

Farnoosh Torabi: Dan Schawbel, thank you so much for joining me on So Money. A pleasure to have you.

Dan Schawbel: Hey, it's always good to speak with you.

FT: You're a friend and you have been, for years now, building this amazing business, helping so many people particularly millennials, a lot of listeners on this podcast, build their brand, build their businesses, boost their careers. What made you choose this as your area of expertise and focus?

DS: Well, it's obviously a very long story. I've been working since I was 13. I had my first internship in high school. I started building websites as hobbies in middle school and high school, so I was getting that online background and work experience earlier in my life. And then, in college I had seven more internships and how I got these internships was really what I've been talking about for a while, is basically creating a set of personal branding materials that would help sell me. Back then it was a CD portfolio of my work, a lot of the design work and websites that I'd done for myself and other people; it was a business card, a website; it was references, document, a cover letter and a resume back then and that was... People who were interviewing me were really impressed and were like, "Wow! We haven't seen this done before, you're obviously taking this seriously." And especially the CD portfolio they're like, "Wow! This is a keeper."

DS: And so that's how I started getting all these internships but to me, it was always a struggle, so to get into college, I didn't get in Early Decision, I applied. So I got straight As in my last semester, I did an interview on campus, I wrote them a letter. That was the first kind of mentality that I built was, "Okay, well, not everything is gonna come easy, I have to work really, really hard for it and do whatever I can to stand out." And so that's the first example.

DS: The second example was Reebok, it took me a year and a half to get that internship. I had to really, really fight for it, I didn't get it the first time and so I said, "Okay, well I gotta get all these other internships really to make it so they can't say no." And that's kind of a thread through my whole career. So for my last book as you know, three and a half years, fired two agents, hired four consultants, and three book proposals later, did the entire campaign and everything on my own; and rejected so many times, of course. Funding the study I did in September, 149 companies said no, one said yes. That's all it takes, so it's the idea that it's a number's game. Throughout my whole life, I've dated a ton of girls in New York but one, this one I'm seeing right now seems to be working pretty well. So, it's kind of what I call in my book, "the rule of one." All that matters is one person says yes and then you can build so much from that.

DS: And so that, above and beyond any mentor or anything is what has inspired me and pushed me to go from just a college student to owning my own business, writing two books before 30 and now I'm launching another business, joining two boards, doing a million different things because I started out early, I started saving money early which gave me the flexibility and I really never gave up and realized that not everyone is gonna be accepting of me and so I have to spend my entire life finding the right people, you being one of them, other people on the network being others, and so it's just been the journey of finding the right people and the right people opening the right doors in order for me to pull off what I'm looking to pull off in life.

FT: And you bring such amazing value and content to people. I mean I write about a lot of what you produce and survey and study. What's on tap for the new year for you? I can only imagine your

to-do list is probably 18 pages long.

DS: Really exciting, I'm launching another company, it would be my second company since 2010 when I started Millennial Branding, focused on workplace trends, working with some major brands and helping them understand what's going on in the workplace, in terms of big trends, and how they can create the right work environment to take advantage of those trends and to best support employees and their future growth.

FT: No doubt you're gonna be really busy, because I know one of the areas that you helped bridge the gap is college graduates and employers, and as we know, there is an epidemic in this country of graduates leaving school without job prospects. And that has translated into a huge debate in this country about whether college is even worth it, and of course, we could probably talk about that for endless hours. But I wanna turn now to talking about you and your financial philosophies, because I like to talk to people who are successful in their respective fields, who are good at making money, who are good at talking about money, to help share that with listeners and hopefully, we can all... Even if it's just one take away, we can walk away from this podcast taking our finances from good to great. So, share with us, Dan, a personal financial philosophy that has helped you, and continues to help you, make healthy decisions with your money.

DS: I think mine is: Spend money only on the things that are most valuable to you. So, for me, I obviously spent a lot of money on rent in New York, but it's the most valuable thing to me. So, if I'm going to spend money on anything, it's gonna be on something where... I work out of my apartment, so it's just something that... It's just so significant to everything that I do, so it's worth the money, even though people from... Who are not me or who are not doing what I do, they're like, "Oh, what are you crazy?" It's because their view on what they prioritize in their life when they're looking to spend money is different. That's something I've come to realize, especially living in New York, when the prices are so significant. The other thing... I spend money on clothing, but I don't shop that often, but when I shop, I would much rather get an \$800 suit than a \$300 suit because not only will it last longer, but when I'm in meetings, it's just really important to look the part. So, I think of value so I think of wasting money on clothes; that's not really an option, it's more about investing money in clothes, because you're really investing in yourself. So, that's number two.

DS: And then, the third thing is personal activities, mainly going to restaurants in the city, those are my three big ones. And then, the fourth one that I'm starting to kind of invest more in is traveling. So, I'm going to Hong Kong in a few weeks, this year might be Australia and Europe. So, I think I'm reaching a point in my life where that's becoming more important to me, not just traveling for business, but doing things where I get to kind of relax and put myself outside of this persona. So, that's important to me. So, I think it depends where you are in your life cycle, and what you prioritize at that point, and for me, those have shifted. The apartment I live in definitely remains the same, it's been like that way since I graduated school. And then, even if it costs you more, you just figure out ways to make it work by, maybe working harder, or changing your business model, or whatnot.

DS: But if you wanna make something work, you just have put the time in, and that's easy for me, because I come from a background where my dad is 72, he's still working; he'll work forever. My grandfather worked forever. My uncle will work forever, he's 76, he ran two marathons. Like for me, I'm gonna work forever, my definition of retirement is not "do nothing", that seems boring. I think a lot of people in my generation would say the same. And so, I just want to maximize my

value over the longest period of time possible. And then that will translate into more money to invest in things that are important at those timeframes.

FT: Like you said, taking out what's valuable and important to you, that's the missing ingredient sometimes, when we're trying to figure out how to budget and how to spend our money wisely, and what kind of philosophy to follow. Especially when you're young, you feel like you want it all, you need it all, you gotta have it all. Take us down memory lane. You talked a little bit about how your father, and your uncle, and you have all these sort of influential people in your life that you are modeling your career after, in the sense that you don't ever plan to retire. Certainly, you had some good financial memories growing up, perhaps. Share one with us that helped shape your mindset today about money.

DS: Yeah, I think one of the things that most entrepreneurs make a mistake, they make a mistake in this area of money because they'll just say, "Oh, I'll just quit my job and start a business." But my dad said every time I wanted to quit my job when I was working for a Fortune 200 company was, "Hey, just stay put, get everything set up, get the business plan put together, get enough clients, set yourself up for success. So when you leave, you already have the income coming in, you don't have to be stressed out, and you have a higher chance of success." And that has really carried on today as I... Because I basically have three platforms now. There's the Personal Branding platform, which was kind of phase one in a sense. The next one was Millennials in the Workplace. That was phase two. And then Workplace Trends, overall is phase three. And each one of them actually requires a transition to get into a different model in order to make it successful. And so for me, I have to make sure that the first one's able to support me being able to transition to the second one, and the second one is able to support me in transitioning to the third one. And so that just comes from my father, basically. Patience is important.

FT: Yeah, and getting your ducks in a row. -Okay. Alright, let's turn gears here to financial failure. It sounds like you had a pretty smooth ride. You've been very level-headed. But talk about a failure that you're willing to share. We've all had them, big or small. And the lesson learned.

DS: Yeah, I think the biggest one for me that I can remember is when I sold LinkedIn. And LinkedIn is obviously doing significantly better than when I bought it at. The situation was basically me getting really emotional about the stock and being like, "Oh, it's kinda going down. I don't really want to lose money or that much money." And I sold it, and of course, now it's doing extremely well, when I should have just relied on my gut and intuition of knowing LinkedIn in the market and writing about them for so many years. So emotional investing is something that has hurt me in that one instance. So that's why typically, I don't think about stocks and investing in those, and I just have a team that does it because I can get very emotional about different investments. And so I have to have advisors sit down and look at them and ensure that they're the right investments and that I'm making the right moves, because that's their real expertise and it's not mine. My expertise is, as you know, PR and marketing and branding and then doing that, and researching trends. And so I just stick to my guns. I double down. I become the best at what I do. And then I build the team around me that can support the other areas in my life that I'm not as good at. I took maybe one Finance class in school and it just didn't click for me. So I'd rather get the team in place that can support my weaknesses.

FT: That's true. Finding the right people to help you nurture that part of your life is critical. Not to make you get too depressed here, but how much do you think you lost on that LinkedIn stock sale?

DS: Oh my God. I don't know.

FT: Or how much did you...

DS: Tens of thousands, probably.

FT: Tens of thousands. This is before their IPO, I suspect.

DS: Exactly.

FT: Let's talk about So Money moment in your life, a time where you really hit it big, or you had a really proud financial moment, and what did you learn from it?

DS: So this is a really good story that I have and you know the speaking industry very well, of course. So I feel like I'm speaking to the choir because a lot of these things just come natural to you and you've experienced before. But I was really trying to get signed to a speaking agency. This was years and years ago when I was first starting out because I thought that was the path to success, and I have a different one now, but I was really trying. And my speaking fees weren't high enough for them to care. But I had given a lot of free speeches at schools because I was living in Boston and there's 55 schools in Boston, so I was speaking at my school, Bentley, Boston University, MIT, Harvard, all these schools. And at one of these schools, I was speaking to 50 students. I didn't get paid to speak at any of these schools.

DS: And one of the students, Amanda, which is now one of my really close friends and someone who now I got her speaking at the Women's Conference, that was last year, and she saw it, and she eventually got a job at a company, a large company, and she hired me to be a speaker for a decent amount of money back then. And then I leveraged that to get that opportunity to work with that bureau. So that was a huge win because when that happened, then I was positioned more so as a speaker that was worth more. And then, now, I'm getting paid a decent amount in order to speak in keynote, different conferences. So, that was my, you could say, big break that I was able to leverage into something greater. That position made for future monetary gains.

FT: That's so smart. And all the while, while you weren't getting paid, you were getting better at speaking and so, when that opportunity presented itself, let's be honest, you worked for that opportunity, too. You were ready, right? You were at the top of your game 'cause you had all this experience, so, it was investing in yourself.

DS: And that's what it really comes down to. And the sooner you start doing that, the better off you'll be, by far. If you wait... The worst advice is career counselors at schools, they say, "Oh, wait 'til your junior year before you get an internship." That's crazy because if you try and get an internship when you don't have any internships, you can't get an internship, right? That's catch 22.

FT: Right! Yeah, I speak from personal experience. I got a first internship the summer after my freshman year. I did an internship that didn't pay because that's all I could get frankly at that stage. But, it was experience that was critical to land me another unpaid internship, but a much more high profile one my sophomore year. And then finally, a phenomenally paid internship my junior year and then, you just have to build on some of these experiences that are completely penniless, but will

pay you with dividends in the future if you're smart about it.

FT: So, let's talk rituals, Dan. I mean, I am of the belief that, your financial life doesn't just happen. You have to work at it and sometimes, ritualistically. You have to be habitual about some of the choices that you make day in and day out. What is a financial habit that you practice that helps keep your money where it needs to be?

DS: I think I'm just conservative... There's two things, one, I'm really conservative overall. And, that just comes from my family values. I don't just randomly spend money on things. But, I'm also not cheap at the same time. So, I have a very delicate balance of living happy life, spending money, but not overdoing it in a way that makes no sense and does not connect to things that I prioritize in terms of what matters to me. The other thing is, I mean, my main goal is how... First, I always believe brand first before money. Meaning that, I put more value on building relationships, building value, accumulating knowledge, and then the money follows. And, it's something that I've always believed in. I've always kind of liked what I've done especially after 2010 when I went solo and I've just been doing that ever since. So, everyday, I wake up and I really do what I want. I wanna interview a celebrity or I wanna put together an article for a media outlet or I want to do a research report. Or, I wanna be on a board...

DS: Whatever I wanna do, I feel like I can definitely do it now. But that's because it was never the short term, I needed another \$20 here from this person. It was more of, let me contribute a value, not make money, but allow that to form a network that enables me to be able to eventually, make money doing what I love. And so, that's been the mentality. And my goal is, I just need to make, turn all these connections into kind of opportunities that create wealth. And then, a percentage of what comes in goes to investing in different stocks and opportunities.

FT: Alright, Dan, last thing, kind of a fun end to the interview, I always do this with guests. This is So Money fill in the blank, okay? So, I'm gonna throw out an unfinished sentence and I would like for you to finish it with whatever pops into your head in that moment. So, are you ready?

DS: Yep.

FT: Okay. If I won the lottery tomorrow, a hundred million bucks, I would...

DS: I would start a non-profit that helps every unemployed millennial job seeker find work or be equipped with the resources in order to find work.

FT: Awesome. The one thing that I spent on that makes my life easier or better is...

DS: My apartment. I've access to everything. The dry cleaning, there's a gym. It's just, makes things easier so I can focus more on things that create value and excitement in life.

FT: Right. You got access with the apartment. My biggest guilty pleasure that I spend a lot of money on is...

DS: I would say food at this point.

FT: Spoken like a true New Yorker. One thing I wish I had known about money growing up is...

DS: That money can be compounded and even a few dollars made when you're really young can turn into a lot of money later in life.

FT: If you buy and hold, exactly. And I'm So Money, I'm Dan Schawbel and I'm So Money because...

DS: Because the value that I give to people creates wealth more valuable than the money itself.

FT: Awesome, wonderful, wonderful. Thank you so much Dan, tell us where we can learn more about you and follow your work.

DS: Danschawbel.com, that's connected to all the social networks all the research I've done, everything. It's basically an entrance to my world.

FT: Well, we'll certainly be following you. Happy new year, Dan and best of luck and continued success with your new ventures.

DS: Thanks, you too.

FT: Thanks, Dan.