



SPI 315

How to Disrupt Yourself & Grow a Company with Whitney Johnson

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- Whitney: The number one reason that the funded start-ups went out of business ... These are funded start-ups, they've raised outside money. They ran out of cash. And for the unfunded start-ups, the people who bootstrapped, it was only the number 10 reason. And so, what I would say to you as you're trying something new, look at what you don't have enough of, and then look at how you can turn that to your advantage. Because that is going to ... In the process of doing that, of turning that to your advantage, you're actually going to tap-
- Pat Flynn: That was Whitney Johnson, our guest for today, from WhitneyJohnson.com. A leader, one of the 50 top leading business thinkers in the world, according to Thinkers 50, she's an expert on disruptive innovation and personal disruption, and she's gonna help us today learn how to grow our businesses, to understand the patterns that we are going through, especially when we're starting something new. So, make sure you stick around. Thanks for being here. Cue the music.
- Announcer: Welcome to the Smart Passive Income podcast, where it's all about working hard now, so you can sit back and reap the benefits later. And now your host. He wants to put entrepreneurial curriculum into the classroom. Pat Flynn.
- Pat Flynn: What's up everybody. Thank you so much for joining me today in session 315 of the Smart Passive Income podcast. My name's Pat Flynn, here to help you make more money, save more time, and help more people too. Today we have Whitney Johnson in the house, and we're just gonna get right into this interview because it's a good one. Here we go.
- Whitney, thank you so much for coming on the SPI podcast. I'm just so excited for today's conversation. How are you?
- Whitney: I'm doing great Pat, and I'm thrilled to be here.
- Pat Flynn: Thrilled that you're here as well. And a big shout out to a previous guest of the SPI podcast, Richie Norton, for introducing us together,

and I'm happy to have you on the show. And before we get into today's topic, which is gonna be really important, and we were just talking right before we hit record that this is gonna apply to probably 99% of the audience. So, make sure you stick around and listen. But I'd love to know how you got into what it is that you do.

I see WhitneyJohnson.com, if somebody goes there, what can they expect?

Whitney: Hmm, how long do you have? Well, how did I get into what I do? My background actually is I graduated from college in music, and then moved to New York with my husband, he was in graduate school. He was in school not making any money, someone had to put food on the table, it turned out to be me. And I discovered Wall Street. It was super exciting, even though I knew nothing about it. And so, I started as a secretary, worked my way up to investment banking, became a Equity Research Analyst, award winning, then disrupted myself, became an entrepreneur, connected with Clayton Christensen at the Harvard Business School, and eventually co-founded an investment firm with him to invest in disruptive innovation. And both early stage companies, as well as publicly traded securities.

And when I was working with him, I had this really big ah-ha that this theory of disruption that we were applying to products and services and trying to figure out if we should buy a stock or short a stock, that it was at a very high level of framework for managing change, beginning with the individual. And so, when I had that big ah-ha, I thought, "I've got to explore this."

And so, the last five years I've been researching and codifying a framework of personal disruption so that you can figure out if it's time to do something new, and if it is time to do something new, how do you go about doing this so that you can be successful.

Pat Flynn: What is the consequence of not thinking about this kind of stuff?

Whitney: That's a great question. I think the consequence of not thinking

about this stuff is that you can either disrupt yourself or you can be disrupted. And because we all know that change is, it's necessary, it's desirable, it's actually inevitable. And so, then the question becomes, and I think this is why this work is so important to me, is we all know that we need to change and sometimes we don't want to. It's going to be thrust upon us whether we want it or not.

And so, how do I in my work, make it safe for people to change? To do what they want to do, deep in their heart and soul, but how do I make it safe for them and give them a process and structure to do that?

Pat Flynn:

I mean, that sounds like a hugely tall order to try and figure out, because I know everybody's different. However, I love that you're creating kind of a framework about how to do this, and I would definitely recommend everybody check out your podcast, Disrupt Yourself podcast with Whitney Johnson. You can check that out on iTunes and on her website. But what is this framework even like? How do we even begin to understand?

First of all, we have to be clear in our heads that yes, we're not in a place where we wanna be. We wanna go somewhere else, but I think that's just where a lot of people stop, because they just don't know the how. So, can you tell us how?

Whitney:

Yeah. So, let's actually back up a little bit and go to that, because sometimes we think we want to do something new, and sometimes it isn't time to do something new. So, I think that there is, and some of your listeners I bet are in that situation where they're like, "I'm ready", and yet they're maybe not quite ready. Or maybe they're really ready and they think they're not.

And so, I wanna answer that question of like, is it time to disrupt myself, and that'll help us then move into the how of what you just mentioned.

Pat Flynn:

Sure.

Whitney:

So, I want everybody who's listening to picture an S. There's the base of the S, there's the back of the S, and then there's the top of the S. And whenever you think about, and this is what we saw in investing, is you think about how quickly a product will be adopted. At the outset, you're gonna move along, and the base of the S, time is moving, moving, moving, growth is slow, looks like nothing is happening, but then enough momentum is built that you reach this tipping point and you move into hyper growth.

So, that's that back of the S where very little time passes, and a lot happens. And then at 90% our saturation of a market, the growth again tapers off. And so, the big insight I had was that this also could help you understand the psychology of trying something new. So, the S curve tells you when you're gonna try something new, initially progress is gonna seem non-existent.

And so, this helps you understand that you might be feeling discouraged but that's really, really normal. But then, all your effort, you're building all this momentum, and after six months or so on this new job, this new role, this new business, you're gonna accelerate into competence. And you're gonna feel confident.

And then you get to the top of that S, and now you're this master. Things are easy, but because you're no longer enjoying the feel good effects of learning, you get bored. And so, at that point, and that's the question I would ask all of your listeners, is are you to the point where you're bored, and this plateau that you're on where everything's easy and you may feel complacent, is actually going to turn into a precipice.

And if you go to my website, you can take this diagnostic, WhitneyJohnson.com, and figure out where you are on that S curve. And if in fact, as you're listening, you're thinking, "You know, it is time for me to try something new", you can take this diagnostic and be like, "Okay, yeah. It is. I do need to do something."

So, that's sort of the background, and now we can go into the how. I'll pause for a second because you might have a question.

Pat Flynn:

No, I do have a question, thank you. You know, I have a lot of people in the audience who, they get so fired up about starting something new, right? So, they decide to make a change, they're taking action, and before they get to that exponential growth in that S curve that you're talking about, I think they start to already experience boredom before the success, and I'd love for you to speak on just this repetitive cycle that a lot of us go through which is just we're always in building mode, and then as soon as something is perhaps ready to get mass market, or big, or start to make sales for us, we kinda go back to starting something new before even giving that thing a change to succeed.

Where is that coming from? And can you address that and perhaps unpack that for us?

Whitney:

Yeah. That's a great question. So, I think if you think again about the psychology around this, right? Of you're discouraged, then you're confident, and then you're bored, I do think there is some element of this is just a natural cycle of life and the natural cycle of learning. And so, once you approach that mastery stage, knowing that you're going to get bored, I think what you're asking is this idea of sometimes we don't persist when we need to persist. That sometimes we can disrupt too much.

And so, there is an element of being able to learn when it's time to disrupt yourself, and when it's time to get to the top of the learning curve and to survey all that you've accomplished, and to appreciate it, and to prepare for the future, and also to make it possible that whatever you've built can continue to grow and persist beyond your having been there.

So, I think it's natural that you're gonna get bored, but I also think, and your point is something important, sometimes we just need to persist, and sometimes we just need to slog a little bit. And sometimes there's a slog at the low end, and sometimes there's a slog at the high end, and that's just part of our being able to become successful, is the willingness to slog.

I remember, I was just reading this morning a quote from Steve Jobs, he said that he's convinced, and I'm paraphrasing, convinced that most of what separates a successful entrepreneur from an unsuccessful entrepreneur is perseverance. And so, I would say to all of us if we're feeling a little bit bored, persevere just a little bit longer, and then you can jump to a new curve.

Pat Flynn: Do you have any suggestions on if a person is at that point, how to persevere? Is it tapping into the why behind what you're doing? Is it some other strategies that you might have?

Whitney: I would say two. One is I think tapping into the why, you've just hit a really important thing of okay, I'm doing this because this isn't just about me. I've just actually started doing the Headspace meditation, which is fantastic.

Pat Flynn: I love Headspace.

Whitney: Oh, it is so great. I know I'm totally digressing, but it's really making a difference. It's making a huge difference for me. I gave this huge speech yesterday and I meditated before, and I felt like I was so much more into, focused on what I was saying and not having it be about me, but focused on the words and the people I was talking to.

Anyway, the point being, is that every time you do Headspace, not every time, but most of the time, is like why are you doing this? Who are you doing this for? And I think when you, as you said, if you can connect this back to the why, I'm doing this, like I said earlier, I'm doing this to help people feel, make it safe for people to change. When I can connect back to that then it's easier for me to persist. I think the other thing that is really powerful, is that I think we sometimes think a lot about endurance in terms of our physical, you know ...

People run marathons, people climb mountains, and we think of endurance in that respect, and I think that there is an element of us are learning how to build out our endurance when it comes to persisting with an endeavor. Whether it's writing a book, or building

a business, not just when it comes to physical feats.

Pat Flynn:

I would agree with you 100%, and I know through just the decade of doing this on my own, I mean, I've gotten a little bit better at persisting, and at first I just, I don't know if it's because I was young and I just, we're in an age now where we want instant results, I was just not ... I couldn't imagine keeping going sometimes, but yeah.

So, thank you for sharing those two things. So, let's talk about change. Change is hard, change is uncomfortable, change is, even though we know we want to do it, it's just not easy to do. How do we make it work for us?

Whitney:

Yeah. So, here's some of the nuts and bolts, and I'm super excited to share this. One of the things that I learned, and we know from the theory of disruption, is that when you pursue a disruptive course, your odds of success are six times higher, and your revenue opportunities 20 times greater.

And so, that's for you as a business and for a person. So, here you are, you're gonna jump, and I have a seven point framework that if you'd like, I'll go through it relatively quickly to help people walk through it.

So, the first one when it comes to change, is to take the right kinds of risks. So, there's two kinds of risks that we typically, or I typically think about. One is competitive risk, and one is market risk. And competitive risk is where you've got this big idea, huge opportunity, you've got all the projections to prove it, you're really confident that there will be customers, so you just now have to figure out if you can compete, and when.

So, that's competitive risk. That's the kind of risk we want to take less of. What we want to take more of, is market risk, where you have this idea, your colleagues, your friends, think it's a little bit silly, you don't really have projections, but there's this sense that there's a job that needs to be done, that people want being done, and it's not being done.

And that's market risk. And when you're willing to take on market risk, your odds of success go up. And let me give you just a quick example. One of my friends has triplets. They were 11, they were like, "Mom, we wanna earn some money." So, they set up a lemonade stand. But they didn't set up in front of the grocery store, where they knew there would be customers, that was competitive risk. They set up next to the football field after football practice on a hot summer day.

So, these 11 year olds, they basically under, or intuitively understood market risk, they didn't know if there would be customers there, but there was no competition. So, when the customer showed up, the entire market was theirs, they made \$75, in about 20 minutes. 11 year olds.

So, here's the thing. Probably most people listening are gonna say, "You know what? That's right, I gotcha. I'm gonna do more market risk." The reason that they won't, and I won't, unless we really sort of say, "I'm gonna do this", is that competitive risk, even though it's more risky, it feels less risky. Because when you take on competitive risk, you basically know who your competitor is. You know who the enemy is. It's like going into battle, there's opposition, and it feels really tangible, so it's more risky, but it feels more certain.

And market risk, there's all these uncharted waters. There's no enemy, there's no opposition, you're like, "Is there even a market?" And it feels kinda scary. So, when you're trying to do something new, you want to look for ways to take on market risk so that you can actually lower the risk of trying something new.

Pat Flynn:

I like that. I love that you use the example of the lemonade stuff, because it's, you're not inventing new lemonade even. A lot of people feel like they have to reinvent something, or create something completely brand new, but no, it's just the way that you approach it and going to more of a market risk versus competitive risk that you start to see some success. So, thank you for sharing that.

Whitney: Good, yeah. And again, it applies not only in business but it applies to you as an individual in your career as well if you wanted to play that out. But I know given your audience is probably more, it's better to focus on business. Okay, so, second step. And this doesn't necessarily need to be in sequence, this can come first. But nonetheless, it's really important, and that is to play to your distinctive strengths. So, not just what you do well, but what you do well that other people around you don't.

A great example of this is the koala. So, the koala, cuddly little animal, sleeps up to 20 hours a day, you're like, "How does it even survive?" Because it eats something no other animal eats. It eats eucalyptus leaves, which are poisonous. This is its distinctive strength. What's fascinating to me often times when people are thinking about change, trying to do something new, is they don't, even if we do know what our strengths are, we don't necessarily use them.

And so, I want to give you one quick clue to figure out what your strengths are, and then encourage you to use them. Think about, in fact right now, commit to yourself over the next couple of days, every time you get a complement, to write it down. And the reason why is that we tend to deflect compliments in part because we do them so reflexively well, it's like the air that we breathe, and because it's like the air that we breathe, we don't value it. So, we tend to over value everything we're not, and undervalue everything we are. And if you want to actually be successful when you're trying something new, you've gotta value that thing that you do instinctively, and reflexively well.

So, back to lemonade stand. If you have an idea for a lemonade stand, but you can't make lemonade, it doesn't matter that no one else is playing there. So, my question to each of you is, what are those compliments that you're getting, that you dismiss, that you do reflexively well, and when you're trying to do something new make sure you're leaning into that strength as much as possible.

Pat Flynn: I love that, and I think for everybody with a social media following

right now, it'd be very easy to, in a nice way, not say, "Hey guys, why do you think I'm awesome?" But you know, in some way, in your own voice, share like, "Hey, what kinds of things do you enjoy that I do for you to help you with your ..." Whatever it is you help them with. And I think there's a way to tap into, even more immediately, some of the things and strengths that you have by just asking your audience.

Whitney: You know, that's such a great point Pat, and that's something I learned from our colleague, or our friend Richie Norton, where he and I are working on this course together, and he's like, "Let's just ask people what they wanna know?" What do they ... And not specifically what do they wanna know about the universe, but what do they want to know from us.

And I think what you just said is that gives you huge clues, because the questions that people are asking you, that's signaling to you what your strengths are, right? Because they're handing you that expertise. Wow, what a great insight. I love that, Pat.

Pat Flynn: So, koala, and I love that. It's true, they're the only ones that eat that thing. I mean, that's why when you see eucalyptus forests, there are no other plants there because they kill all the other plants around them. So, I love that you're adding these visuals too. That's helping me keep track of where we're at. So, number one, risks. Number two, play your strengths. Love it. You wanna move on?

Whitney: Yeah.

Pat Flynn: Let's do it.

Whitney: Constraints, embrace them. 30 years ago, there was a film maker that wanted to make a movie about sharks, he had this huge mechanical shark that he was going to use and it didn't work. So, he's now over budget and behind schedule. Stephen Spielberg, finally decided to shoot the scenes from the shark's point of view, and left the music, and I guarantee you, you can hear that music in your head right now as soon as I said that. Exactly.

So, I'm gonna give you one other thing that I think is fascinating. There was this post mortem done of 200 failed start ups. They divided them into funded and unfunded start ups. The number one reason that the funded start ups went out of business, these are funded start ups. They've raised outside money. They ran out of cash. And for the unfunded start ups, the people who bootstrapped, it was only the number 10 reason.

And so, what I would say to you as you're trying something new, look at what you don't have enough of, and then look at how you can turn that to your advantage. Because that is going to, in the process of doing that, of turning that to your advantage, you're actually gonna tap into your distinctive strengths, what you do reflexively well, and also, because there are all these doors that you wanna walk through, and they're close to you, you're going to by default find a way to take the right kinds of risks.

Pat Flynn: That's great. And the story about Jaws was fantastic, too. I remember hearing, I think it was the salt in the ocean was just killing all the mechanics in the mechanical shark so they had to, they kinda had to figure things out after that.

Whitney: Is that what it was? It was the salt?

Pat Flynn: It was the salt. It was just messing with the machinery, yeah.

Whitney: Oh, that's interesting. I think there's another metaphor in there somewhere. I'll have to think about that, but that's really interesting.

Pat Flynn: Probably. Don't be salty.

Whitney: Yeah, exactly.

Pat Flynn: No, that's great. I love that, and I think it's really important. Actually, my question was for the bootstrap start ups, what were the top reasons why they failed?

Whitney: Oh, one of them was that there wasn't a good product market fit. I

think that was one of the top reasons. So, they hadn't figured out the product, but even so, I thought it was just so interesting to me that they needed to figure out the product and that was a problem. They needed to get out of the building, as Steve Blank says, but the fact that they were able to do so well even when they didn't have any money, really suggested to me that there's some real power in not having enough.

Pat Flynn: Yeah, for sure. Great, constraints. Number three. Or number four.

Whitney: All right, number four. Okay. This is probably my favorite one. You'll be surprised why, but I think it's important. So, battle entitlement. This is the belief that I exist therefore I deserve. You know the movie star who gets pulled over for speeding and says, "Don't you know who I am?" Now, how does this apply to us in trying something new? Because I think a lot of us who are listening to this, I bet a lot of your listeners in fact, are very scrappy people. And so, we're like, "But I've worked really hard for everything I have. I'm not entitled." And in some ways we're not. But the fact is that we are all entitled in some way, the question is how.

The way I think this applies when it comes to making a change, is that we have this idea and it's human nature to say it's mine, therefore it's brilliant, therefore you should want to buy into it. And so, the thing that we have to remember is that every time we wanna jump to a new learning curve, we wanna try something new, we need buy in from someone. And so, we're asking that person from whom we need buy in, to buy our product, to fund out business, whatever it is, to jump to a new learning curve as well, and it's not their curve, it's your curve.

And so, we battle our entitlement by being humble enough to do the work, to get into their shoes, to figure out how to get them to buy into the idea. And again, this is one of those things we're like, "That's so obvious", but we don't do it. I don't do it, you don't do it, we all don't do it. We need to be willing to be humble, and to figure out how to explain our idea in a way that it's meaningful to the person on the other side of the table, so they'll want to jump to that

new curve.

Pat Flynn: Do you have any strategies for us to just mentally check in with ourselves before, for example a pitch, when this would apply?

Whitney: Yeah, I do. So, it applies ... If you're ... One thing that just came off the top of my head, and I'll go to that in a second, so every time we want a promotion, for example, we're like, "I want this promotion because it will do these three things for me." Wrong. What we wanna do is figure out, okay, I'm going after this promotion. What jobs is this person that I want to prompt me, trying to get done? What functional jobs are they trying to get done within the company, and what emotional jobs are they trying to get done within the company?

Are they trying to get promoted? Are they trying to feel like they are helpful? Et cetera. And so, you ask yourself, "Am I positioning this idea in such a way that it's helping this person get those jobs done?"

Pat Flynn: I like that. And a good question to ask would be something like, whenever you're getting into a situation like that where you want something, you can question yourself and ask, "Well, who's this really for?"

Whitney: So well said.

Pat Flynn: And I think that would ... And I'm just thinking in my head, okay. How would I frame this for my kids to understand this? And I think that's what I would tell them. Like, "Hey, if you want something, okay who is this really helping? And how can you, if it's just only helping you, how can you reframe it so that you're actually serving the other person too?"

Whitney: Exactly. I love it. I love it. It's so amazing, isn't it? How you can reframe ... I mean, if you can reframe it so a 10 year old can understand it, and then you're onto something.

- Pat Flynn: I think that's one of my super powers. I feel like I'm 10 years old sometimes. And I'm just like how would I tell myself?
- Whitney: Yeah. That is a super power. Because it's the ability to translate an idea into language that everyone can understand.
- Pat Flynn: Absolutely. And I don't know if Richie told you, but I have a big passion for in the future helping, and even already doing stuff now, to help kids learn entrepreneurship. It's one of my ... What I want the rest of my biography to be about.
- Whitney: Who isn't? Oh fantastic. So, that lemonade stand, you'll have to share that story with the kids.
- Pat Flynn: With your permission.
- Whitney: Absolutely.
- Pat Flynn: Fantastic, thank you.
- Whitney: Absolutely.
- Pat Flynn: So, battling, entitlement, man. That's a huge one, because especially with nowadays and it's very easy to feel entitled for certain things. Okay, so number five. You said there's seven, right?
- Whitney: Yeah. Okay. So, this one is step back to grow. So, personal disruption, by definition, involves when you move sideways, backwards, or down. Sometimes you step back, sometimes you're pushed, and either case it's an opportunity for you to grow. And so, how do you step back? Well, you step back from your entitlement, this idea of this should just work. You step back to think about the big picture. Anytime you want to make a change, and you're thinking very thoughtfully about that change, you're thinking about the big picture. What does it mean? And how does it tie back into your why like you were saying earlier?
- You step back from work to rest. We know we're more productive when we take a break. Stand up from your computer, take a walk,

do your meditation, and then you step back in your career, and I think that that's certainly applicable to your listeners in particular. When you want to convert a side hustle into an actual business, there's going to be some element of stepping back. Certainly the metrics that you're using to measure your success are going to have to change and that requires a step back.

What's important and exciting is that the step back is frequently a slingshot. It's what allows you to move up and change more quickly if you're willing to do that. And the image that I want you to keep in your mind as you think about this idea of step back is we always crouch before we jump, we bring oars back the glide forward, we put ski poles back in order to go racing downhill, and you always bring your fist back in order to punch.

And so, this idea of stepping back to grow, it's an integral part of being able to manage through change successfully.

Pat Flynn: Yeah man, I think it's tough because we are all so deep into the work that we do that we ... I mean, this is why I recommend to get into mastermind groups, because sometimes we don't see the big picture, and we can't step back on our own. We need some help and outside perspective, which is ... My mastermind group, I'm actually in two of them that have been ... I mean, I wouldn't be where I'm at today without their outside input and helping me actually step back just like we talked about.

So, it's a tough thing for us to do individually, and if you can do that, great. But I think if you need help, I think connecting with other people who share the same values is the way to go.

Whitney: Well, what's an example of how you took a step back and someone gave you some insight, when you thought about the big picture? Does something come to mind off the top of your head?

Pat Flynn: Yeah. I mean, I was very close to publishing *Will It Fly*, my book, as a traditionally published book. And I was just so into the idea of traditional, because that's what every person aspires and wants to

do, that I didn't-

Whitney: Competitive risk.

Pat Flynn: Yes.

Whitney: Like we said. Competitive risk.

Pat Flynn: Exactly.

Whitney: Okay, keep going.

Pat Flynn: Instead of what I was told was that, well not only was I gonna lose a little bit of control on my book, which wasn't the biggest issue, it was that I wasn't going to be able to serve my audience in the best way possible, plus it was kind of going against what my brand is about which is like the self starter, and the person who's kind of bootstrapping and trying it, and doing it on their own in a very scrappy way, and going traditional wouldn't have reflected that.

And so, bigger picture, I'm like, "Oh well, now it makes complete sense to go self published." I'm so glad I did it, because I became a Wall Street Journal best seller, as a self published book, and not only that, I was able to rally my tribe to ... We did this fun experiment, Whitney, where we had people go to Barnes & Noble ... I had to go through Ingram Spark so people could order it through Barnes & Noble, but I had everybody do it all at the same time, like the same weekend, and as a result of that, hundreds of people went, and they asked for the book, and it wasn't there-

Whitney: Oh, that's fantastic.

Pat Flynn: And they ended up putting it on the shelves in some Barnes & Nobles as a result of that.

Whitney: That is a great story.

Pat Flynn: Which is really cool. So, that wouldn't have happened, I wouldn't have had the need to try something like that if it wasn't for, not

just my audience but my mastermind group and the people on the outside, really bringing perspective when I'm so laser focused sometimes.

Whitney: Can I just editorialize for a second?

Pat Flynn: Please.

Whitney: So, you took on market risk, by self publishing. You played to your distinctive strength, what you do well that others don't in terms of your brand and your scrappiness, and your hustle, and you turned your constraint of it not being inside of the traditional bookstores into a tool of creation by having your tribe, your people who love your work all going to Barnes & Noble at the same time, and that would not have happened if you'd gone through traditional publishers. So, the constraint became a tool of creation.

Pat Flynn: I'm a koala.

Whitney: There you are. There you go.

Pat Flynn: I sleep 20 hours a day. Actually, it's probably the opposite of that, actually. But ... Man, I'm loving this, Whitney. So, that was number five, step back to grow. Number six.

Whitney: Okay, two more. Okay. Number six is to give failure it's due. Whenever we start something new there is a fantasy that things will be simple and linear, we'll work hard and our dreams will come true. And that's just not always the case. One of my big failures was that I gave a speech in front of hundreds of people, and they didn't like it. They hated it, and I have all the comment cards to prove it. And I have more failures of being fired, and backing a business that imploded, but I think the important piece here is that whenever we fail, we're embarrassed, but we're also heartbroken, because there's ...

We thought we were gonna conquer something and be so important and successful, and help the people that we love, and

then it didn't happen. The thing that I think is important here, is that we need to grieve, we have to grieve. I think sometimes we think, "Well, I shouldn't be sad." No, we have to be sad. We need to be sad, because it's an important part of the process. But once we finish grieving, we have to ditch the shame that sometimes come with when things don't work.

Because if we buy into the shame, we allow that shame to become a referendum on us, and it's actually shame that limits change, shame that limits disruption, not failure. And when we realize that, and we can pull the shame out of the equation, we realize that every single time that we do something, and it doesn't work very well, it is a goldmine of information for how we can improve. And when the shame's out of the equation, we can look at that really clinically and analytically, and we can move forward and at a rate that much faster.

So, failure becomes a constraint and a tool of creation if we're willing to give it its due.

Pat Flynn: Wow, the shame piece is extremely powerful, and my head is going into, well it's easier said than done to remove the shame.

Whitney: Oh, totally.

Pat Flynn: Obviously. How might one, especially ... I'm thinking you have family members who are just disappointed in you, or embarrassed because of things you're trying to do to make this change, but they're just not behind it. What do you do in that situation?

Whitney: Hmm. Well, I have two thoughts there. The first is to understand why the shame kicks in. We are in a society, and if you think about going back to even grade school, you get an A on a test, you're smart, you get a B you're dumb. And so, our identity gets really wrapped up into this binary success failure. And so, we try something new, we're not perfect immediately, and so we feel a sense of shame because it's about our identity. It's not about something out there that we tried, it's about who we are.

And so, part of I think the process here is an understanding of that, and awareness of it, so that we can start to unpack it, and in some instances it's so acute, we need to go into therapy because we need to get rid of that in order to be able to move forward, and to change, and iterate quickly, and really accomplish all the magnificent things that we want to accomplish in our lives.

When it comes to our family and how they feel, I would say that, and this is obviously with the very limited information that you gave to me, but I think that whenever ... This goes back to this idea of jumping to a new learning curve. Whenever we jump to a curve, especially when it's our family, and they're somehow tied to our outcomes, that we understand that our jumping to a new curve in some way implies that they're jumping to a new curve as well.

And so, sometimes it's important for us to find ways to de-risk it for them to make it feel safer for them. To help them understand our why, and how does our why tie back into their why, because as a person trying something new, if you go back to the Judeo-Christian honor thy father and mother, when you're trying something new, it's always in some form or fashion to bring honor to those you love.

And so, if you can go back to that big why, find some ways to de-risk it, and understand what is it about it that's scaring them. I think that that can certainly be a step forward to helping them not sort of pull back the shame that their feeling and pull back the shame that they're imposing upon you.

Pat Flynn:

I love the way you frame that, thank you for that, because that's a common thing especially with a lot of my audience is they're trying something new, which means their spouse is also trying something new as a result of them trying something new. And so, I think letting them know why you're doing it, and just being open and honest and authentic, and hopefully allowing it to be a little less risky for them when you take these new risks, is gonna be the best scenario.

And I love what you said about the failure thing. I mean, it reminds me of this video I watched of the people's astronomer, Neil

Degrass Tyson, and he was doing a speech at a commencement, and he just said this example and it stuck with me, and he said, “Imagine a spelling bee, and a person goes up and they’re the first contestant, and they are tasked with spelling the word cat, and they spell it C-A-T. So, they pass. They go move on to the next round. The second contestant comes up and they spell cat like this, they go K-A-T. Well, that person didn’t pass, they fail. They’re out of the competition. The third person comes up, and they spell cat, Q-X-L. They are equally as out of the competition as the person who spelled it very, very closely, phonetically correct. K-A-T.”

And like you said, we’re in this society now where there’s always a right or wrong, and there’s a middle. And we have to know that sometimes when we fail, we might be really close to that success, and we’re not the Q-X-L, we’re the K-A-T. Yes, we didn’t pass to the next round, but we were really close, so why would you give up if you’re so close?

Whitney: Right, right. It goes back to your, the idea of when to persist and when ... And sometimes it is time to try something new, and that’s part of what we have to figure out and sort out as well. Love that example. Thank you for sharing that.

Pat Flynn: Yeah, no. My pleasure. This is a wonderful conversation. So, let’s bring it home into number seven now. We’ve talked about a number of things, and I think already I can feel the listeners even just starting to get encouraged by all of this. How do we bring this home?

Whitney: Number seven is to be driven by discovery. As a disruptor, as a person who’s making a change, you are in search of a yet to be defined market. The market you don’t know what it is yet. And so, that probably means that you’re going to end up in a place that you hadn’t anticipated you’re gonna start off, but you won’t get there. And a great example of this is Lewis and Clark. So, you’ve got Lewis and Clark, you remember Thomas Jefferson purchases this large tract of land that constitutes a very significant portion of this southern United States today, and he sends Lewis and Clark off to

figure out what he's acquired.

And so, they start in St. Louis, Missouri, for those international listeners. It's in the middle of the United States heading to the Pacific Ocean, with keel boats. Freight boats you use on rivers. They have enough supplies they think to make the trip. Well, at one point, the Missouri River peters out, so they abandon their keel boats, and then the supplies run out. So, they hunt, and they trade with Native Americans, and then they get lost and they find a guide.

With each new discovery, they had to alter their plan, and to be successful with any change you're gonna make, you need to alter your plan. Now, as I said a moment ago, this means you're gonna end up somewhere you hadn't anticipated. The good news is that you are not gonna be alone because 70% of all successful new businesses, and I would say endeavors, end up with a strategy different from the one they started with.

Pat Flynn: 70.

Whitney: 70%.

Pat Flynn: Wow.

Whitney: Like Netflix. And so, I think that's important to know. And the other thing I would say is important to know, is that Korn Ferry, the executive search firm, did a study to look at the leading predictor of C Suite success, and I think this applies broadly, it was the ability to deal with ambiguity. To walk into the unknown, to take a step forward and gather feedback, and adapt.

And so, what I would say to each person who's listening and thinking about, "Okay, it's time for me to make a change. I've determined that. Now I'm going to make a change", is to start knowing that you're gonna get lots of new information, and when you change, when you pivot, when you move, all good, because you are in good company with companies like Netflix.

- Pat Flynn: Instagram as well. Instagram started out as an app to, it was actually a whiskey application.
- Whitney: What?
- Pat Flynn: Yeah, it started out as a whiskey application to have people share the different whiskeys that they were consuming, and one part of this app was the ability to, after you take a photo of your whiskey, to change the filter on it. And that's the feature that everybody talked about, and then it became Instagram.
- Whitney: Great example. Love it.
- Pat Flynn: So, there are several more out there, big and small, and man, this has been super fantastic, Whitney. Thank you for this conversation today, and for laying down a framework for this new change that people are gonna have, not just with their business but perhaps in their life as well. This is super valuable, thank you.
- Whitney: Thank you.
- Pat Flynn: Where would you recommend people go to get more information about you and find out more about yourself?
- Whitney: I think the best place is to go to my website, WhitneyJohnson.com. As I said early on, if you like you can take the diagnostic and figure out where you are in your learning curve if it's time to do something new. And that's, yeah. That's the best place.
- Pat Flynn: Very cool. And the diagnostic, where is that available on your website?
- Whitney: WhitneyJohnson.com/diagnostic.
- Pat Flynn: Got it. Thank you so much, Whitney. This is such a pleasure, and I look forward to learning more from you.
- Whitney: Thank you, Pat.

Pat Flynn:

All right. I hope you enjoyed that interview with Whitney Johnson. If you wanna check out her website and her assessment there, you can check it out at WhitneyJohnson.com. Whitney, thank you so much. It's just been a pleasure to get to know you and speak to you, and recently Whitney invited me on her podcast as well, so we'll put a link to that if it's available in the show notes at Smart Passive Income dot com slash session three fifteen.

And speaking of start ups and bootstrapping, and some of the stuff we talked about today, I do wanna give a big shout out and congratulations to Nathan Barry from ConvertKit. He's the CEO and founder of ConvertKit. We featured him a couple times on the SPI podcast. He tweeted the other day that ConvertKit just hit one million dollars MRR. That's one million dollars a monthly recurring revenue, from bootstrapping it all the way to one million dollars MRR, just ... Nathan. Congratulations, dude. Super inspiring.

We'll put a link to a video about how this all happened in the show notes as well, but most importantly, I just wanted to say congrats out loud and publicly to Nathan and all he's done. Very inspirational to me and many other people there who are just building something, and it's kinda going slow. Nathan followed that S curve just like Whitney was talking about, and he was in the bottom part of that S curve for so long, and now he's definitely in the back end of it, shooting high, and he's doing very well. So, congrats Nathan.

Hey guys, if you haven't heard yet, you can actually get a free trial to ConvertKit, the email service provider that I use. I'm also an affiliate for it, and an advisor to the company too, which is super cool. If you go through this link, this is the only place it's available, you'll get a 45 day free trail. That's a 45 day free trail. It's not available anywhere else, and you can get that by going to SmartPassiveIncome.com/ConvertKit45. Again, that's SmartPassiveIncome.com/ConvertKit45, and they'll hook you up with everything you need to get your email list started and growing, and they educate you along the way. It's part of the reason why this company has grown so well, because they actually care.

So, again, one more time, SmartPassiveIncome.com/ConvertKit45. And that is an affiliate link where I do earn a little bit of commission if you go through that, at no extra cost to you. But hey guys, thank you so much for listening, and I appreciate it. And make sure you stick around for the next session because we're gonna continue this theme of growing and scaling companies, and we're gonna bring somebody back on the show who hasn't been on for a while, and man, the trajectory this guy has been on has just been insane, and he tells us ...

Honestly, I didn't even really have to talk at all because he was just spilling everything that he learned to grow his company to a million dollar company plus. So, make sure you subscribe so you can get that episode when it comes out next week. Thank you all so much for those of you who are loyal fans of the SPI podcast, and Pat Flynn, that's team Flynn, that's you guys. That's hashtag team Flynn for the win. If you hear this episode and you enjoyed it, hook me up with a tweet or Instagram message and just hashtag team Flynn for the win.

Hey guys, cheers, and I'll see you in the next episode. Bye.

Announcer: Thanks for listening to the Smart Passive Income podcast, at www.smartpassiveincome.com.



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