, telling me: "Think big! Never give up on your dream that putting your entire life savings on the number six could pay off big. And if you lose, double down—borrow if you have to—and keep going! Don't give up! You'll hit it big one of these days!"

The chance of becoming a true star in any given field, on the level of a David Gilmour, or some of the other self-educated megafamous or mega-rich people I feature in this book (such as billionaires John Paul DeJoria, Phillip Ruffin, and Dustin Moskovitz), is orders of magnitude tinier than the chance of picking the winning number on a roulette spin. It's more like picking the winning number several spins in a row.

I don't advocate gambling. So I'm not going to tell you to quit college, or quit your comfy corporate job, to pursue your acting career or your singing career or your writing career.

So, am I telling you to give up your dreams, stick with the societal program, get that boring, safe job, and do just as your parents told you? No. The problem is, there are serious (though much less frequently acknowledged) risks to that path as well. If you're not particularly passionate about accounting, corporate management, law, or engineering (the traditional professions), and you go into those fields to please your parents, or to placate your

own fears about the risks of following your creative passions, it seems very unlikely to me that you'll end up happy with your career choice. You will always be plagued by a nagging sense of "What if?"

Sure, there are a lot of risks of following your passions—the risk that you'll have to move back into your parents' basement as an adult, for example, or face near death as a "starving artist." But, as Randy Komisar points out in his book *The Monk and the Riddle*, there are also a lot of unacknowledged risks to *not* following your passions, of sticking too close to the beaten path in the name of safety and predictability. These include:

"[T]he risk of working with people you don't respect; the risk of working for a company whose values are inconsistent with your own; the risk of compromising what's important; the risk of doing something that fails to express—or even contradicts—who you are. And then there is the most dangerous risk of all—the risk of spending your life not doing what you want on the bet you can buy yourself the freedom to do it later."<sup>3</sup>

Randy is a partner at the legendary Silicon Valley venture firm Kleiner Perkins Caufield & Byers. A serious meditator and student of Buddhism for many decades (and a fellow graduate of my alma mater, Brown), he's one of the only people in Silicon Valley who could talk with equal authority on structuring multihundred-million-dollar rounds of private equity financing and the finer points of Buddhist philosophy.

I talked with Randy at his office on Sand Hill Road in Silicon Valley. He told me that, a lot of the time, people put off taking any steps toward living a more fulfilling life, with the idea of "keeping their options open." Yet, according to Randy, the idea of "keeping your options open" is an illusion.

Randy pointed out to me that the words "decision" and "decide" stem from the roots "cise" and "cide," to cut off and to kill, also the roots of many other words related to cutting and killing, such as "incise," "concise" (cutting out nonessentials), and "homicide." Thus, a decision is to cut off, or kill, other possibilities.

"People feel like, unless they're affirmatively making a decision, they're not making a decision. They think, 'How can you fail if you're not making any decision, not cutting off any possibilities?' The reality is, you're making a decision all the time. You're making a decision not to follow a path that might lead you to fulfillment.



“Even though the choice to do something you don’t love, to ‘keep the options open,’ may seem like a passive decision and therefore less risky, you can’t pretend you’re not making decisions. So the real question is ‘What risks are you taking by those decisions you’re *not* making?’ Not making a decision to create a fulfilling life now is in fact a decision—it cuts off certain paths in the future. The biggest risk is what we classically refer to as the middle-aged crisis. You become forty-five years old and realize that you’re not the person you wanted to be. You haven’t accomplished what you thought you were going to. The reality is that the vast majority of people today, even when they are on their deathbed, find that their regrets largely center around things they didn’t do, not things they did do.”

Randy calls the safe-and-narrow path, which pretends to incur no risks but which incurs the biggest risk of all (regretting your life at the end of it), “The Deferred Life Plan.” In his book, he gives a simple formula for living this infelicitous Deferred Life Plan: “Step one: Do what you have to do. . . Step two: Do what you want to do. . . . The lucky winners may get to step two only to find themselves aimless, directionless. Either they never knew what they ‘really’ wanted to do or they’ve spent so much time in the first step and invested so much psychic capital that they’re completely lost without it.”<sup>4</sup>

**So, according to what I’ve described** so far in this chapter, we face a serious dilemma: Either we follow our passions and purpose, and incur a significant risk of ending up as a starving artist, or we follow a safe, predictable, boring path, and incur a significant risk of ending up full of regret in our lives.

Neither option sounds very palatable. Is there a way out of this bind? Is there a way to combine the relative safety and security that our parents advocate with the passion, meaning, creativity, idealism, individualism, and freedom that teenagers and twenty-somethings dream about? Is there a way to get the best of both worlds?

Yes, I believe there is.

I’m about to share with you a very specific plan for living the meaningful life of your dreams, making a difference and escaping the rat-race/herd/cage of the predetermined societal/parental script, while also making it *less* likely that you’ll end up poor than

if you followed the aforementioned societal script. I call it the “Art of Earning a Living.”

To explain this art, let me tell you the story of someone who has navigated these dynamics of dreams and dangers with great elegance in the real world. And no, he’s not a gazillionaire, and he’s not famous. But he’s managed to create an amazing life for himself.

## ■ ANTHONY SANDBERG AND THE ART OF EARNING A LIVING

For some reason, when many people reach a certain level of material affluence in life, and find that the things they had to do to get there are starting to feel meaningless, many such people begin to develop a keen interest in . . . *sailing*.

And when they do, Anthony Sandberg is right there, ready to take them out onto the water. “That’s when they come to sail with me! They realize that maybe they were missing out on something. My world is about opening adventure up to people who have deferred that their entire lives in favor of checking all the right boxes and following the script.” Anthony runs one of the largest and most successful sailing schools in the world, the OCSC Sailing School on the Berkeley Marina (<http://www.ocscsailing.com>). His story is directly relevant to this chapter.

Now sixty-two, Anthony dropped out of Dartmouth his senior year in 1971. Tensions were boiling in the United States around the Vietnam War, and during those final years Anthony was at college, the campus protests against the war were reaching a frenzied height.

Anthony spent most of his time organizing busloads of people to go down to Boston, New York, and Washington, D.C., to participate in the protests. When the invasion of Cambodia started in 1970, “schooling didn’t mean anything to me anymore. I wanted to be where what’s really happening in America. I took off that last term, and started organizing students full-time in D.C. So I never got a degree. I suppose I could go finish and get one now [chuckling], but I’m not sure it would do me any good.”

Sandberg was the first person in his family to attend college. His father was a cook and his mother was a waitress. He grew up

in lower-middle-class Hawaii, and then California, in what he describes as a troubled family life.

Wanting to escape, he left home and high school at sixteen, got a job on a ship, and sailed around the world. He returned to high school later that year, though he moved out of his home and was supporting himself fully on his own from that point on.

Dartmouth was impressed with his self-determination and the writings he showed them about his self-funded sailing adventure. They offered him a full scholarship.

While he did well his first two years there, toward the end of his time at Dartmouth—in addition to the little matter of barely attending class due to his organizing—he began to feel a profound cultural alienation from his peers as they readied for life beyond graduation. “At the same time, my senior year, all my friends—who had long hair throughout college—started cutting their hair and buying suits. It was like watching lemmings getting ready to jump. The biological clock kicked in, and they had to please their parents or please whatever they thought the process was. They didn’t seem to me to be in touch with what they wanted in life. In fact, there were no rewards for doing what you were passionate about. There were rewards for behaving.”

After leaving college, and after the protests died down, Sandberg drew on the same enterprising spirit that got him into college in the first place, and he supported himself from a number of entrepreneurial ventures. He started a sporting goods business, then a leather goods business. He got crew jobs on multimillionaires’ yachts in the Mediterranean, Greece, Turkey, Croatia, and Spain. He then joined the Peace Corps in Nepal. “I was spending time with the richest people on earth, and the poorest people on earth.”

When he got back from the Peace Corps, he kept on tinkering. “I was curious about a million different things that I wanted to explore.” He got passionate about the budding solar energy industry. He apprenticed himself for six months to a top plumber—in those days solar energy involved water as a heating element—and started a solar installation and plumbing company, hiring licensed plumbers beneath him. At this time, he also began teaching sailing part-time at sailing schools.

It was at one of these schools that he got a piece of advice that changed his life forever. “I had a very well-heeled and important client. He said, ‘Anthony, without a doubt, you’re one of the best sailing instructors I’ve ever had. But, there is no future for

you in being a sailing instructor. You need to capture what you do, identify it, and codify it, so it can be taught to many, many people. First teach it to a team, and then beyond.”

A lightning bolt hit Anthony through that one piece of advice (read Success Skill #2 on finding the right advisers in life). He became possessed with the vision of starting his own sailing school. At that time, sailing was only for superrich elites. There weren't accessible sailing schools then, like there are today (with Anthony's school being a prime example of one—he started the trend). He wanted to take his passion and love for sailing and make it accessible for as many people as possible.

“I was living in my plumbing van at the time. With a fever, staying up late every night in my van, I wrote out a business plan. Every aspect: how the boats should be cared for, how people should be trained, how visitors should be greeted, what the progression of studies will be.

“I started the school by borrowing boats on the Berkeley Marina. How do you borrow a boat? Well, have you ever seen an empty marina? [Laughing.] They're filled with boats that are owned by people who don't know how to sail them, and who will sell them to somebody else every three years. I walked the Berkeley Marina, saying to people, ‘Look, I'll take care of your boat, and I'll teach you how to sail, if you let me use it for my school during the week.’ I had my pick of the boats! Honestly, I think a kid could still do that today, it hasn't changed a bit. [Laughing.] As I was doing that, I would get one client, then three, then five. I bootstrapped it entirely. No investment, no debt. A six-dollar business license.”

The school grew and grew from there. It now occupies a spectacular six-acre campus facing the Golden Gate Bridge. In his thirty-plus years in business, Anthony's school has taught over twenty-five thousand people to sail, and now employs over eighty staff members, managing a fleet of over fifty boats and yachts. He lives in a gorgeous apartment directly overlooking the bay, part of the school complex. In the course of his work, he has led flotillas of sailing students and adventurers throughout Antarctica, Patagonia, Turkey, Greece, the Galápagos, the Caribbean, Central and South America, Tahiti, Australia, and the South Pacific, and regularly finds time for his own wild sailing adventures as well.

Although he's lived an incredibly rich life so far, and plans to keep the school going strong, Anthony is now in the process of figuring out what the second stage of his life is all about. He knows

it has something to do with teaching entrepreneurialism to kids. To that end, he's been mentoring underprivileged children in the Bay Area on how to start businesses. "I don't want to teach them general classes. I want to find the ten kids who want to learn how to be an entrepreneur. I can teach them to start a business out of nothing. Give me two twigs, and we'll start a business out of it."

Anthony wants to teach kids entrepreneurialism for a very specific reason. He believes the future of our planet depends on young people learning these skills.

"We are in a critical state right now. We've got maybe ten years to save our oceans. And there are all kinds of problems of that magnitude. However, I believe the future of our world is not going to come from the nonprofits. I think it's going to come from business—because business is incredibly powerful. I just don't think that holding bake sales and begging for little handouts by nonprofits is going to act quickly or powerfully enough. Business knows how to get things done. But it has to have a conscience, it has to want to make the world a better place and not just make a profit at any cost. It clearly doesn't today."

Anthony Sandberg may not be famous. He may not be a Silicon Valley billionaire. But he is a wealthy man, in every sense of the word. And to achieve this wealth, he never once deferred any meaning, purpose, adventure, or excitement in his life. He has always gone *toward* meaning, purpose, adventure, and excitement. His life is profoundly meaningful to him and to the many people he teaches and leads.

"Our motto at the school is 'Inspire Confidence,'" he says. "It's not 'Learn to Sail Better.' It's about being confident to take that little journey from the shore, and then a little further, and a little further, and all of the sudden, the whole world becomes your playground."

**So this is the "Art of Earning a Living."** It is the art of creating a career path that *both* provides a high likelihood of financial security *and* allows you to follow your dreams and make a difference in the world.

To understand what it involves, let's go back for a moment to the argument between Parents and Daughter at the beginning of the chapter.

The parents and their child are arguing about the relationship

between money, financial security, and safety on the one hand and passion, purpose, meaning, and making a difference on the other.

The parents and the daughter—though they are on opposite sides of the argument—are all operating with the same basic presuppositions: Money and financial security are completely separate from living with a sense of purpose and creating a meaningful life. These spheres bear no relationship to each other. The parents are advocating basically a dull, boring life, in which the daughter pursues a career she cares nothing about (and even finds morally repugnant) in exchange for financial security. The daughter is advocating a life of passion, purpose, and meaning, with no thought or regard for how she's going to pay the bills.

The Art of Earning a Living is the art of finding creative ways of bringing the spheres of money and meaning together and making them overlap significantly.

I call it an art because it's not always apparent how to best achieve financial stability while at the same time making a difference in a way you care about. Remember, we're not talking about "work-life balance" here—the "write plays in your spare time as a hobby while you're a lawyer" philosophy espoused by the parents. We're talking about creating a path where your work *is* your life's purpose *is* your income *is* your meaning *is* the difference you're making on the planet. Significantly more elusive—yet infinitely more rewarding—than the much-hyped "work-life balance."

The Art of Earning a Living requires a great deal of self-inquiry into what, exactly, the difference you want to make is, and also a lot of creative, entrepreneurial problem solving to figure out how you could make decent money while making that difference.

You're going to have to create a solution unique to you and your circumstances. No similar solution will have ever existed before, for a very simple reason: in the whole of human history, no one has yet made the difference you want to make. If they had, the impact you want to make wouldn't be a "difference" anymore, it would be a sameness! Making a difference, not a "sameness," means doing things no one has done before, at least, not for the people whose lives you want to impact.

And doing things that no one has done before—that is, leadership—involves uncertainty, risk, and danger. Which means, as Anthony suggests, losing sight of the shore. The greater the impact

you want to make in your field, market, career, industry, or profession, or in the world, the farther you have to travel from shore.

I'm not going to pretend there aren't dangers in trying to make a difference. But in this book, I am going to give you a set of tools and skills that will minimize the dangers and maximize the chance of making a difference. Starting right now.

## ■ **FOUR STEPS TO ALIGNING YOUR MONEY AND YOUR MEANING: PUTTING THE ART OF EARNING A LIVING TO WORK**

Since I'd never have you try something I haven't applied extensively in my own life, later I'll be sharing with you the story of how I used these very tools to go from being broke, miserable, and desperate to building my own dream career for myself, which is both meaningful to me and lucrative. But for now, let's dive into the Four Steps to Aligning Your Money and Your Meaning directly.

There are three groups of people I'll be talking to in this section:

A) You'd be happy spending the rest of your life earning what you're now earning, if what you're doing now felt meaningful to you, but it doesn't.

B) You'd be happy spending the rest of your life doing what you're doing because it feels so meaningful to you, but you're not earning enough money doing it.

C) You're not happy with either the money you're earning or the meaning of what you're doing to earn it. In other words, Shit City.

I'm going to address people in groups B and C first; I'll address group A in a moment.

### ■ **STEP 1: Get on Your Feet Financially**

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If you're in group B or C, there's really only one thing to do next. Get on your feet financially. I was in group B big-time during my

“wannabe literary bad boy” phase, for much of my twenties, which I’ll describe later in this chapter. I could have happily gone on for the rest of my life writing that stuff (God save the readers!), but the money simply wasn’t good enough for me; there was no money.

If you’re in group B or C, get on your feet financially, however you can. That’s what most of the people in this book did. They got financially stable, from a young age, often their mid-teens. Get a square job, a corporate job, a temp job, a boring nine-to-five. Don’t feel anything is “beneath you” so long as it pays. Wait tables if you have to. Give up your “art,” “purpose,” or “meaning” for a little while and know what it means to be financially stable. Get a kines-  
thetic feeling in your body of how it feels to have enough money to pay rent, to pay your bills on time, to take your sweetie out to a nice restaurant.

The best way to get financially stable, once you have some kind of job—any job—is to exhibit the entrepreneurial leadership values on the job, described in detail in Success Skill #7, “The Entrepreneurial Mind-set versus the Employee Mind-set.” This is how I did it and how all the self-educated entrepreneurs in this book did it.

## ■ STEP 2: Create More Room for Experimentation

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This step (and all the rest) applies to groups A, B, and C mentioned above. (Presumably those in group A are already financially stable and thus have already completed Step 1.) The next step in *Aligning Your Money and Your Meaning*, once you’re financially on your feet, is to create more room for experimentation.

Finding a comfortable meeting ground for your money and your meaning is going to require a lot of experimentation. Experimentation takes time. It takes money. And it takes room to fall and to fail.

Having the financial stability gained in Step 1 makes it a *lot* easier to start taking some measured risks in your life. Anthony Sandberg, for example, started his sailing school when he already had money coming in from his solar and plumbing business. Elliott Bisnow, whom we’ll be meeting in Success Skill #2, started his Summit Series when he already had money coming in from his real estate newsletter business. My wife, Jena, worked a variety of unfulfilling jobs before she developed her health-coaching and yoga-teaching career, which was more fulfilling to her. And again,



she waited until she had solid money coming in from her health coaching and yoga before she took the next step and opened a wellness center. Frank Kern, whom we'll meet in Success Skill #3, worked a variety of shit jobs as he was building his Internet marketing business.

It's just *so different*—and better—figuring out how to make a difference in the world and find meaning in your life when your bills are covered and you have a secure roof over your head. It's *way* less stressful than trying to do it when you're broke. And, once the hurdle of supporting yourself is already passed, you'll be much less likely to take a path that leads you to being broke again. Paying your bills on time is a seductive feeling, and once you get in the habit of it, you won't want to go back.

Now, one problem you may encounter once you're financially stable is that the time it takes to create that financial stability in your life is so great, there's nothing left over for anything but following the dictates of your job. This is where Step 2 comes in.

You need to free up time and space for some experiments in leadership, innovation, making a difference, and finding meaning. If you're working freelance gigs (as I was during this period), then there's always a way to find a few spare hours each day for starting a pursuit that might feel meaningful to you. If you're working seventy-hour weeks at a corporate job, however, there will be very little space left over for anything else but that.

In this case, you should begin taking some risks at work. See if you can get buy-in from your boss to focus more on *results* you achieve, rather than focusing on hours logged. There are some great books on how to make this transition, including *Why Work Sucks and How to Fix It: No Schedules, No Meetings, No Joke, the Simple Change That Can Make Your Job Terrific* by Cali Ressler and Jodi Thompson; Chapter 12 of Tim Ferriss's *The Four-Hour Workweek*, titled "Disappearing Act: How to Escape the Office"; and also *The Custom-Fit Workplace: Choose When, Where, and How to Work and Boost Your Bottom Line* by Joan Blades and Nanette Fondas.

Flextime, working at home, telecommuting, working from your laptop and your mobile phone—these just aren't the foreign concepts they were even five years ago. There's really no excuse for not creating some flexibility in your workday now if you want it. The only excuse is your own fear and lack of imagination—and those aren't good enough.

### ■ **STEP 3: With This New Space in Your Workday, Begin Experimenting!**

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With some increased flexibility in your workday and workweek, or at least some buy-in from your boss about the idea of getting evaluated based on results rather than hours, you can now experiment with taking some risks toward making a difference within your organization, workplace, or industry. Read Success Skill #7, and adopt an entrepreneurial mind-set at your workplace. Solve problems that you weren't "hired" to solve. Contribute in high-leverage ways you weren't hired to contribute. Leading always feels more meaningful, impactful, and creative than following.

Read Seth Godin's *Linchpin: Are You Indispensable?* This is the best book I know on the topic of exercising more leadership within your organization—which Seth calls being a "Linchpin"—no matter what your formal title or job description is. Become a Linchpin in your organization. Most of the people featured in *The Education of Millionaires* worked their way up their early jobs by doing so even if they'd never heard of Seth Godin.

If you're already working in the field you plan to stay in for the rest of your life, and you don't want to become an entrepreneur within that field, then you're right where you need to be in the Art of Earning a Living. Keep seeking out opportunities to exercise more leadership in your workplace (read Success Skill #7 and apply the entrepreneurial mind-set at your workplace). Keep looking for ways to stick your neck out, to take risks, to innovate, to make a difference, in the name of taking your organization to the next level.

With the newly flexible hours in your day and week (from Step 2), you can also begin experimenting more intensively with potential sources of meaning, passion, and purpose outside of work, from artistic endeavors to charity and causes.

Many people are quite content to leave things here: they have a career that pays the bills and in which they're increasingly making a difference and finding meaning, through exercising leadership. And they also have time during their day or week to pursue meaningful passions outside of work.

Seth Godin recommends this path for many people. He told me: "For fifty thousand years, humans did what they were passionate about, and then they did something else to eat. I don't think there's anything written down to say that those days are gone for-

ever. We don't have a poetry shortage. There's plenty of poetry. No one gets paid to write poetry. If you want to write poetry, write poetry."

There's really not much downside to this path. It works. Worst case, you have a day job that pays the bills with increasing artistry, creativity, and leadership, *and* you get to explore your passions (for poetry, singing-songwriting, charity, etc.) on the side.

#### ■ **STEP 4: Striking Out on Your Own (for Those Who Want to Change Careers, Become Entrepreneurs, or Become Self-Employed)**

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If your current field, industry, company, or organization does not reflect your deepest sense of purpose and meaning, however, then you're going to need to go beyond Step 3 in *Aligning Your Money and Your Meaning*. You don't want your passion and meaning to come either from your current job or organization, or "on the side"—you want to find a new main dish. With the flexible hours in your day and week gained in Steps 2 and 3, begin experimenting with things that might one day become both a source of meaning and a source of serious income for you outside of your current job.

This might mean starting a small business on the side, moonlighting in a second "start-up" career, pursuing self-study to prepare for a different career, or finding ways to earn money from your artistic and creative passions.

Whatever it may be, if you want to make a living from it and leave your current job, you're going to have to do a deep dive into the success skills in this book, particularly marketing, sales, and networking. You're going to have to wrap your own passions, talents, and purpose—the things you care most about and are best at—in the package of these fundamental success skills. If you know how to do *that*, you get paid a lot, *and* you're living your passion and purpose. Keep reading. A major pitfall in this journey is that we are so conditioned to thinking of money and meaning as separate, we overlook creative ways that we can bring them together. If you use your noggin—and the success skills in this book—you can find a zillion ways to interface your creative skills, passions, visions, and dreams with the already-existing worlds of capitalism and commerce. I'm not going to say this will be an easy or risk-free task. However, the stories throughout this book should provide plenty of examples and inspiration on how to do it.

As I was interviewing Seth Godin (who went to Tufts and got an MBA from Stanford), we were sitting in the main dining room of the architecturally stunning Capital Grille on Forty-second Street in Manhattan. Seth told me: “People have this idea that either you’re a cog in the machine, just working for the man, or you’re out singing onstage, making your living that way. It seems like there’s a lot in between—there are a lot of people who may not have what it takes to become the next famous musician, but who are finding ways to make money with what they care about.

“Think about this restaurant right now. It’s not really like any restaurant in New York City that I’ve ever been in. Where did it come from? It’s not here because someone made chairs or china, which are available to everyone. It’s here because someone’s putting on a show. And they’re charging many times what they would get if they were selling it from a street cart.

“I’m saying that’s ‘art.’ Someone didn’t just copy it. Someone had to take various components and put them together, to create something that was worth experiencing, and sharing, and talking about. On the back of that, you can build a business that makes tons of money selling food.

“The art here, the experience of seeing it, that’s free. Anyone can walk in this place, look around, get it, and leave. The souvenir part—the experience part, the owning-the-table-for-two-hours part—that’s what they make money from.

“McDonald’s fooled us into believing that the purpose of industry was to churn out standardized quantity at low cost. This place reminds us that, no, there’s an alternative to racing to the bottom. And that is, racing to the top.”

Are you ready to race toward the top and combine money with meaning? Keep reading—the remaining stories and skills in this book show you how.

■ **PORTRAIT OF THE ARTIST AS A YOUNG FUCKUP:  
HOW I WENT FROM BROKE, MISERABLE  
WANNABE SUPERSTAR TO FINANCIALLY SECURE,  
CREATIVELY ENGAGED PROFESSIONAL AUTHOR**

I told you I wouldn’t recommend anything to you that I hadn’t applied in my own life. So here is my own story of how I applied the

Four Steps to Aligning Your Money and Meaning, in my own life. Through following these steps, I was able to transform myself from being basically a miserable, broke loser, just four years ago, to having my current career, which is both profoundly meaningful to me and financially lucrative.

### ■ Pre-Step 1: Broke and Miserable Loser

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Seven years ago, at age twenty-seven, I became possessed with the idea that I wanted to write and publish my first book, a manuscript of creative nonfiction I was working on, and become a literary superstar.

Laid off from my first postcollege job in corporate America, after the dot-com bubble, I moved back with my parents into the room I lived in as a teenager, with the idea that I would enjoy subsidized rent while I pursued my passion of writing and tried to make it as an author. My parents tolerated this because I also offered to use my writing skills assisting my father on a professional project for which he needed help; this was my day job, which also paid my basic expenses and some rent to my parents.

I ended up writing a wildly sexual, experimental, caffeine-pot-and-wine-charged attempt at autobiographically based comedic nonfiction, almost wholly devoid of any structure, weaving in manic political rants and fragments from my senior honors thesis in international relations at Brown (“Black Masks, White Guilt: Cultural Appropriation, Multicultural Consumerism and the Search for a Meaningful First World Existence”). My literary idols were Henry Miller, Hunter S. Thompson, Michel Houellebecq. I was certain my name would be joining their names at the table of “bad boys” in literature. The manuscript was titled, ironically enough, *Rock Star Envy*.

Here is a selection from one of the twenty-two rejection letters sent to my agent at the time:

“I couldn’t tell whether he was trying to write a satire/be humorous when he discussed things like his ecofeminism, or whether he was trying to write a straight memoir. His story picked up speed and kept me interested when he let his too brief anecdotes breathe and become a linear narrative, but the asides, rants, and portions of his college thesis distracted me and stopped the story in its tracks.”

Another letter, from a famous literary editor at a major New York publishing house, in its entirety:

“I’m going to pass on this project. Mr. Ellsberg’s writing is not strong enough to overcome the simple fact that he is not a very likable person.”

At the time, of course, I viewed these letters as pure confirmation of my worst suspicions: the corrupted aesthetics of middle-class consumerist mediocrity and philistinism, the complete venality of corporate publishing pandering to those tastes, the wickedness of the profit-motivated media-entertainment complex—unable to recognize the genius of Art even if they were hit over the head with a two-pound manuscript of experimental nonfiction-in-fragments.

Over time, my views of this episode in my life mellowed and matured. The word “undisciplined” was used by several different editors rejecting my manuscript, and I have come to see that they were right—in fact, all the rejections were right.

I was a cocky kid, convinced that I was creating a new form of writing (doing away, for example, with the oppressive confines of narrative arc, plot, or character development) and that my vision was poised to take over the world, whether the world cared or not.

You could say I was trying to blaze a trail. And perhaps I was doing so.

But there was a problem with this trailblazing. No one really wanted to go wherever the trail I was blazing led. In fact, *I* didn’t really know where it led. In reality, it led to some dark, tangled forest bog in my depressed soul, with peat so thick and brush so dense that the trail back out got erased no sooner than it was blazed.

After a second round of submissions of *Rock Star Envy* bombed, in 2006, I finally got the message: I was not going to make a living as a bad-boy literary *enfant terrible* of memoir writing. If I wanted to continue to pay rent and buy groceries, I would need to be more flexible about how I interfaced my main set of skills (writing and editing nonfiction) with market realities.

## ■ **STEP 1: Freelance Copywriter** **(Getting on My Feet Financially)**

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And so began my journey in the Art of Earning a Living, in 2007, at age twenty-nine. I began seeking out every gig I could get. Editing gigs. Ghostwriting gigs. Copywriting gigs. I helped people

self-publish their books. I wrote book proposals for aspiring authors. Anything that had \$\$\$ attached to it, and somehow involved words, I would do it. (How did I get all these gigs? Mostly through networking. Read Success Skill #2 on how to be a great connector!)

I moved to Buenos Aires, for a while, where I knew I could live very cheaply, worked for mostly Australian clients over the Internet (it's a long story), and pursued my freelance commercial writing and editing writing full-time. I brought in \$8,280 of gross income in 2007, which I was able to live on with a combination of living in pesos and drawing down some money I had saved from my last corporate job.

At the end of 2007, I moved into a \$350-a-month room in San Francisco. I kept my business humming. The recession hit in 2008, but through mastering the skills of marketing, I expanded my business by 600 percent, to almost \$50,000 in gross income per year in both 2008 and 2009, on a totally flexible freelancer's schedule. I also moved out of that tiny room in San Francisco into better digs.

Obviously, things improved from a monetary perspective. I was no longer going deeper and deeper into debt to cover my living expenses while I "went for my dreams" (as the motivational books put it), hoping some editor at a publishing house would bestow upon me a windfall advance.

I was developing a valuable set of skills. Not editing/writing skills, which were already fine. I'm talking about the success skills in this book, particularly sales, marketing, and networking. Out of necessity (and following the steps I'll provide in detail in coming chapters), I became good at connecting with potential clients, selling them on the idea of working with me, and leading them to where they wanted to go in their projects. Money started to flow. I had passed through Step 1 of the *Aligning Your Money and Your Meaning*.

(Step 2 in the *Aligning Your Money and Your Meaning* is all about creating flexibility in your workday, which allows for more experimentation in integrating your money and your meaning. Because my income in Step 1 was already derived from freelance work, I fortunately had plenty of flexibility—one of the great benefits of being a self-employed freelancer. So I got to skip directly to Step 3.)

### ■ STEP 3: Freelancer Copywriter with a Side Passion of Writing Books

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Once money started to flow in 2008 and 2009, and I was on financially firm footing, I very quickly began asking myself: Is this how I want to spend the rest of my life? This is the next step of Aligning Your Money and Your Meaning.

In his book *The Monk and the Riddle*, Randy Komisar advises you to ask a simple question about your current mode of income: Would you be willing to do *this* for the rest of your life?

The point is not that you *will* do it for the rest of your life. But would you be *willing*? If this was all there was—no brighter tomorrow, no magic promotion or raise or investment that vaults you into the shrouded next level.

Just this. Now.

Would you be happy with this the rest of your life?

If the answer is no—if the thought of doing your current gig for the rest of your life makes you totally depressed—then you owe it to yourself (having only one life to live) to figure out what kind of pursuit you *would* be willing to live till the end.

And in so doing, it's important to look at the whole package, both the money and inner rewards. Is the *whole package*, the money and the meaning, of your current life tolerable to you if this was it for the rest of your life? If either one (or both) of these aspects is off, then you've got to start making the appropriate adjustments.

Writing my “subversive” incoherent mess of a memoir might have been metaphysically rewarding to me at that time (Pre-Step 1). But at a certain point, the whole “starving, debt-laden artist” thing was no longer appealing to me.

So at first, I swung totally in the other direction (Step 1) and focused entirely on paying the bills. Which made sense for a while—it was like “financial therapy,” weaning me off my artistically underearning ways of the past.

But as soon as I was on my feet again financially, and I had some flexibility in my workday to ponder such things (Step 2), Randy's question popped into my mind. And the clear answer to his query was no. I would *not* feel satisfied spending the rest of my life as a book proposal writer, direct-response copywriter, and marketing consultant. Not to say it was a bad situation. A lot of people would have killed for that setup, with such solid money on



such a flexible schedule. But I had to add something in order for my life to feel meaningful.

I always knew that my great passion was writing books. Not editing other people's books, not writing book proposals for other people's books or marketing them. But writing my own. That's what I was originally doing in my "starving memoirist" phase.

Well, with Steps 1 and 2 handled, I now had the flexibility to write on the side, exploring this passion, yet without having to do it in a "starving artist" way. I wrote a proposal for what became my first published book, *The Power of Eye Contact*. My income in 2008 and 2009 included \$10,000 each of those years in advance money from that book. That certainly wasn't enough to quit my day job, but it at least contributed to my income and allowed me to explore even more this passion on the side.

For these two years on my path of the Art of Earning a Living, I was solidly at Step 3. I had a great freelance income on a flexible schedule, and I was reengaging with my passion for book writing.

#### ■ **STEP 4: Toward Full-Time Author**

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However, in 2010, I got the idea that I wanted my passion—book writing—to be my main income. This is Step 4 in *Aligning Your Money and Your Meaning* with integrating your money and your meaning fully. I continued to grow my freelancing day job, in a still-shaky market, by 50 percent in 2010, to \$75,000. I'm proud of this growth in the freelancing business over the past four years—about 75 percent per year annualized, including two years of a recession. I credit this growth to the sales, marketing, and networking skills I describe later in this book. (It's often easier to get a far greater return with much less risk by investing in your own earning power via sales and marketing skills, than is available on the stock market. See Success Skill #5 on investing in your own earning power.)

But in line with my new resolution, I continued nurturing my side career, in a more serious and devoted manner than before. It paid off big-time for me. I came up with the idea for this book, wrote the proposal for it, networked my way to a fantastic literary agent, and received a six-figure offer from Penguin. Now in 2011, I am massively toning down my freelance business, turning my attention almost exclusively to my career as a book author, and starting to conceive of the next book project.

My own Art of Earning a Living, so far, culminates in this book. It is both the most financially lucrative and the most personally meaningful project I've ever had the privilege to be involved with. Through a lot of trial and error and going through the Four Steps to Aligning Your Money and Your Meaning I describe here, I seem to have found the sweet spot of overlapping money and meaning in my life.

**How will you meld** together money and meaning in *your* life?

This is one of the most important skills you'll ever develop. By definition, it can only be studied in the real world, outside of class, because the method of instruction is trial and error, with real-world feedback. I hope the stories I provide in the book—and the steps I've given you here—offer inspiration for getting started.

## ■ WITHOUT FAILURE, THERE IS NO LEARNING (OR, WHY ENTREPRENEURIALISM IS LIKE DATING)

One of the capacities that will be invaluable to you as you begin to work through the Four Steps to Aligning Your Money and Your Meaning is developing a different—and I believe more realistic—relationship to risk. Indeed, if there's one single trait that sets all the self-educated millionaires I interviewed for this book apart from other people, it's their relationship to risk.

Critics of my book will likely say that what sets them apart is they simply took *bigger* risks than others: the people I interviewed were simply the *winners* at the roulette wheel, and I failed to talk about all the people who played at the wheel and got wiped out. (This line of critique would charge me with a fallacy of statistical reasoning known as “survivorship bias”: making assertions about some process based on conclusions drawn only via looking at the “winners” of that process, without taking into account the experience of the—usually much larger—sample of losers.<sup>5</sup>)

And yet, I don't believe the people I feature in this book simply took a bigger bet than everyone else and happened to get lucky and win. Rather, I've seen that they have systematically and intentionally developed a style of working that allows them to take *lots* of

small bets—bet after bet after bet after bet—all the while making sure that they don't get wiped out of the game if one or many of them go south. In other words, I believe that for most of the people featured in this book a trait even more important than luck was *resilience*.

Most people, when they think of the idea of starting a business, see it as an *incredibly risky* proposition, one that entails not just egg-in-the-face, but *total ruin*. They are nearly hysterical about the risks they could incur if they left their safe, boring jobs. Images of would-be entrepreneurs living homeless on the street after their ventures failed keep many people who dream of starting their own businesses stuck in comfortable, boring corporate jobs for the rest of their lives.

I believe this is a distorted view of entrepreneurialism. Most of the self-educated people featured in this book took pains to make sure that their “downside was not so exposed,” to use the parlance of investing; they made sure that a failed business would not mean total ruin; it would just mean a few scrapes, a few good lessons learned, and up they are again at a new one. No biggie. They are calm, relaxed, and cool about failure, not hysterical and terrified, because they view failure as necessary for *learning*.

Take the story of Mike Faith, owner of Headsets.com, which does millions in sales each year of headsets for hands-free phoning. Mike was mildly dyslexic, and started falling behind in the United Kingdom's equivalent of high school. He never felt he fit into an academic environment—abstract academic skills were neither his strength nor his passion—so he decided to leave school at age fifteen.

His career after that, for many years, began to look like a ping-pong match of entrepreneurial ventures, one after the other after the other in rapid succession. He started in door-to-door sales at fifteen, selling window insulation, all the while living at home with his parents (living at home with parents is a powerful way to limit one's financial downside, as many twentysomethings are now being forced to discover).

He was so good at sales, he bought his first car at seventeen with money he earned, and bought his first home at twenty-one, enabling him to finally move out. Soon, he got into the business of buying up assets of bankrupt companies and selling them at auction for a tidy profit. He then got involved in the rising UK property

market of the late eighties. When that crashed, he lost everything. “By my mid-twenties, I had made my first million, and lost my first million.”

For many people skeptical of starting a business, this is the end of the story in their minds: welcome to life as a desperate pauper, they imagine, the penance for taking too much risk.

But for Mike, this was only the beginning. (Indeed, a great many of the people I interviewed for this book have at least one bankruptcy under their belt.) Here’s where the differing mindset around risk comes in. Ruin? *Eh*, says Mike. “It’s good for you to go through that experience. I think for someone to be successful in business, you’ve got to have that edge where you’re prepared to take chances and fail, and—here’s the key—pick yourself back up.”

Here’s where the *resilience* comes in. For Mike, his failure wasn’t condemnation to perpetual ruin. He *started out* with the assumption that life has risk. Rather than see failure as something to be avoided at all costs (as most of us see it), he instead designed his life and mind-set around the *inevitability* of failure and how to cope with it. Instead of viewing his first big failure as ruin, he simply decided to view it as an opportunity for an interesting change in life plans.

Mike and his wife sold all their remaining possessions in 1990. With \$1,000 in their pockets, they followed generations of enterprising spirits before them and moved to America.

He took a day job at a software company, but soon he was back at his entrepreneurial ventures on the side. He started a company selling the labor law posters that human resources departments were legally required to display at workplaces. Soon he had a hundred thousand customers. Then he got into selling posters with area code and ZIP Code maps and turned that into a \$2 million business within years.

“We were using phone headsets in the poster business. The headsets were pretty crappy. It was hard to get any service on them. And I couldn’t buy what I wanted anywhere. I tried and I couldn’t get it. To me, that’s enough of a data point to say there’s a business there. Because if I can’t find it I know I’m not the only one. Other people can’t find it. There’s an unserved niche in the market, something people can’t find but they want. It’s just a question of how big the niche is. And I thought, ‘Everyone uses the phone, this is a big market.’ I decided to be in the headset business.

Six weeks later I was in the headset business.” The company now does \$30 million a year in phone headset sales.

Hearing Mike talk, you could be forgiven if you thought you were listening to a different breed of human. The way he—and nearly all the entrepreneurs I interviewed in this book—relate to risk is *completely different* from the way most of us do. To be sure, they aren’t banking their entire life future on one single dream or bust (say, becoming a rock star, à la David Gilmour). But rather than never try their hand at any dream at all, and sticking to a safe-but-boring course instead, they keep trying one dream after the next, maximizing their inner and outer resilience for the inevitable failures. They fail early and often, and turn courses on a dime, until *something* begins to gain traction.

“I can’t help it. It’s an addiction. It’s a compulsion,” Mike told me with a mischievous grin, from his fancy San Francisco offices. Nearly everyone I interviewed for this book has this attitude about starting businesses. What makes it different from, say, a gambling addiction, is that these people are masters of making sure they stay in the game when luck inevitably turns against them. Unlike a gambling addict, they have consciously cultivated a lifestyle of resilience. They are ready to pick themselves up, dust themselves off, adjust course, and try something else when they fail. That is the essence of learning. Without failure, there is no learning. These people are not addicts of gambling; they are addicts of *learning* in the real world. And learning in the real world involves failure. Lots of it.

“People who have been successful are still as likely to get it wrong as right going forward. They just try more things,” Mike told me. “That’s the difference.” Mike’s advice for young people who want to combine their passion with their money? “Start with the passion and the drive. You’ve got to have that hunger. From that passion and desire, go actually do some stuff. Try some little businesses. Get some failure under your belt. Find out what works and doesn’t work, and don’t worry about the failures, worry about learning.”

**By far the most common objection** many people raise in discussions about whether it makes sense to try out an entrepreneurial side gig in service of pursuing your dreams is the oft-cited statistic that 95 percent of small businesses fail within their first

five years. This statistic brings up images of 95 percent of all small-business owners ending up on the streets begging for change to feed their kids after they sell off their house to pay off business debts.

“That statistic is a bunch of crap,” Josh Kaufman, author of *The Personal MBA: Master the Art of Business*, told me. He pointed out to me that the statistic is based on the number of people who file Schedule C forms (profit or loss from business activities) and other forms related to business ownership, then stop filing such forms at some point. Yet, as he says, “It’s calculated on the number of businesses that cease to exist within five years, not that go bankrupt or whose owners’ lives are ruined forever and ever. Sometimes companies are making money, but they’re not making enough to make it worth it, so they go do something else. Sometimes the business got acquired. That’s a really *good* thing. ‘My business ceased to exist because I got paid a lot of money to sell it to some other company and it got absorbed.’ *All* of the many ways that a business could cease to exist are wrapped up in that one number, which gets interpreted as a doomsday ‘Oh my gosh, so many people are failing in business and ending up in the soup lines!’ kind of statistic.”

One of the best ways to avoid this kind of horror-story scenario when reaching for your dreams, even if your business doesn’t end up working out, is to start a service business. Usually, overhead and start-up costs are low, you don’t need to borrow a lot (or any) to get started, and you can begin generating revenue immediately. Even if the business doesn’t work out, the consequences of failure are usually minimal, and if you do end up being one of those 95 percent who fail to file a Schedule C within five years, you’re not going to end up on the street begging for change. It’s just not that big of a deal. You can close up shop on that business, go back to your day job, and try something different another time, no big deal.

“The very best things you can do when starting a new business,” Josh told me, “are, number one, keep your overhead as low as possible, and number two, make sure you’re getting recurring revenue as quickly as possible. If your revenue is semi-predictable, you can just grow and grow based on the cash that the business is throwing off, instead of having to get investments, loans, and so forth.”

In his book, which he presents as a business education in a book without the need for \$100,000 of debt (<http://www.personalmba.com>), Josh talks about a concept called “iteration velocity.”

He quotes Google CEO Eric Schmidt: “Our goal is to have more at bats per unit of time and money than anyone else.” Josh (who has an undergraduate degree from the University of Cincinnati, but who educated himself in his real-world business savvy without an MBA) writes that “When creating a new offering, your primary goal should be to work through each iteration cycle as quickly as possible. Iteration is a structured form of learning that helps you make your offering better; the faster you learn, the more quickly you’ll be able to improve.” Basically, it means, try something new but small and low-risk, see how it works, keep it if it works well, and don’t be afraid to turn on a dime (or “pivot,” as many entrepreneurs say) if it doesn’t work. It involves *intentionally* exposing yourself to lots of small, survivable failures, so that you can get feedback from the real world, adjusting course as quickly as possible to avoid investing too many resources down a dead-end path.

**I’m amazed at how many people** won’t go for their dreams because they’re scared of that 95-percent failure statistic or some version of it.

Let’s consider an analogy.

While I have absolutely no scientific data to back this up, it seems to me a reasonable guess that 95 percent of all dates are failures.

Now, imagine what would happen to our species if all people, when they heard of the low success rates of individual dates leading past the first date, freaked out and said, “OH MY GOD! I’M NEVER GOING TO GO ON A DATE AGAIN! I MIGHT GET REJECTED!” This generation would be the last.

Fortunately, when it comes to dating, humans see that there is a big difference between the high likelihood that *any single date* will fail and the very low likelihood that *all of your dates for the rest of your life will fail*.

Doing something entrepreneurial is, much like dating, a numbers game. If you can keep your financial and emotional losses low each iteration, and not jump off a building if the business (or date) fails, well then, you can keep trying and trying. Eventually, most everyone can find a creative blending of passion and money that works for them, just as eventually most everyone can find a great date that leads to something more.

Beyond the pure numbers game aspect of these two different human endeavors, here's another parallel between creative entrepreneurship and dating: if you don't allow yourself to get completely devastated and wiped out from a failure, you can actually *learn* from your failures, and thus improve your odds with each iteration.

I could insert a lot of jokes here about the countless dating blunders and bloopers in my twenties; they could fill a book. But suffice it to say, when I finally went on my first date with my wife, Jena, I had learned enough from all those blunders to avoid the clod-head mistakes of my past and to woo her properly that one spring night in 2008. And *that* was the date that really mattered. You only need one, in a whole lifetime.

## ■ DUSTIN MOSKOVITZ'S STORY

In early 2004, Dustin Moskovitz was working a twenty-hour-per-week job as a computer system administrator, on top of forty or so hours a week of classes and homework as a sophomore at Harvard.

And then there was this little side project he and some of his dorm buddies were working on, called TheFacebook.com.

It's hard to believe, but there was a time when Facebook was not a sure thing as one of the most significant phenomena in the history of human communication and social life. There was a time when it was a few kids sitting in a dorm room, and it had sixty or seventy thousand users—far fewer users than many now-folded companies have boasted before.

“The big risk was, there were these big incumbents. We thought, if they could just clean their act up, they would surely beat us. Friendster, MySpace, even LiveJournal at the time was millions of users bigger than us,” Dustin told me.

“A guy called Adam Goldberg started CU Community at Columbia the semester before we started Facebook. He's a friend of mine now. He had a really well-designed social network. As soon as he saw us go our multi-college strategy, he started to do it too, aggressively. At the time, it did not look like a foregone conclusion. It looked like a good business opportunity, but there were plenty of other players, and it seemed plenty likely that they could beat us. And we were also thinking, Google could just jump in at



any moment. They easily could have won in 2004. Now, of course, it's a different story."

Dustin and his college buddies, roommates and fellow co-founders Mark Zuckerberg and Chris Hughes, famously decided to move out to Palo Alto that summer, 2004, with the intention of going back to Harvard in the fall. "But by the time the end of June rolled around, it was more like a hundred and fifty thousand users, and we thought, 'OK, this is actually pretty difficult to do, even without having sixty or eighty hours a week of classes, homework and paid work. We started asking ourselves, 'Is it really feasible to go back next semester, and build this company, and do school?' Very quickly, we came to the conclusion, 'No, we'll probably fail at both if we try that.' So Mark and I decided not to go back to Harvard."

At this point in his story, I asked Dustin: "For so many people in the world, getting into Harvard is pretty much the pinnacle of achievement—the thought is, once you've graduated from Harvard, you're pretty much set for life. So here you are, you've achieved that pinnacle, and you have this site which is getting incredible traction within six months, but without knowing for sure back then that you weren't going to get beaten down. How did you decide to take the risk?"

"First of all," he said, "Harvard allows you to stop out for an indefinite period of time. So I could go back anytime. My friends might not be there anymore, I might have to start over socially. That was a risk. But it was a pretty small risk compared to the opportunity at the time.

"I called my parents and said, 'We'll stop out for a semester and see how it goes.' And my dad was like, 'Great! I can't afford the tuition next semester anyway!' [Laughing.]

"By the summer, it was a big deal. In terms of consumer Internet sites, it was growing really quickly. We had advertising on the site. It was clear we could make some money off of it. We thought there was a real business there. We also knew, however, that it wasn't a done deal by any means—there were many other entrants for this winner-take-all prize, which definitely could have beaten us in those years.

"But here's the thing. We knew we were developing skills. These were plenty marketable skills. People knew who Facebook was. And we could go back to Harvard whenever. It just didn't feel that risky."

As we've seen in this chapter, people often have a sense that if you leave some stable situation, such as school or a comfortable job, in order to try a more meaningful but less certain pursuit, you'll end up completely forlorn and destitute if the pursuit doesn't work out.

That's almost always an exaggeration. The odds of starting one of the most significant social and business phenomena in history and creating a company with a multibillion-dollar valuation are exceedingly minute. There's no question in my mind that Dustin, Mark, and the rest of the early Facebook team are geniuses, and incredibly hardworking. But I'm confident that they would concede that there was also a great deal of serendipity in just how massively it paid off for them.

Does that mean your only options are either a tiny chance of striking it massively rich or a big chance of going bust? Not at all. As we've been discussing this entire chapter, there's so much in between. In a blog post entitled "One in a Million," Seth Godin writes, "The ardent or insane pursuit of a particular [risky] goal is a good idea if the steps you take along the way also prep you for other outcomes, each almost as good (or better). If . . . bending the market to your will and shipping on time and doing important and scary work are all things you need to develop along the way, then it doesn't really matter so much if you don't make the goal you set out to reach."<sup>6</sup>

The point is, if you're learning valuable business skills while you also pursue your dreams, you win either way. You win (obviously) if the venture works out, but less obviously, you also win if it fails—few things provide better real-world education in business skills than a good hard failure.

But this win-win only applies if you're actually immersing yourself in the business side of what you're doing as you go for your dreams. Seth continues, "Does spending your teenage years (and your twenties) in a room practicing the violin teach you anything about being a violin teacher or a concert promoter or some other job associated with music? If your happiness depends on your draft pick or a single audition, that's giving way too much power to someone else." Learn the business side of your craft, and you'll come away with applicable, marketable skills no matter what.

For Dustin, of course, going for his dreams paid off. For several years, Mark Zuckerberg was the world's youngest-ever self-made

billionaire. But Dustin is eight days younger than Zuckerberg. When Facebook's valuation soared in 2010, Dustin's chunk surged to over two billion, and he took Zuckerberg's place as the world's youngest. Dustin has already started his next venture, Asana (<http://asana.com>), which aims to revolutionize workplace collaboration as thoroughly as Facebook has revolutionized the way we socialize.

I don't normally outdress billionaires, but in this case I did. I was wearing a black Hugo Boss suit (no tie) to my interview with Dustin at a Mission-neighborhood café near Asana's offices in San Francisco—and he was wearing jeans and plaid. “I don't really tend to buy expensive things and haven't changed my lifestyle a great deal since starting Facebook. As such, I don't have much interest in making my net worth accrue any further. I believe in the ability of capital markets to create positive impact on the world, but I'm also going to give quite a bit of it away.”

Dustin and Zuckerberg have since signed Bill Gates and Warren Buffett's Giving Pledge—in which they have all vowed to give away at least half of their wealth. In a letter announcing his pledge, Dustin writes, “As a result of Facebook's success, I've earned financial capital beyond my wildest expectations. Today, I view that reward not as personal wealth, but as a tool with which I hope to bring even more benefit to the world. . . . Over the next few years, [my partner Cari and I] will begin to identify the causes to which we can make the most leveraged contributions. We will donate and invest with both urgency and mindfulness, aiming to foster a safer, healthier and more economically empowered global community.”<sup>7</sup>

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