

EPISODE 1246

“RF: I feel like this is an approach that make success easier and faster by giving you a strategy that you can use to work backwards, identify someone’s blueprint and then figure out, okay, this is what I need to apply in order to get there faster.”

[INTRODUCTION]

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FT: Welcome to So Money, everybody. I’m your host, Farnoosh Torabi. All week, we are playing some of the most popular episodes of the summer. We are going to be back after Labor Day with fresh episodes. Don’t worry. We’ve got lots of great conversations with some of the world’s top movers and shaker, bringing you the best, most relevant, most up-to-date personal finance advice. Just thought, you know what, it’s time for a little bit of a break. A lot of us are taking vacation. I’ll be back in September ready to make the most of our money, but right now, maybe we’re taking a rest. With that, an opportunity to revisit some of the best conversations we’ve had all summer. These are podcast that were very popular with you, with listeners.

Today show goes back in time to July, July 15th when we spoke with Ron Friedman, author of *Decoding Greatness*. For generations, we’ve been taught there are two ways to succeed, either from talent or practice. But in his new book, *Decoding Greatness: How the Best in the World Reverse Engineer Success*. Award-winning social psychologist. Ron Friedman shares a powerful third path, one that has quietly launched icons in a wide range of fields from artists, writers, and chefs, to athletes, inventors and entrepreneurs. That is reverse engineering. Ron and I discussed the technique behind reverse engineering, how to apply it to your financial, and career success and why we are so fascinated and I would say obsessed with the pursuit of success. Here’s Ron Friedman.

[INTERVIEW]

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FT: Ron Freidman, welcome to So Money. It's a pleasure to have you on the show and congratulations on your book.

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RF: Thanks so much. It's great to be here.

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FT: Your book is called *Decoding Greatness: How the Best in the World Reverse Engineer Success*. It's interesting. We were talking right before we were recording that you and I have always known that reverse engineering exists. I feel like I've done it in my life. You know people who do it, you've done it yourself. But that perhaps, we haven't given it as much credit as it deserves. It's an actual strategy that has led to some incredible success stories. You've covered them all in your book from Agatha Christie, to Andy Warhol, former President Barack Obama. This is something we need to pay more close attention to, isn't it?

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RF: Without question. The stories that we've been told about success or basically one of two. There's the story that greatness comes from talent. This is the idea that we all have certain inner strength and that the key to finding your greatness is just finding field that allows your talent to shine. The other stories that greatness comes from practice. This is the Malcolm Gladwell 10,000 hours, practice, practice, practice. Eventually, you become great.

But within creative fields, there's a different approach. That approach is reverse engineering. That just means finding great examples and then working backward to figure out how they were created. Now, in Silicon Valley, they know about reverse engineering because it's how we got the laptop, and the iPhone and the mouse. But what's less well known is that, reverse engineering is how Stephen King and Malcolm Gladwell learn to write and how Claude Monet and Paul Cézanne became amazing artists. Even how Judd Apatow became a comedy legend.

Working backwards from exceptional examples is how learning happens in creative fields and more were aware of using some of these strategies, the faster we can accelerate our success.

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FT: That's interesting, because yeah, reverse engineering, it suggests a very technical strategy and it has been applied to that literal technical technological advances that we've had. But you're saying it can actually be leveraged for creatives. How do you reverse engineer? Can you walk us through that? I know that it is about identifying patterns. First, probably identifying those tent poles or people, or experiences that you want to try to learn from. But then identifying and spotting those patterns is also a skill.

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RF: Without question. In *Decoded Greatness*, I talked about all these different strategies. It ultimately comes down to your field. Among nonfiction writers, what people will often do is they will go right to the notes section at the end of the book to uncover the sources that went into creating that book. Chefs will often order dishes to go and then take an intricate sauce, and spread it out across the white plate so they can identify the ingredients. Photographers will look at photos in a completely different way than most people. I'm a novice, so when I look at a photograph, I look at the object, the person in the center. But a trained photographer will look at something else. They'll look at the reflection in the person's eyes to identify where the light source was placed. They'll look of the length of the shadows that tell them the time of day that the shot was taken. They'll look at the aperture, all these different things that are hidden in plain sight if you know what to look for.

You ask, how I do this in my life? Well, the same strategy can apply to decoding a TED Talk, or to decoding a well-written memo or presentation deck. It starts by first collecting examples that you find impactful. When we think about collecting, we think about physical objects. We think about artwork, or wine or shoes. But that definition is far too narrow, and what you find when you look at people who perform at a very high level is that they started off as collectors. David Bowie collected albums. Andy Warhol collected artwork. Julia Child collected cookbooks.

Once you have those exceptional examples, you can start to take them apart to say, what's different here? How do I compare the ordinary against the extraordinary? That process of looking for key difference, and I talk about it in *Decoding Greatness* as, spot the difference, right? When you were a kid, you play that game where you had two images side by side and you look for disparities. That's what you're looking to do here. Through that process of looking for key differences, that you can't help but identify the ingredients that make a work successful.

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FT: I love that. I did this in my own career. I wanted to become a financial journalist. This was 20+ years ago, where that path wasn't really defined. Yes, there was a CNBC channel, but I didn't really see myself there, but I knew that I love this territory. What I literally did one summer, I looked at people who had 20 years ahead of me accomplish greatness in various fields, whether it was just journalism, or financial journalism, or broadcast as well. Just sort of to like understand what their path was, what resonated with me, what I felt like I could also do. But also, and I think you talked about this in your book, how to make it my own experience at the end of that process. Because what you don't want to do, your book is not about how to be a copycat or how to reverse engineer what's already been reverse engineered for somebody else.

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RF: Yeah. To your point, there's two reasons why simply copying someone won't get you to where they did. One of them is the fact that they have certain abilities that you probably don't possess, because everyone's a little bit different. It's not just about copying their formula, because chances are, you won't be as successful as they were. To make that concrete, in *Decoding Greatness*, I reverse engineer Ken Robinson's TED Talk. It's the most popular TED Talk of all time. What you find when you reverse engineer this talk is that he gives a grand total of one persuasive fact in over 20 — in 18 minutes, he gives one persuasive fact and he drops in 40 jokes.

Now that I have his blueprint, I can go and apply that to my talk. But what if I'm not funny, what if I don't want to tell 40 jokes and my topic isn't just — it's so somber that those jokes are not going to land. The key is to find someone who's pattern works for you. The one step is keeping

in mind that someone else's formula may not be applicable to you. The other reason why copying doesn't work is because audience expectations shift. When you reverse engineered all those financial writers, did it work? Probably not straightaway. It was probably a combination of factors were you were able to find what are some things that this person's doing that might work for me and what are some things that this person's doing that might work for me and combining them together. Now, you're actually creating something completely new.

Just to give you a story of someone who did this successfully is Barack Obama. When we think about Barack Obama, we think about, "Oh! He's an incredible speaker. He must have always been this way and that's how he got to where he is." But it turns out that he got trounced his first political race. He lost by a margin of over two to one and the problem was he was a terrible speaker. That sounds really striking, right? How could he be a terrible speaker? It's because he was a law school professor. As a law school professor, he was used to just telling people what to do and preaching to them, just telling to them, lecturing them.

Voters don't like being lectured too, so they let him know at the ballot box. He thought about leaving politics until he noticed what it was that preachers are doing when delivering sermons/ All of a sudden, he was able to incorporate some of those techniques and he was telling stories, he was using repetition, he was modulating his tone. He was transformed as a speaker. What I love about that story is that it teaches us that Barack Obama didn't find his talent. He didn't practice for 10,000 hours. He spotted something that was working in a different field, reverse engineered it and then incorporated into his own approach. That's one of the strategies is, when you reverse engineering, don't just look in your own field, look at other fields and figure out what are the ingredients that I could borrow.

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FT: That said though, Ron, there is power in talent and practice, but maybe the trifecta is talent, practice and reverse engineering, they're not mutually exclusive. You can do and be all those three things.

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RF: There's no question that talent and practice are going to help.

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FT: Then you'll be Serena Williams. Natural talent, practice. You can't take that away from them. I think that, I don't think this is your message, but I don't want also listeners to misunderstand that that practicing isn't going to help.

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RF: Absolutely. There's no question that talent — devoting 10,000 hours to your field is going to make you better. I'm not arguing. What I want to push back on a little bit is this idea that if I don't have some talent or there's no way I can invest 10 years from now, working on this thing that I need to give up. I feel like this is an approach that make success easier and faster by giving you a strategy that you can use to work backwards, identify someone's blueprint and then figure out, okay, this is what I need to apply in order to get there faster.

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FT: How do you identify the chronology of the steps, of the engineered steps? Because you may look at a case study and go, "Okay. I see how they went from zero to great." I can sort of see some of these patterns, but you're not really sure what came first. Do you have advice for how to identify your first couple of steps in the engineering process?

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RF: The first thing is ignore the chronology, because I'm much less concerned with for example how, I don't know, Malcolm Gladwell became great writer than I am with figuring out what's his blueprint and how do I apply that. It's more about how I can recreate the pattern rather than how he created the pattern originally. Does that make sense?

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FT: Yes.

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RF: The first step is the collecting. The second step is spotting the difference. Then in the rest of *Decoding Greatness* I share with you some analytical strategies that you can use. I came from a polling background. After I got my degree in social psychology, I went off and became a pollster. I actually worked with the Obama campaign and tons of congressional candidates to figure out how to get them elected. What you do in polling is you identify outliers, so people who overrepresented in certain categories. For example, if a candidate is doing really well with women between the ages of 45 and 54, that becomes their target. You need to find more women who are 45 and 54. Here, we're applying that same strategy to find what is it that makes this creative work differently.

Like I mentioned before with Ken Robinson, in his case, he's telling a lot of jokes. If I do that analysis with Susan Cain, what I might find is that, she's got a lot of vulnerability in her stories. When I do it with Angela Duckworth, I find that she is using curiosity very often. Now, I'm able to identify what's this person's outlier and now, I'm able to utilize those insights to create a blueprint that models them. But also, again, as we mentioned, it's not enough to just copy. You also need to evolve. There are formulas for evolving formulas.

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FT: One of my favorite things to read is like, I love standup comedy and I have dabbled in it. A lot of people will there — even in that category, right, creative field. Let's say like you either have it or you don't. You're either funny or you're not. But when you actually watch a very successful, let's say hour-long special on Netflix, you will find patterns in how that person engineered that set, right? How they opened it was very strategic and every — to your point, earlier example, like every so many seconds, trying to get a laugh and really carry people through the experience.

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RF: I'm so glad you mentioned comedians, because this book is filled with comedians. Literally, Aziz Ansari, Jerry Seinfeld, Amy Schumer, John Oliver and Judd Apatow. Judd Apatow has got a great story, so I don't know if you're familiar with his story, but how he got started is, when he was 15 years old, he was obsessed with comedy. He would literally plan his entire week around who was going to be on which night, he washed dishes at the local comedy club. Then here is how he achieved his major breakthrough, is he noticed at his high school radio station that the high school DJ was getting some surprisingly impressive bands to come in for interviews. This is where the lightning bolt struck and he was like, "Okay. I'm going to start my own radio show and I'm going to start interviewing comedians."

He would contact their PR agents and they had no idea that this was a 15-year-old kid or that the radio signal didn't even reach outside the school parking lot. This was how he was able to interview Jerry Seinfeld, Jay Leno and all of these incredible comedians. Through that process, he was able to reverse engineer how they work their jokes, how they got their agents and how they were great on stage.

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FT: I mean, this is like goes back to what you always are told. Do your homework. Do your research. Do your homework. Pay attention. Listen more than you speak, because through that process, you will be hand-delivered almost the engineering blueprint.

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RF: Yeah. That's literally what he said is, I came away with a comedy Bible of how to become a comedian. When you think about someone who's in a creative field like writing comedy and generating movies like 40-year-old Virgin and Bridesmaids. It was through reverse engineering other comedians. Regardless of whatever it is that you're trying to create, whether it's creating an amazing website, writing an incredible presentation or even delivering a TED Talk, it starts with figuring out what makes successful works unique and then developing that and templating that. Turning it into a template that you can apply to make your work easier.

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FT: I'll ask you in a minute about reverse engineering financial greatness. I like to think of this podcast as the vehicle to do it. A lot of people say they listen to this show and after like a year or even two weeks, they feel like they have a blueprint for themselves after hearing so many great guests and other people's questions that I answer on the show about money. What about reverse engineering a path for yourself where you may be the first to try to achieve that — Barack Obama for example, 1st African-American president. Certainly, he has many presidents to learn from, but he himself is a very unique case. With that comes adversity, racism, all of that show up along the way.

To the extent that yes, you can reverse engineer something, you got to prepare for bumps in the road that may be exclusive to you in some ways because you're either the first, you're trailblazer, you look different, you sound different or you're trying to do something that hasn't quite been done before. I know everything's been done, but you know, sometimes, you do feel like you have that very nuanced new idea or concept.

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RF: Right. This is where I think it's valuable to consider that reverse engineering doesn't just apply to your field, it's looking at other fields too, and then incorporating some of their strategies. A good example of this is, we talked about comedians and what is it that we can learn from comedians about how they accelerate their success. Well, in the case of Aziz Ansari for example, he's not just going out there with a Netflix special. He's using test audiences all the time when he goes to the comedy cellar and places like that that are hundred people at most. He's testing out jokes and he's getting feedback. I talk about this approach in the book, which is, you can use test markets in any field. Literally any field. How cheap is it to go on Facebook right now and get 100 people to give you feedback on whatever your idea is.

It's not going out there and making the biggest possible splash. It's about gathering feedback from your target audience quickly so that you can iterate. That's a strategy that comes from comedy, but it's also one that politicians use when they're going out to diners and testing out phrases. Businesses do this all the time online. Right now — all those brands you've never heard of on Amazon, a lot of them are established brands working under a pseudonym. There

are all these strategies that we can apply by reverse engineering people outside our field. But the key, not just to observe passively and say, “Ha! That’s great. I wish I thought of that.” It’s, “What can I learn from this and how do I play to my field?”

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FT: What about financial greatness, Ron. Everybody on the show wants to just one up themselves when it comes to money. I want to make more, save more, spend less, get out of debt. To that extent, I always say, it’s not rocket science, managing your money well. The talent part out the window. Practice maybe helps if you had a little bit of a good relationship with money growing up and you had a bit of that financial fluency, but that doesn’t exclude everybody else from being successful. What do you think? What’s your opinion on things like financial greatness and can you reverse engineer that?

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RF: My book has two parts. The first part is all about how our people reverse engineering in all these different fields, how you can do it and how you evolve your formula. The second half of the book is about shrinking something I called the vision ability gap. Just because you know what you’re trying to execute doesn’t mean you’re going to be good at it. The second half of the book is all about the psychological principles that you could apply to accelerate your skill building quickly. It all starts with this chapter called The Scoreboard Principle.

The Scoreboard Principle is simple. All it says is that measurement begets improvement. Anything you want to get good at, the first step is to craft your own scoreboards so that you can track your personal metrics. We know from the research, if you want to improve your water consumption, measure your water intake. You want to lose weight, measure your calorie intake. You want to increase your focus, measure the number of uninterrupted minutes you have at work every day. Just having that scoreboard will motivate you to improve and it’s because when you see your scores improve, that provides you with an emotional jolt that elevates your motivation. But beyond that, there is also — it highlights all of the wasted energy that doesn’t contribute to your score.

For entrepreneurs, one of the things they notice is that they start to hate meetings as soon as they live the corporate world. It's because they realized it's doesn't contribute to their bottom line. But in most organizations, setting a meeting is a way of avoiding having to make a decision. There's no obvious cost to having a meeting. Once you identify what your scoreboard is, everything becomes clearer because now, you know what you're optimizing for. When it comes to financial advice, I think so many of us, it's like a moment to moment thing what we're optimizing for.

One day, we're optimizing for a long-term wealth. Another day, we're optimizing for having fun with our friends. Another day, we're optimizing for showing off. We're so swayed by social influences and we don't realize it. That swaying causes so much dissatisfaction. Because when you're optimizing for long-term wealth, then you can't post what you just purchased on Instagram and now you feel like you're a failure. But if you're doing that and you don't have any money in the bank, now you feel like a failure, you're constantly feeling like a failure because you don't know what you're optimizing for.

The key is to set some time ideally away from work where you can really reflect on what it is that you're trying to achieve and then work backwards to create those metrics for yourself, so that you know what point you're trying to score in the first place.

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FT: As I'm hearing you, it sounds like a lot of this is also knowing yourself, knowing what your tendencies are, what your weaknesses are and your strengths. Some of that to your point may require stepping away and just having a moment of reflection. If the last 18 months were nothing, I think a lot of us are coming out of this pandemic hopefully knowing ourselves better than we did in February 2020.

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RF: Yes.

FT: Spending a lot of time with ourselves in solitude.

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RF: Exactly. It's a meditation on what it is that you're trying to achieve, but I'll give you one other tool. We talked about the scoreboard principle and I think there's one other one that I want to share with you and your listeners, because I think it's so valuable.

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FT: Please.

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RF: It's the *Five-Year Journal*. You could find these on Amazon. If you haven't heard of this before, I think you're going to love it. The five-year journal basically is just three lines a day. There are five slots for every day of the year. What you do is you have to enter for the first line what it is you did on that day or what you learned or something you want to remember. You do this for 365 days, just a few lines every day. One year from now, you're going to enter what you did that day, but also, you'll be able to see what you did on this day last year. It's an instant reflection and it forces you to reflect on what you learned today. But also, it's a reminder of what you learned in the past. You're constantly strengthening your memory, your identifying wisdom that you'd forgotten, you're noticing all of the obstacles you've overcome. You're building your confidence.

I use it every day. It has transformed my life and it's a way of skill building, because you're automating something called reflective practice. We've all heard of deliberate practice. That's the idea that Malcolm Gladwell popularized in *Outliers*. It's about practicing something that's just beyond your current level of ability. Reflective practice is reviewing past performance to identify new insights. By using reflective of practice, you're elevating your wisdom, but you're also elevating your performance.

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FT: That book again you said is on Amazon?

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RF: *Five-Year Journal*. Yeah, there's plenty. There's a whole bunch of them.

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FT: What I like about this is that, it is inherent to us. It's not something that we have to — we don't have to buy a course to learn this. We don't have to go to college. It's like, would you argue that you have already what it takes to be able to reverse engineer what you want to do?

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RF: Do you have what it takes? I think you need a system for knowing what to ask yourself. Sometimes it's not just a matter of the desire, but it's just having a roadmap for this is how I do it. That's what I'm trying to give people is to say, "Look, don't just enjoy that book or enjoy that movie or appreciate that photograph on Instagram. Take a step back, apply some of these questions and you'll figure out the blueprint through that process."

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FT: Ron, as a social scientist, I have to ask you, why are we as a culture so obsessed with this idea of success and greatness? So many books, you've written some of them. This one is also probably in addition to that library. There's that person listening right now who wants to get to the next level. I guess you can call it many things, ambition, drive for success, that appetite. Where does that come from and what do you make of it? Why is it just specific our culture or is that just human nature?

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RF: How many hours do you have? This is a good conversation. I'll give you the brief answer. Clearly, a lot of it is cultural. Even within the U.S., East Coast versus West Coast, a lot of it

cultural. That said, we all have a basic human psychological need for competence. So feeling like we're good at what we do. If we don't feel like we're good at what we do, we're going to be miserable. We're not going to be engaged at work. We're not going to achieve at the levels that are satisfying to us. But competence isn't just being good at your work, but it's also having the ability to grow your abilities on a regular basis.

If you're not constantly growing and mastering new skills, you're languishing. You're just not the person you can be, you're not achieving your potential. I don't apologize for saying to people there's an easier path to greatness, because I feel like to the extent that I can help you fulfill your basic human psychological need for competence, you're going to be a happier person for it.

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FT: Well, thank you. My friend is actually writing a book called, *Let It Be Easy*. That's Suzie Morris book coming out I think next year. I think you're right, because we have been and maybe it's a myth that we have to, anything good has to come at a cost and that is usually our own personal sacrifices and sacrificing our time, and our money and our energy. I think that's a dangerous thing to continue to tell people.

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RF: A hundred percent. This is an easier way of finding out some things for you, right? Like save the 10,000 hour for something else, just — here's a blueprint that you can use to get good at what you want to get good at quickly. Also discover if something really holds your interest. If it doesn't, you can move on to the next thing.

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FT: Like I said, I've been doing this for 41 years, didn't quite know it, but now I feel validated and seen. Ron Friedman, thank you so much. Your book is called *Decoding Greatness*, how the best in the world reverse engineer success. Available June 15. Thanks a lot.

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RH: My pleasure. Thanks for having me.

[END OF INTERVIEW]

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FT: Thank you to Ron for so much to Ron Friedman. If you'd like to learn more about his book, *Decoding Greatness: How the Best in the World Reverse Engineer Success*. See you back here on Wednesday for another top hit from our Summer 2021 on So Money. I hope your day is so money.

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