

# COACHING *for* LEADERS

## **How I Built This: The Unexpected Path to Success From the World's Most Inspiring Entrepreneurs**

*by Guy Raz*

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### **Dave's Reading Highlights**

If you've ever read any Greek mythology or the Bible or watched Star Wars, you have experience with the "hero's journey," the concept—identified by the author and philosopher Joseph Campbell—that most great epic stories follow a similar narrative arc: a hero has a crazy idea; people doubt her; she leaves the village to pursue her vision, faces untold obstacles, falls into an abyss, barely escapes death, but manages to come out the other side with whatever she was looking for and continues on her journey to an eventual triumphant return.

What was even more surprising, to me at least, was that I was at all interested. In high school and college, I used to think that "business" was a dirty word. To me, it was the realm of hucksters and pitchmen selling cheap consumer products on late-night infomercials.

Watching my parents endure what entrepreneurship demanded of them, I could not think of any career less suited to my temperament and my interests than talking about businesses all day, let alone starting one. That's why I went into journalism, then into radio, and eventually into hosting at NPR. And yet, here I am. I have somehow managed to create or co-create five podcasts that, together, generate

millions of dollars in revenue and are heard by 19 million people a month.

But over the course of my time doing deep-dive interviews with hundreds of business founders and CEOs for my shows, I've come to understand that, for the most part, they are just like you and me. Which is to say, they're human. They all have sleepless nights and midnight terrors. Most of them, at some point, feel like imposters. They are not natural superheroes; they are all Clark Kents. The only difference between them and you, at this moment, is that when opportunity presented itself, they went into the phone booth and put on the cape. They took the leap. That's basically it.

This book is organized to help those people—people like you and me, like Stacy Brown—succeed. It is the product of in-depth interviews with hundreds of the most successful and inspiring entrepreneurs from across the business landscape—from the food industry to consumer packaged goods to the tech world, and more. It is a synthesis of the lessons I have learned from those founders, and it is structured to follow the path we took as we traced their entrepreneurial hero's journeys from the call to found their businesses (part I), through the tests and trials of their growth phases (part II), and finally to their destination as the mature, global brands we know today (part III). My goal is to pull back the curtain on entrepreneurship, to shed light on the black box of entrepreneurial success, and to provide an architecture for how to think creatively about building something, whether that's an idea, a movement, or, of course, a business.

Good ideas are hard to find and hard to get right. But once you find one, they are also very hard to turn away from. That's what makes good ideas so intimidating. Not that you won't ever find one, but that one day you will, and when you do, it's very possible that your life will never be the same again.

In this way, at least as entrepreneurial stories go, Lisa Price is the most like the rest of us. She was so passionate about what she did, it was so intrinsically rewarding just as an activity, that it didn't even

occur to her to take the next step with her idea—to sell it, or to turn it into a business. It was almost weird for her, as her response to her mother clearly illustrates, to even think other people would be interested.

“The way to get startup ideas is not to try to think of startup ideas,” Graham wrote. “It’s to look for problems, preferably problems you have yourself . . . It sounds obvious to say you should only work on problems that exist. And yet by far the most common mistake startups make is to solve problems no one has.”

There is a name for a person who creates something purely out of passion: hobbyist. There is a name for a person who creates something out of passion that solves a problem only they have: tinkerer. There is a name for a person who creates something out of passion that also solves a problem they share with lots of other people: entrepreneur.

The French novelist Victor Hugo famously wrote in 1862, “One withstands the invasion of armies; one does not withstand the invasion of ideas.”

Why is it that so many of us are so bad at differentiating between things that terrify us and things that present a real hazard? We’re scared of flying, but we have no problem zipping down the highway in our cars at eighty-five miles per hour, even though you’re eighty-six times more likely to die in a car accident than a plane crash; the odds of which are nearly 1 in 10,000, which itself is three times less likely than choking on food. We’re afraid of letting our children go in the ocean on summer beach days because of sharks, but we demand they take baths on a regular basis, even though bathtubs claim one American life every day and sharks claim only one per year on average. “Bathtubs should be 365 times as frightening as sharks, but it’s the reverse. We don’t have ‘Bathtub Week’ on the Discovery Channel,” the brilliant writer-scholar James Fallows wrote in a 2014 article for *The Atlantic* on this very subject of the difference between danger and fear. The reason for this is fairly simple: we’re more relaxed around things we’re more acquainted with.

At the risk of torturing this metaphor beyond recognition, what I'm saying is that most of the successful entrepreneurs I've met left the comfort of their previous lives as safely and smartly as possible. And they did this in one of two ways: either they stayed in their "real jobs" until their startups demanded more time than they could spare, or they went for it with a fallback plan in their hip pocket, which made the risks inherent in entrepreneurship manageable enough for them to be able to sleep at night.

But that was never on the spectrum of possibilities for Daymond. Even the rush of attention and sales that came from his appearance on Video Music Box couldn't get him to quit his "real job"—only to reduce his hours. Instead, he eased himself into the entrepreneurial life. "It was forty hours at Red Lobster and six hours at FUBU. Then it was thirty hours at Red Lobster and twenty hours at FUBU, because money started to come in," he told an audience of entrepreneurs at one of CNBC's iConic conferences in 2017.

Daymond will tell you that his job at Red Lobster did for FUBU what Herb Kelleher's legal practice did for Southwest: it gave his business the runway to take off, and once it did, he poured himself into it completely. But in the same breath, Daymond will also say that the Red Lobster job was the rip cord he could have pulled any time he felt like FUBU was going down. One could argue he should have pulled it more times than he did; he certainly would have been better off in the short run. "If [FUBU] would have failed [early on]," he told the iConic audience, "I wouldn't have been owing everybody; I wouldn't have had this huge deficit; my credit wouldn't have been ruined for seven years." He also would have had a job that kept him housed, fed, and clothed. A job he was good at, that he actually liked. "I was having a great time as a waiter," he said of those early years. Knowing that he could always go back to something he was good at, where he had a lot of experience, didn't make the leap into FUBU any less scary, but it did remove a lot of the danger. It gave him a cushion, a fallback plan. The same was true for Jim Koch. The knowledge that he could go back to Boston Consulting Group or some other management consulting firm whenever he wanted, made the insane

decision (at the time) to start a craft brewery seem less crazy. For Sara Blakely, the billionaire founder of Spanx, selling fax machines was her fallback. For Mark Cuban, internet entrepreneur and Daymond John's fellow shark, it was bartending. The founder of JetBlue Airways, David Neeleman, knew that if his idea for a low-cost airline that flew out of big markets didn't take off, he could always go back to being a travel agent.

And yet, time and again, when I meet the founder of an amazing company that has done wonderful things, I find myself listening not so much to the story of a great idea born of singular brilliance, but to the triumph of a good idea in the hands of a perfect partnership. In my experience, it seems that partnerships have been the rule, not the exception; and as Paul Graham wrote in his famous 2006 essay about the mistakes that kill startups ("single founder" being number one), "It seems unlikely this is a coincidence."

Typically, when we talk about bootstrapping, it's a financial conversation, and to an extent that will always be true. Without other people's money to stand up your business—whether it's from friends and family, venture capital, or something like an SBA loan—you have to find other ways to pay for things: credit cards, personal savings, cycling profits back into the business. But having spoken to hundreds of brilliant entrepreneurs, I know that bootstrapping is more than simply using alternative sources of personal financing as a last resort. It's also about keeping control of your business as long as you can. It's about using other nonmonetary assets to solve problems that you would otherwise hire someone else to solve or throw money at—assets like your time, your effort, your network, and your own talent and ingenuity.

In 2015, Sam Altman, the president of Y Combinator, took to Twitter in defense of bootstrapping. "In our experience at YC," he wrote, "the best companies do amazing things on small amounts of money." He continued, "We especially love companies that can do a lot with little capital. It works much more often than those who do a little with a lot."

But what I have found in my own experience and from listening to the experiences of entrepreneurs across the spectrum is that there is only one reliable way to engineer word of mouth: you have to make a really good product. Actually, that's not precisely true. It can't just be really good. It has to be so good that someone has to recommend it.