

**EPISODE 670**

[INTRO]

[0:00:36.3]

**FT:** It is the moment you're all been waiting for. Well, maybe not but hopefully this gets you excited. Guys, I'm launching a money course in partnership with the very smart people at Investopedia.com. I'm launching a major soup to nuts money course, that's targeted at young professionals who want to make the most of their money.

Do you want to squash those student loans? Catch up on savings, earn more money? Maybe buy a house or just negotiate a better lease on your rental. My nine-module money course arrives early January.

To be the first to register for the course and receive a special So Money discount, go to [somonycourse.com](http://somonycourse.com) or if you don't want to leave your cellphone right now, just text me. Text, [somonycourse](text:somonycourse) to 44222. Hope to see you.

[EPISODE]

**FT:** Welcome back to So Money everyone. December 27<sup>th</sup>, 2017. We're exploring fear and failure on the show today. It's not my intention to end the year on a sour note but we're going to review instead all the bad ass, wonderful insights our guests have shared on how they fought their fears and how failure actually allowed them to become the strong, successful people that they are today.

You know, our financial fears come up quite a bit on the show, as guest talk about their fears of losing money, going into debt, not having enough. Of course, failure is something we have hopefully learned to embrace as countless guests have credited their achievements to failing hard, at least once.

Akshay Nanavati was a guest on episode 595. He is the bestselling author of the book *Fearvana*. This is a person who overcame drug addiction, alcoholism and PTSD from fighting the war in Iraq. Akshay has combined his life experiences with years of research and science and spirituality and that has all led him to this book.

In this excerpt, he shares the purpose of *Fearvana* and how he's trying to change the way we think and manage fear.

[EXCERPT: AKSHAY NANAVATI]

[0:02:46.7]

**FT:** Is that what Fearvana really is about? Is harnessing those demons and putting them to work in a positive way?

[0:02:52.2]

**AN:** Yeah, very much so because you know, the word fear itself is not a positive word when people say the word, they don't think of it as a "positive" emotion. I think that that's a mistake. I mean, throughout my experiences in life, everything worthy has been terrifying at first including writing a book on fear which was absolutely terrifying. This idea of *Fearvana* is to help people reframe these so-called negative emotions and channel them into something meaningful.

I actually define the word itself as a state of bliss that results from engaging our fears to pursue our own worthy struggle and I think we all have that worthy struggle for us, it can be raising a child, running a marathon, playing chess, making movies, whatever it may be. Pursuing that worthy struggle, taking on the fears that inevitably show up on that journey and really harnessing them like Sir Richard Branson says that "Fear is fuel."

It's important not to fear, fear.

[0:03:44.1]

**FT:** I always say too with your finances, flirt with the fear, imagine what your life would be like if you didn't have money, if you didn't have savings, if you did lose your job without a safety net and actually imagine the reality of that predicament and sometimes that is enough to shake people up, wake them up and get them to do the right thing. Start taking the right steps to avoid that potential life ever happening.

[END OF EXCERPT]

[0:04:13.0]

**FT:** And, you know who wrote the foreword to *Fearvana*? The Dali Lama. If you want to find out how that came about, you'll have to go back and listen, that was episode 595. All right, our next guest has been on the show multiple times, I think at least three, which is a record. He is a dear friend, he's a bestselling author, an entrepreneur, James Altucher.

He joined me most recently on episode 597 and in this excerpt, he talks about the importance of failing. James has famously written about how he has failed over a thousand times and today, he's one of the most accomplished writers and entrepreneur, pretty much on the planet. Let's listen to James talk about combatting the fear of change and pivoting to something new.

[EXCERPT: JAMES ALTUCHER]

[0:05:02.1]

**FT:** You pivoted a lot and I want to ask you about that because right now I think a lot of people are having like an existential crisis about what they're doing with their lives. I get a lot of questions from listeners who are working at a desk job, they want to be out there in a bigger way, they don't know how to do it, they don't know how to make transitions.

I think the transition is always really hard because it usually means giving up something, it means adjusting, it means...

[0:05:24.1]

**JA:** It usually means that it doesn't necessarily mean that but go ahead.

[0:05:27.8]

**FT:** Yeah, how do you get the confidence but also, plan of action to make pivots? When you go, "I don't want to be a computer science geek anymore, I want to write." Is it a personality thing? You just have to be willing to know that, "If I'm going to fail, I'll still be okay."

[0:05:43.0]

**JA:** Yeah, you're going to fail. And failing is a hard word. Failing sucks, like nobody wants to fail, failing means you're a drug addict, alcoholic and you lose all your jobs and also your money and lost your family and you're in the gutter, shooting up with a needle.

[0:06:01.5]

**FT:** Tony Robins would say you could still win.

[0:06:04.3]

**JA:** You could still win even from then, yes. Look, I've been there and I've still come back from that. In general, let's view the word as an experiment. You're working your desk job and you're saying, "I can't do this forever, I'm going to really end my life saying I worked in a cubicle for 40 years, no."

First off, job turn is greater than that now than it's ever been before. People stay in jobs on average about four years and really it's much less for most people. Let's just say you're thinking, "What should I do?" Well, there's lots of ways to experiment. I was at a point where I had no idea what I was going to do. I had failed at a business, I had lost all my money, I was losing my house but I had to do something.

I had two little babies and I had no job, nobody's returning my calls because I had lost... they had all invested in my business and my business failed. I've talked about this before but I started writing down 10 ideas a day just to improve my creativity.

Creativity is a muscle, you have to exercise it but I've written about that before, I won't go over that again. People say, "Ideas are a dime in a dozen, execution is everything." I'm going to call a little bit of BS on that. A, a good idea is hard to have, so you have to really have a strong creativity muscle just like working out in the gym, you don't need to have like strong muscles to lift cars but it's healthy to work out in the gym and it's healthy to exercise your creativity muscle.

Then when you have a good idea, even a bad idea, you have to know how to execute it. Execution ideas are a subset of ideas. For instance, I had a bad idea for a business just the other day, I was talking to a friend of mine and he told me, I joked about him and his girlfriend and he said, "We're going steady now."

He just started riffing on a business idea, let's make a Going Steady app. You know, you download the app, let's say I'm him and you're the girlfriend, you download the app, I'll download the Going Steady app, we'll connect to each other and now we say we're going steady. Now we can share that on twitter and Facebook and whatever and to our friends.

Then also, the Going Steady app deletes all the dating apps on our phones and if we ever download a dating app, it emails the other person and says, Farnoosh just downloaded Tinder, you should know.

[0:08:26.7]

**FT:** He's got a wondering eye that James.

[0:08:28.6]

**JA:** Or, if you ever disconnect from me on the going steady app then I get informed by email. We were just talking and then he went of, he said, "This is a great idea, we absolutely have to do it." Then he goes off to his thing, I go off to my thing. Okay, I went off to my thing, I specked

out the idea, what each button would look like on a Going Steady app where all the functionality was, took me about a half hour.

I went on freelancer.com, I signed up, I posted a spec, 15 people bid on the job from all these different countries and I started through text boxes, interviewing them and it turns out you could do this on Android this app but you can't do it on the iPhone because one app can't see what the other apps on your phone are, there's extra privacy. It was a bad idea and I couldn't execute on it.

But, I wrote to my friend who came up with it. He said, "That's the difference between you and me, I'm a lazy sack of shit and you actually tried to turn this into a business." It took me 45 minutes to vet whether this was a good idea.

If I had said yes, I would have spent 600 bucks and just outsourced, two weeks later, the company promised to have the app done, upload it to the iTunes store and the Google play store and even begin marketing it. For just \$600 in two weeks, now maybe they were over promising, maybe it would have taken a month, maybe I would have to manage a little bit more but it's relatively easy to get started, you just have to say, "Okay. Let's just take the next step."

[0:10:09.3]

**FT:** It is a person, it has to be in your DNA because I think that there are people who have a lot of ideas, they have a lot of aspirations, they think their ticket has to be money. "Once I make the money, once I get a raise, once I win the lottery, all my dreams will come true."

[0:10:24.5]

**JA:** Look, there's something where I could have started a whole thing for 600 bucks, maybe it would have worked, maybe it wouldn't have but for 600 bucks, I'll experiment like that, I'll do one experiment like that for a month.

[0:10:34.5]

**FT:** how would you characterize that person who is waiting for the windfall to be able to – to motivate them to do something...

[0:10:40.5]

**JA:** I would say they're just wrong.

[0:10:42.2]

**FT:** They're just wrong.

[0:10:42.6]

**JA:** Yeah, I would say, exercise your doing muscle. I'll give you another example, I was having lunch with a friend of mine, he was in the business of putting ads on YouTube channels. He worked for a company that did put ads on YouTube channels and he said "Boy, I'd really like to create my own YouTube show. I have this idea of creating YouTube of videos of gamers." I'm like, "Well why don't you do it?" He said, "Well, I have to raise money and buy the equipment and stuff."

I said, "Well give me your phone for a second" and he gives me his phone, it's the latest iPhone and I said, "This phone has a better video camera on it than all the video cameras that made all the best movies in history. This video camera is better than the video camera that made the Godfather, that made Laurence of Arabia, that made Star Wars. Why don't you just use the video on this phone and put an ad on Craigslist, I need some good video gamers, I'm going to take videos of you and start a YouTube channel and just see, that will take you like an hour or two of time and don't give the excuse you don't have the video equipment."

People have exercised their excuse muscle very well but they don't exercise their doing muscle and by the way, it's just a matter of writing down execution steps and that exercises the execution muscle.

[END OF EXCERPT]

[0:11:56.2]

**FT:** As James always says, “Creativity is a muscle that you just have to flex. Sure there’s a lot of risk but if you have an idea, you just have to get over the hurdle of getting started.”

Our next guest is Sarah LaFleur who’s interview aired on episode 591. She is the founder of MM LaFleur, it’s a clothing company for women and humble brag, I was voted MM LaFleur’s most enterprising woman and it was a really generous article about my life and where I got my financial sensibilities. Really a special interview and I encourage you to check out MM LaFleur’s – all their profiles of women.

Sarah and I talked about the early days of starting her company and I was surprised she described the mental challenges and feeling as though she had ruined her resume by quitting her job to start this venture. Of course, now, all of those doubts are gone as MM LaFleur is projected to ring in 75 million dollars in sales and so this is Sarah on overcoming feeling like a failure.

[EXCERPT: SARAH LAFLEUR]

[0:13:07.5]

**FT:** What was the rock bottom moment for your sort of journey as an entrepreneur? I mean, there must have been a time where you were like, “This is not working and...”

[0:13:17.9]

**SLF:** Yeah, every day.

[0:13:19.2]



**FT:** “I miss the paycheck, I miss my health benefits, Cobra, I can’t even get signed on, I can’t get on boarded.” What’s going on? Take us to that moment and how you work your way thought that?

[0:13:30.6]

**SLF:** Well, I’ll tell you the first year was quite dark. I think mental health and entrepreneurship is something that doesn’t really get talked about all that much. I think people are starting to talk about it but that first year, man, it was really tough, I don’t consider myself that emotionally vulnerable and that year I probably was crying on a daily basis.

Things never seemed to be going right and I think I felt that I had truly ruined my resume. I had worked hard towards something and I decided to kind of take this leap and do this. I just didn’t know if I was swimming in the right direction.

I say that often starting a company is like you push off from an island and you’re signing this wind towards this far away island that you look up and you realize it would be so much easier just to swim back from the island you came from, rather than to keep swimming because frankly you don’t even know where you are relative to that island you want to get to.

I had so many moments like that and that first year when I was really working on my own, I eventually brought on two cofounders, Miako and Marie. Miako came on about six months later and then Marie a year later but gosh, that first year was so isolating and so that I would say is by far the hardest time I’ve experienced starting this company.

The other one that comes to mind is when around a funding that I thought was just going to happen fell through at the last minute and I was so certain we were going to go bankrupt. I was at the bank so I could do the financial modeling, you don’t even need to do the financial modeling to see that you are losing money or you’re spending money faster than you’re making. I was counting on this round of funding to come through and had gone through maybe four months of negotiations.

It seems like all but a done deal and then in the very last moment it fell through and that was really one of the most crushing moments because I just thought this thing that I had worked hard on, at that point, for about three and a half years, was all going to be for nothing.

[0:15:49.8]

**FT:** What happened, why didn't the money come through and then how did you stay afloat?

[0:15:55.2]

**SLF:** Why didn't the money come through? I still don't know the real reason you know? I think I still remember the call, the investor called me and they said, "Look, the main person who has to make a decision, they just can't get a good feeling in their gut" and so that was all they said.

It could have been 10 million things, I think often people aren't quite transparent with one reason or another why they decide not to invest and so they walked away and they just knew what was done, it wasn't like I couldn't – I wasn't going to be able to get them back to negotiating table.

What did we do? Actually, what happened around that time was we did a couple of popups, actually, our very first popup in New York, which went incredibly well and almost to all of our surprise and everyone had said to me, "Popups are expensive, you don't actually make a lot of money in popups." But we made more money in those 10 days of doing that popup than we really ever had and I think for me –

Because up until that point, we had been doing most of our business online, to actually see customers try our clothes on in person and see their smiles and we had this one customer who had purchased 10 dresses. We'd never seen a customer purchase so many in one go but she was like, "These dresses are amazing, I'll take them all."

That was really a confidence building moment that we were doing something different. We barely made it to be clear, I think our bank accounts actually were in the negatives at some point. I did not know your bank account could go into the negatives but you know, Chase let you overdraft. I think it was like we were negative into the 2,000's.

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**FT:** My gosh.

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**SLF:** Yeah, it was scary times but somehow we were able to claw our way back from that.

[0:17:48.6]

**FT:** A truly inspiring story. Jumping to our next and final guest excerpt on the topic of risk and failure, this is Wendy Sachs. She appeared on episode 574. Just as she was coming out with a new book called *Fearless and Free*, how appropriate.

Her book was actually featured as a tile to pick up now from my family at O, the opera magazine. She and I, we began this conversation about failure, talking about when you feel stuck in your career and the difference is men and women faced with failure.

Wendy has actually pivoted so much in her own career that she jokes, she's constantly pirouetting. This has made her an expert and a wonderful person to tap. To learn more about overcoming fear to get to the next level. Let's listen.

[EXCERPT: WENDY SACHS]

[0:18:33.2]

**FT:** Yes. In *Fearless and Free*, your new book, you specifically tackle what to do when you feel stuck in your career. Do you feel like women feel this way more than men?

[0:18:43.3]

**WS:** I do and I hate to put a gender thing on all of these issues because obviously I don't believe that women have any less ability or any less ambition or any less talent, clearly, than men. But there are some cultural issues that really affect us and that hold us back and one of those things that, this isn't just my own feelings, this is, studies really reflect this. So women are not as willing to take risks as men are and that lack and that fear of risk taking is one other issue that can really hold women back.

We tend to also overthink our next moves, we can become paralyzed because we're overthinking. We don't want to fail, we want to be perfect. We've been conditioned to be perfect and with that — so a cousin to risk taking obviously is failure. If you take risks you may fail and so because of that and because of that wanting to get it right and wanting to be perfect, women often just don't take a leap forward unless they are convinced that they are going to get it right and that is sadly what can hold us back and that is one of the big issues that I talk about.

[0:20:01.7]

**FT:** Yet fear and fear of risk-taking is really just a mindset, right? When you think about the risks potentially of leaving your job trying a new thing, you might fail, sure. You may not know how to secure health insurance. Yep, you may not get paid for a few months definitely but then there's also the risk of staying in the "comfortable job," where the next day you can get laid off and that's happened to me and several people that I know.

And so in your book you interviewed a number of women who have pivoted and have fought that fear, have taken on the new challenge despite the "risk." So what was their mindset around pivoting that allowed them to jump these hurdles and to ultimately succeed?

[0:20:45.5]

**WS:** Well I think that the biggest way to grow that confidence is to take risks and once you fail and you know you can recover from failure, you're more likely to take more chances. So I think really the key to all of this is you have to put yourself out there whether it's taking baby steps, but you have to take some action. So the fastest way that all the studies show that grow this confidence and this ability to take a bet on yourself basically, is to start just moving forward.

And knowing that, yeah if things don't work out they often don't, right? But that's part of the journey and out of that comes more confidence and a greater ability to take action. It's all about taking action. You just have to start moving forward and putting that fear aside and I use this expression "get comfortable in the uncomfortable". This isn't something I came up with, it's actually this great term that the Navy SEAL's actually embrace.

Because it is very much key to their mission, you have to get comfortable in the uncomfortable and as you're saying it's a mindset, we can all do this for ourselves. We just need to start taking some action and understand that yeah, it might feel a little uncomfortable for a while and that is actually a great place to be. That's where the growth is going to happen.

[END OF EXCERPT]

[0:22:06.9]

**FT:** Get comfortable with the uncomfortable, awesome advice. This year you know, I had the privilege of becoming the commencement speaker for my Alma Matter, Penn State's Smiel College of Business go Nitty Lions and I had similar advice to share to the audience on embracing the moments and make us the most uncomfortable in order to get to a better place.

I think this is really empowering advice as we set off into the new year. I wanted to end these recaps with the most empowering advice that I could possibly give back to you as we head into the new year, I hope that we arrive reenergized, recharged and ready to take on the world. Remember to go to [somonecourse.com](http://somonecourse.com) or text, [somonycourse](http://somonycourse.com) to 44222 and then be among the first to get dibs on my money course and earn a discount.

Thanks for tuning in everyone and I hope your day is So Money.

[END]