



SPI 316

The Art of Scaling with Nathan Chan from Foundr

May 2nd, 2018

Pat Flynn: How do you take an idea and then turn it into a business and that business then generates six figures, multiple six figures, and then how you take that multiple six figure business and then turn it into multiple seven figures, millions of dollars coming in? Well, that's what we're going to be talking about today with Nathan Chan, the founder of Foundr Magazine. Somebody who was on the show a while back where he was talking about how he started this digital magazine.

Now this digital magazine has turned into a powerhouse media company and he's going to dish all that he's done to make that happen, including a lot of what he's had to stop doing, which is really interesting because I know a lot of us always are asking ourselves, "Well, what should we not be doing in order to grow?" Maybe you're not asking yourself that, but you should be because there's only so many things you can do. It's when you go all in that things start to happen. If you're thinking of flipping to another podcast episode or another podcast in general, I would encourage you to stop. Listen to this episode.

Stick that phone in your pocket and enjoy and learn and grow from this conversation today. First, of course, we need our intro. Let's do this.

Voiceover: 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. Now your host, he learned how to dance watching YouTube, Pat Flynn.

Pat Flynn: What's up, guys? Thank you so much for listening in on episode 316 of the Smart Passive Income Podcast. I'm super thankful you're here, thankful for all the reviews that are coming in. I appreciate you so much. Guess what? I'm not going to waste your time right now. We're going to get right into this conversation because it's a juicy one. Here we go. Nathan Chan, from foundr.com. Nathan, dude, what's up? Welcome back to the SPI Podcast, man. Thanks for taking the time today.

Nathan Chan: You're welcome, Pat. Thanks so much for having me, man. It's great to be back. It's 9:00 AM here in Melbourne. It's pretty sunny. I've got a big day ahead of me, and starting the day fresh speaking to you.

Pat Flynn: I love it, man. Thank you for that. The last time you were on the show, for everybody's reference, was episode 169 which was July 8, 2015, which was nearly three years ago. I know through speaking with you off of the podcast and actually in person, we met in person in Australia when I was there last year for ProBlogger and we had coffee together. That was super fun. You're getting me up to date with everything that was happening. This thing that started as a digital magazine, which is Foundr Magazine, which I highly recommend everybody check it out, that's Foundr without an E.

You're blowing my mind with all the things that you're doing and how you're approaching this business. First of all, congratulations. What I want to do is catch everybody up with what you're doing, but not only like what you're doing, but why you're making those decisions. I'm just very interested to hear. Last time we chatted you had this digital magazine. You're crushing it on Instagram. What has happened since then?

Nathan Chan: Yeah, wow. First of all, thank you so much for the kind words, Pat. It means a lot, man, because you were one of the people that help me get started, dude. Like I used to listen to your show back when I was in my day job working in IT support. It was really inspiring, man. Thank you. It means a lot, and it's really humbling to be here and come back. It seems only like not that long ago that I was back on your show in 2015. What's happened since? Well, learned a lot of lessons.

Pat Flynn: Like what?

Nathan Chan: Learned a lot about what it takes to scale a company. When we were speaking, the magazine was doing ... We're doing multiple six figures now. Have grown the company to be doing multiple seven figures. We're turning over millions of dollars every year annually. We've done much more. Foundr is much more than a magazine

now more than ever. We got the domain. That was a mission in and of itself, and that's a whole other story I can tell you. We got the domain now, foundr.com. I think I told you over coffee like that was a mission. Then now we're printing magazines as well.

Now we're really just going deep on educational courses, but in a different kind of way than most I guess because what I realized was the reason that people come and follow and consume our content at Foundr more than anything is because we connect people with extremely successful founders. I really wanted to just really capture that same not just around a podcast or a magazine and blog post, but really do that with courses now as well. What I'm really passionate about and since we last spoke my mission and I guess my dreams and everything I'm looking to accomplish has literally 100X.

What I'm trying to do with the brand now is really build a household name entrepreneurial brand, like an Entrepreneur, like a Forbes. That's going to take me at least, me and the Foundr team now, now we have a team, we have a quite sizable team, at least another five to seven years. That's kind of what's happening now. We're scaling up courses, and we're working with what I'm looking for are practitioners who have done X thing multiple times with multiple businesses. Perhaps they don't even have a personal brand. That's probably even better because I guess we can really showcase their story in a different light that no one's ever seen, but then also ...

It's just a great angle I think. There's a lot of educational platforms. I'm really looking at like a Lynda or a Skillshare or CreativeLive. How can we do something similar like that for just entrepreneurship and founders now. That's kind of my vision and to really I guess democratize entrepreneur education.

Pat Flynn: Let me ask you why you want to do this? Why go 100X? Why go this level?

Nathan Chan: Well, I just looked at it, Pat, and I was just like look man, when we spoke, I think I would have just been close or come close to launch

like a course for Instagram. That did really well because a lot of people are asking me if I wanted to do consulting. Ever since we spoke, we have over a million plus people on Instagram that follow the brand. It's quite a sizable account. I looked at the landscape, and I didn't think we were going to do courses, but I really fell in love with courses and the space. I looked at what we're doing and I was like okay, well, we've got two options. We can either look to double down on courses.

If we do, obviously I want to build something that's much bigger than me. I just feel that if I was ... I understand that there needs to be a leader and we're trying to drive a movement here. Like a Richard Branson with Virgin or a Steve Jobs with Apple or Elon Musk with Tesla. I'm happy to be the face of Foundr and a leader, but I really want to build something that's much bigger than myself and a scalable asset that if something were to ever happen to me, the brand can still go on. The brand can still thrive. The brand can still really help people. I looked at that landscape, Pat, and I looked at it and I was like okay, well, I've got two options.

I either look to build a software product of some sort because we've got an amazing audience and we're helping millions of people, but I looked at it and I was like I think what feels right is to really look at this educational piece and how we can do something that's a little different and basically do what was done with the magazine and podcast, but now get people to teach. That was kind of the strategy. I like to model other companies and I look at like a masterclass.com and all these other educational companies and I draw inspiration from them. Yeah, I'm pretty big on strategy, man. I hope that answers your question.

Yeah, really the why is really to build something bigger than myself because one thing you find is it's never enough. It's never enough. You say you want to get to this, and then you get there. I don't know. It's just like for me now I don't know why I decided that in that sense. For me, I just think it'd be an amazing feeling to be able to contribute and really help facilitate so many people's growth. I even say to the Foundr team, I don't say this to sound stupid, but like the

stuff that we're doing, we could potentially be creating the next Elon Musk's of the world. That's how we like to think about it now.

Pat Flynn: I like that.

Nathan Chan: That's kind of why going 100X because I think to me I literally have no choice now, man.

Pat Flynn: That's crazy, man. Because last time six figures to seven figures, that's a huge jump and the answer there was courses, right?

Nathan Chan: Yeah. 100%. 100%.

Pat Flynn: Seven to eight figures. Is that just triple down on courses or is there even more plan?

Nathan Chan: To get to eight figures, yeah, we can get there with just courses. 100%.

Pat Flynn: You make it sound so easy though.

Nathan Chan: No. No. It's not easy. There's so much work involved.

Pat Flynn: You're just like, "Oh yeah. Just double down on courses." No. I know there's a lot. Tell me what are the big struggles for you and your company as you are scaling are finding right now as you're attempting to do this?

Nathan Chan: Well, look, I think since we last spoke, some big struggles I had was one, I think it's easy to get caught up in drinking your own Kool-Aid. I try and always be as humble as possible, man, but I got into this trap thinking that we could do anything and it would just kill it. We were just having so many wins. I think we learned some hard lessons around like just because if you launched a product and you don't do proper validation, that people are going to really take it up and buy it, and you're going to great a conversion. That's something that more than ever now we do very, very deep research on how we launch any product now even if it's a magazine.

We're getting to physical magazines. We're doing like really, really deep research and really speaking and surveying relentlessly and speaking to our customers and speaking to people in our community and really getting people to prepay for things. That's one of the best things that I've learned, man, and you do it too, like presell. The art of the presell. I don't know. Did you say what we did at the start of this year? We presold 12 courses this year. We ran an early bird special. Before we even presold them, we had like a series of surveys to find out what people see are the biggest problems, frustrations are within their business.

From there we got ridiculous amounts of response. Over a thousand plus responses. Then from there we put up a page and for one week you could buy any of these courses at between \$50 to \$100. We put up I think it was 16 courses that you could potentially buy and all there was was a headline and three bullet points. From there that's all you got to know about the course. There were some clear winners and there were some clear losers where people didn't really care. What happened was we had a top eight. The clear winners were the top eight, and then the bottom eight, it was very, very obvious that people didn't really care enough.

We gave people a credit or we refunded them for the bottom eight if they bought during the presale. Now we're working on rolling out those next 12 courses. As much I can, I really think it's really, really important whatever product that you launch, you've got to ask your audience. Just survey them. Ask them. You can ask them for surveys, but the best way to really know is if somebody's prepared to pay for something before it exists, then it needs to be out there in the world. That's why Kickstarter is so amazing. Since we last spoke, we did a crowdfunding campaign as well, which did quite well.

We did a physical product as well, which was a coffee table book, which you kindly enough to shout us out on one of your shows. Thank you for that, man. I learned a lot about launching products and really making sure that you really want to validate and go as deep as possible. Then another thing I've learned, which are just some hard lessons, is around team building. Team building and

building a team. Like the way that you scale a company, man, is really through people.

From my experience now, what I'm finding is if you want to get to the next level especially if once you've got a business that's doing in the hundreds of thousands of dollars, eventually you will need to get some sort of leverage. You need to be able to get leverage for hiring other people to help you build out whatever you're trying to build or help you fulfill the vision and the mission that you're trying to accomplish. From my experience, I've learned a lot of lessons. From my experience, the best thing that you can do when it comes to hiring is finding people that have done what you need done that have done it before.

Just as an example, recently we've had someone join us. His name is Zack. He used to work at another educational startup. In the space of like it was a year and a half there at that educational startup, he rolled out I think it was 80 courses in the year and a half working with influencers, which is exactly what we want to do now. That's just a great example that there isn't that much training involved. There's obviously a little bit of mentorship when we're working together, but really I can let Zack work autonomously. He's an absolute superstar.

I know that I can keep working on things that I need to work on and we check in obviously, and we have our team meetings and stuff, but for the most part we're growing and we're able to get that leverage because he's working on 12 courses this year. Yes, I am involved and stuff like that, but he's going and doing all the producing, working on the course curriculum, doing all those things. I'm trying to do that with every key element of Foundr and where we need to go. That's one of the biggest things.

I could talk to you around hiring strategies and all the crazy stuff we do there and stuff like that, but hiring has been a very, very big thing around scaling up. Then also just focus, man. Focus and thinking about the strategy. I'm very passionate about strategy and really just spending a lot of just looking around what's in the marketplace, how

at Foundr can we truly differentiate ourselves because there are so many people out there, man, that I guess not only just influencers like yourself, but other entrepreneurial brands out there. How do we get that cut through? How do we differentiate ourselves?

I don't see anybody out there doing similar stuff to us or promoting entrepreneurship or producing entrepreneurial courses as competition because we're all at the end of the day just trying to help people and make the world a better place. Getting that cut through is really, really key, right, because there's so much noise out there. Thinking about strategy in a very, very big way and really planning relentlessly. At the start of the year we had like a team retreat. We got all of these people together. We had a facilitator that come in and we ran that retreat, and we planned out the whole year.

Then every quarter we're catching up and saying, "Hey, did we execute on the things that we said we're going to do?" Now we do these things called traffic light meetings. I make no claim to this. This is from a book that I read, and also because I'm a part of this group called Entrepreneurs Organization. It's a framework called Scaling Up by Verne Harnish. Fantastic book. If you look in his company, check out the book called Scaling Up by Verne Harnish.

There's this process that a lot of fast growth companies and companies that are trying to scale do, which is using a traffic light reporting system where every week you check in and each person or team have their KPIs like X amount of email subscribers, X amount of web traffic, converting X amount of people from that web traffic. That's the web team or the content team. How many backlinks did we get? Where are we ranking for the site? The product team on X product. How many sales did we get? What's our monthly recurring revenue at the moment? What's our run rate?

Not only just finding insanely great people, but really empowering them with great goals, and rewarding them, and then challenges, and really getting the right people on the bus, and then aligning that team as well. Man, I could go on. Is this good stuff?

Pat Flynn: I'm letting you talk because I do not want you to stop.

Nathan Chan: Another thing that I learned as well, I talked to you about strategy and I really like to model. When I look at other things out there, I try and pick bits and pieces with the courses. I can openly say here like every single course that we produce with an influencer has a trailer. Why does it have a trailer? Because we're inspired by MasterClass's trailers. It really sets us apart. It's just an amazing way. Like dude, if someone can watch a movie trailer and just be sold to want to go see the movie, you can do the same with courses, bro. If it's like really highly produced, it's insane. We can run a trailer for one of our courses, this all come from surveys, like Greta.

She's one of our teachers, and she's built four multimillion dollar eCommerce brands. We were just lucky enough she was a friend, and she lived in Melbourne. The audience told us they want to learn how to launch a physical product business. They want to learn how to launch a brand and launch a store. We could run that trailer of Greta's to people that are 100% cold on Facebook. Never heard of us. People will be pretty pumped. People will be pretty excited. People will be interested to know more about this course. I got that idea, man. I didn't come up with that idea.

I got it from someone. I kind of took a piece of it. I'm always looking at other industries, other markets, where can I take pieces from for us to learn. I looked at printing magazines and a lot of people doing free plus shipping book offers. We're doing free plus shipping magazines. I looked at what are other industries doing around that. If people can do it for books, why can't we do it for magazines? No one's doing that. Forbes isn't doing it. Entrepreneur, fast companies, none of these companies. Publishing media companies are doing magazines printed they're giving away for free.

I'm looking at all those bits and pieces and thinking of those strategies and then how can we differentiate ourself. When it comes back to team, I'm also looking at like how can I really align our team and get the right people on the bus that have done it before, that have that experience. Most of all, and this is one of the most

powerful things that I've learned when it comes to hiring and finding great people to join your team, is that vision, man, that mission. If you can get people to fall in love with your vision and your mission, the amount of money that you pay that person is irrelevant.

The amount of hours that that person has to work to hit targets or help us all work towards that is just so incredibly powerful. I'm not saying that I do this and I want to do this, but man, if you have a very articulate, strong vision, people will want to come with you along the way for the ride. People will not care around ... Money is irrelevant. Obviously everyone has to live and stuff like that. That's a very, very powerful thing that I really encourage people.

If you're looking to scale up your business, if you're looking to take it to the next level and you need to start hiring people or looking outside to hire people, I think it's very, very important, I would encourage you to really just take the time, take a week, go on a holiday and really think like if I want to build something that's bigger than myself and I need a team, what does that vision look like? What does that mission look like? What would like be the dream scenario 7 to 10 years from now because that's how long it takes to build anything of true worth and significance. That's what one of my mentors taught me, and it's so true.

You look at a lot of these companies that inspire a lot of us and it takes a very, very long time. What does 7 to 10 years look like from now? What is the dream scenario? How many people are you going to help? How many people are going to use your product? How many people are going to use your service? Track that back and really get ... Find out what excites you, what lights that fire. Once you've worked that out, once you found something that really sits well for you not just I want to make 100K this year or I want to make half a million this year, like why? Really go deeper. Why? Why? Why? Why? Why? The five why's.

Once you can find that and once you can really communicate that to someone that potentially wants to join your team, it becomes so much more than just a job. It becomes so much more than just

doing work. It's very, very powerful. It's something that I've learned, which is really powerful. To align your team as well, you got to create values. I used to think that creating values is just a load of rubbish. Even at the company that I worked previously, they had a set of values.

I didn't really understand it, but values are really important, man, when you're trying to build a team because it's essentially your operating system around how you expect your team and how you expect everyone to behave and operate off. It's a set of rules and beliefs, right? One of our values at Foundr is determine to deliver. If we say we're going to do something, we do it. We had a call today. I'm here right now. If I say to someone in my team, "We'll do a launch on this product on this day. We might miss it, but we're going to work our very hardest to ship it."

For me that's a personal belief that if I say to a friend, "I'm going to meet you or I'm going to be here for beers," I do it. I think that's just a good ... For me it's my personal beliefs. You can really instill that in your team and the way that you want to build and grow your company because as your company grows, that's how you can align your team, right? Because it's a set of beliefs that fundamentally comes from the founders, but can be crafted together with your team as well to really align you guys and find out what's important to you. That builds a culture. Yeah, man, I could keep going, but yeah, I'm sure you got some questions, dude.

Pat Flynn: See, this is why a lot of people ask me, "Pat, how many podcasts are you subscribed to?" I go, "Well, basically one, Shawn Stevenson and The Model Health Show." They're like, "Well, why aren't you subscribed to like all these other entrepreneurs?" I'm like, "Because I get so much value just from these kinds of interviews like right now when I'm talking ..." Like I don't need to listen to other shows because I'm getting everything through these conversations in the people I'm connecting with right now.

Nathan, I'm learning right now from you too because I'm at that level where I know I could scale, and I have all these other things I want

to do that are bigger than me. Thank you, first of all, and I love that you just basically answered every question I had along the way by just continuing this conversation. First of all, who are your mentors because you sound like you're a seasoned pro at this?

Nathan Chan: Man, we're all learning, brother. This is my first business. Look, I really am just doing the hard years. I am in the trenches with you, with everyone, just trying to work out how to do this stuff properly, but also in a kind of way that I want to be really proud of, proud of our team and the kind of company that we're building, and the place that we're working, and the kind of products and value we're providing to the world. I have a couple of different mentors. Same as you, dude, I'm so lucky to speak to the people that I do with the Foundr Podcast and just these incredible founders. I get a lot, and I soak up so much there.

Dude, eventually I will have to give up the Foundr Podcast. There's a plan for me to get someone else to do the interviews in the next I'd say 12 to 18 months.

Pat Flynn: Really? Wow.

Nathan Chan: Yeah. Just because like man, if I'm going to scale Foundr, I can't be part of the product. I need to focus. The podcast is a part of the product, but I need to focus on growing the company. There's a lot of time spent on doing these interviews well. I think I can find someone that's like worked at NPR for 10 years that's a better interviewer than me. That's something that I think is important as well just thinking where can you remove yourself as a CEO. Coming back to your question who are my mentors, obviously the people that I speak to. I have one particular mentor who is a coach as well. I pay him for his time, but he is absolutely incredible.

His name is Mitch Harper. He's a founder of a company called BigCommerce, which is a \$100 million annual recurring revenue SaaS. I don't think he's active on the business. He's on the board still, but he like mentors founders and stuff like that. He's based in Sydney. He's a fellow Australian, which I really like. He's a very, very

smart guy. I speak to him frequently because I pay him for his time as well. He's a mastermind. I'm learning from him. I've got another mentor that has successfully scaled his company, but then he does some consulting as well. He's here in Australia. I met him through EO. One thing I did was I joined this group and it's fantastic.

It's called Entrepreneurs' Organization. Think of like how people do online masterminds, but it's more kind of people ... It's more kind of for local business owners or kind of business owners, but people that don't really follow the online space. It was created by that guy from that book called *Scaling Up* by Verne Harnish. Essentially they have chapters in every single major city around the world. Your company has to be doing X amount of turnover every year to be able to be eligible to join. There's a qualification process. It's incredible, man. I catch up with my forums.

They have a whole framework around this. I catch up with my forum once a month. The people in my forum are incredibly smart people. They're not in the online space. Some are. There's one that has one of the largest companies in Australia that sells hampers. He's an eCommerce business. There's somebody that has a HR and consulting firm, but also building a HR SaaS product. There's someone that has a law and legal advisory firm. You get to learn, and you get to learn from experiences from people that have built different kind of businesses to you, so you draw a lot from there. Another one of my mentors is Darrell Wade.

He founded the company Intrepid Travel that I used to work at where I worked in IT support. I didn't love the role itself, and I was destined for so much more, but I loved the company. I learned a lot about what it takes to build a great company culture. That's a massive company. I think it's like a \$300 million a year turnover company. They're one of the largest adventure travel companies in the world. I catch up with Darrell once every quarter, once every six months. I do have a lot of people that I speak to, and I'm getting challenged on strategy, getting challenged on how we're growing a team, getting challenged on how we're trying to grow Foundr.

It's essentially like my own kind of personal unofficial advisory board in a way.

Pat Flynn: How do you create a strategy to scale?

Nathan Chan: Well, there's a few things. There's common things here and there's proven practices that you can follow. One thing that I can tell you, like I said, I keep coming to that book *Scaling Up* and they teach it in EO and stuff, one of the quickest ways I believe and this one is from experience to help us grow Foundr is if you already have an existing customer base, find out how you can further serve them. Anyone that's listening to this right now, if you want to scale your company wherever it's at, from X to Y, A to B, look at your top 50 to 100 customers, people in your community that have spent the most money with you and your services or your products, and simply go to them.

Whether you ask them personally where you get a whole ton of them in a room or whether you survey them, whatever you do, just find out how can I further serve you. If you can sell more products to your existing customer base, that's one of the pieces of lowest hanging fruit out there I believe. That's the first part of I think any good strategy is looking at proven processes or frameworks because there's people out there that have done it before. You look and learn from mentors, advisors or whoever that have scaled companies before. You have to come up with a strategy.

Obviously you look to market more products to existing customers or further serve existing customers, but then you look at how else you can I guess bolt on other products to gain other portions of the market, and then as well you look in the most basic form, sell more of your existing product to other people. You look at things like recurring revenue. Now we don't have as much recurring revenue in our business as I would like now, but that will change over time. I have a long-term strategy to basically make a majority of our revenue recurring because I believe that's very, very powerful because it breeds predictability, all these other reasons.

In regards to coming up with a strategy, I speak to people. I read books around it. I just really look at what other companies are doing and look to model and look at bits and pieces that we can take from that and implement. Then also you plan it out. I think another big part of strategy, Pat, is relentless focus. You plan out your year, right? Like everybody has their New Year's Resolutions. Well, you plan out your year and you set goals and you set targets. You test the strategy out. You don't know if that strategy is solid, right? What you do is at the start of the year you plan it out. If you have a team, you sit down with your team.

You challenge all of your assumptions because your strategy to scale or whatever it is is basically an assumption. Then from there you execute and you track it. SMART goals. It has to be specific. It has to be measurable. It has to be actionable. It has to be realistic. It has to be timely. Every single goal as part of your strategy, you track it, and you measure it, and you touch base. After you give it like a quarter or however long you think it needs to take, you revisit it and you say, "Hey, was my hypothesis correct? Was this strategy solid?" If it was, you keep going. If it wasn't, you change it. You course correct.

That's kind of in a very top level way how I think about strategy. I also like to spend a lot of time thinking. I think spending time thinking is so underrated, man. A lot of my time where I come up with these strategies is like when I'm riding my bike to work, when I'm driving to work, when I'm just kind of walking around. I guess in another world, not being present, but just thinking about the business. I'm just thinking strategy, man, like all day everyday. I'm talking to people around it as well, like even friends, and friends are challenging those assumptions as well. That's kind of in a very top level way how I'm kind of thinking about strategy.

I'm always writing things down as well. If I come up with an idea, like literally I was looking ... I'll give you an example. We want to do YouTube in a big way. We haven't started yet. I was looking at BuzzFeed yesterday. One thing that they did was they were doing some of their stuff. They were doing 30 day habits. Someone did

pushups for 30 days and they did it before and after. I came up with an idea for our YouTube channel. What if we just get someone in our team just for fun to experiment like doing a morning routine, like people publish it online of like what Steve Jobs's morning routine was.

Let's get someone to do that for 30 days and document that for 30 days. Wouldn't that be great content? Wouldn't that be fascinating content? That's just something that I've looked at looking at BuzzFeed because they are exceptional at producing content and taking a piece of what they've done and applying it to Foundr. We're not going to do it straight away, but it's something that I've planted in my mind and we'll revisit it. When the time comes, we'll revisit that strategy and say, "Okay. Well, maybe this is one of the things that we do and it could be great content." Hope that answers your question, man.

Pat Flynn:

No, I like that. I also love how in multiple moments during this chat, you've referenced a lot of other companies that you've gotten inspiration from. You just mentioned BuzzFeed. You mentioned MasterClass earlier. You're adopting what you like about those into your own brand and business. This helps shape the voice of what Foundr is. It's obviously not copying, but it's just getting inspiration. I think a lot of people often don't know where to draw that line or are trying to come up with something completely brand new versus like taking something that they enjoyed from something else and then making it your own.

I really love that example that you just gave there. A couple more questions and you're doing amazing by the way, so don't worry about talking too much. Please keep going. For me, I think I know a lot of people are ... Let's go back to team building. How do you find a Zack?

Nathan Chan:

Great question. Look, one thing that Mitch taught me is you've got to be spending probably now like where I'm at, you've got to be spending at least if you can 20%-30% of your time just meeting people and trying to find great talent. Even if you're not ready to

hire that person, like getting them on a test project or working on something together, testing it out, seeing how it works for that person, but then how it works for you, I think that's really, really key. The way I found Zack was actually through one of our mutual friends. You know Ankur from Teachable?

Pat Flynn: Yeah. Yeah.

Nathan Chan: Funny story. This is a great story actually. Social Media Marketing World last year. You were there. We had dinner and stuff. Not dinner, lunch. The Teachable guys come down and I caught up with those guys. They had a dinner or something. I'm not sure if you're there. I can't remember. I don't think you were. They had a dinner and we did drinks. I was telling the guys what we were looking at doing and what we're working on. Andrew, their head of growth, he was like, "Oh man." He's like, "You got to speak to Zack." He's like, "He's got a lot of experience doing this stuff." That one just come from literally networking and putting myself out there.

The same way, a great example, like Jeremy. He's our head of SEO. He's got extensive experience growing websites into the millions of organic visitors. We haven't hit that yet. Jeremy's working for us. He's an absolute beast. The way I found Jeremy was literally just looking around and I saw someone talking about his work in a Facebook group. I reached out to him. It's a combination of just putting yourself out there, looking around, looking at the weaknesses or the parts of your team where you need help and what's going to help you execute on your vision or your goals for the year and where you can get whatever that target is whether it's revenue, whether it's customer, whatever that is, where can you find great people, experienced people to fill that gap.

Looking around and knowing okay, well, I know that I need a copywriter, right? In the near future, we'll need an insane full-time copywriter. I know that some of the best copywriters in regards to direct response work at a company called Agora. Have you heard of Agora?

Pat Flynn: I've heard of Agora, yeah.

Nathan Chan: They are massive, man. I was talking to a few great copywriters and they've told me, "Yeah. If you want to do this properly, you should look to find someone from Agora." How will I go about that? I will go and look at LinkedIn and actually cold outreached to some of these people that might have a great profile and say, "Hey, look, want to catch up for a chat," or whatever. You can look within your existing community. I think that's a great way to find great talent as well. It's not so much putting ads out on job boards, and we do do that too, and we found amazing talents of people as well.

It's a combination of putting ads out on jobs boards and then really looking at where some really great people work and cold outreaching, just having a chat, "Are you looking to do any contract or doing anything on the side?" Always it's very, very key that you do a test project with that person first because there's a lot of people out there that might have a lot of experience, right? They've done a lot of crazy things, but what they don't share with you on their resume is the traction of the company, how much investment the company may have had in their bank, in their war chest, and how exceptional the team around them might have been.

You know what I mean? It's quite easy to ... Let's just say we're looking to do a Kickstarter campaign, and somebody comes to you and says, "Yeah. I worked in a team where we did a \$5 million Kickstarter campaign. You should hire me to do this." You don't know. They're not going to tell, "Yeah. We had like an amazing team and we were ventured funded by Andreessen Horowitz," one of the best VC firms in the world. They're not going to tell you that stuff. You know what I mean? That's why I think it's important to always before you work with anyone, if you can, do a test project however you can. Before Zack joined us, we did a test course.

We worked together, and we rolled out our influencer course. He got a great feel for what it would be like working with us because he's in New York and it's remote. Same with Jeremy. He helped us move the foundr.com domain to foundr.com. It was just

literally a project. It was a couple months project. He rolled it out, and then we worked out. We were like, “Okay. Well, how can we make this work long-term? How can we get you to work with us and join us and really help us build what we’re trying to build?” I think that’s really important too. It’s a combination really of just putting yourself out there, Pat. Asking your network. Literally looking at your community.

Asking around, and just keeping your eyes open and ears peeled just to really bring on people even if you’re not ready and see if you can get a test project going. It takes time. It really, really does take time. I don’t do it, but I anticipate we will in the near future is having even like a hiring funnel. Like literally running Facebook ads and just having a pipeline of just insanely talented people constantly. Because here’s the thing, right, it’s something Mitch taught me, we’re talking like to build an exceptional team to scale, you need A-players, right? A-player. An A-player.

Some people say that an A-player is worth like 10 to 15 B-players just to put a scale on it, right? A-players, man, if they want to get a job, they can. If they leave or want to go somewhere else or somebody’s not happy with their current role, they can get a job like that. You know what I mean? They’re solid. The goal and the trick to it is actually to find that A-player when they maybe are looking for their next opportunity or maybe they are not happy where they’re working or maybe they are looking for a change. If you can find that A-player fast because they move fast and they’ll get snuffled up quickly because that’s where it’s at, man. We’re at a war of talent.

There’s a reason that Google and Apple do ridiculous stuff and pay ridiculous amounts of money and pay to fly people over and house them and have their own villages for people and put you up because talent is where it’s at. To truly build a large company or a company or something. like I said, coming back to something of serious value or true significance and worth, you need exceptionally talented people. I hope that helps, man.

Pat Flynn:

It does. It does a lot. I got very fortunate to have a lot of great

people come my way and then a lot of them offer who else might be great to come on my team. For the future and other things I plan on doing, I'm definitely going to need some more help. This is super helpful. Dude, this has been an amazing conversation. I think that it is inspiring. A little overwhelming for people likely who are at the beginning stages of their business journey, but hopefully something that people can look to strive for because you've definitely ... Just like everybody else, we all start from scratch, right?

It's going to be cool for people to hear this and kind of wonder how it all got started. I would recommend you definitely check out the last episode Nathan was on to check out all that content and just kind of the difference and kind of what the goals were at that time too. I think it's going to be really interesting to see that juxtaposition. That's episode 169. We'll put it in the show notes obviously. Hey, any final words of advice for all the struggling entrepreneurs out there who are just wanting to get to that next level? What's one thing you could say to them to push them forward into that next space?

Nathan Chan: I got a few pieces, man, and thank you so much, Pat. It's been a ton of fun. I feel like I've been doing too much talking though, bro.

Pat Flynn: Dude, this is a podcast interview where its dream is to have somebody like you on. I hope everybody else gets you on too because you're a great guest. Any final words?

Nathan Chan: Thank you, man. Well, look, I think if you're looking to take things to the next level, you might be struggling, you're not satisfied with the current growth or traction that your business is getting, I've got a few pieces. One, it's very easy to look at what other people are doing and compare yourself to others and think, "Well, I should be there because they're there or I wish I was there." First of all, one thing I would tell you is revenue is one thing, profit is another thing.

Pat Flynn: Amen.

Nathan Chan: You know what I mean? So many people will be, "Oh, you know. I've

got multiple a seven figure business. I'm doing this. I'm doing that, but they don't tell you how much they keep. They could, for all you know, be spending all of that money on Facebook ads and have like a 5% net profit margin. You know what I mean? They might be literally sacrificing profit for growth right now. Plenty of people can do that. First of all, do not compare yourself to others. You don't know that person's journey, how long they've been doing it for, where they've come from. It's your own journey. If you just have that relentless focus and consistency, you will get there.

The second thing that I will share is of my last point, focus. Focus is so extremely key. A big lesson I've learned is just because now if you have an audience or you've built something and you can launch something, just because you can launch something or produce something that will make you more money doesn't necessarily mean that you should do it. That's something that I've learned the hard way, and I hope you can learn about that too.

I'm all about now just relentless ridiculous focus and trying to minimize the amount of things that you're working on at at time and work towards true mastery of just one to two elements. Not too many. Then the last thing is just really try and surround yourself with great people that are on the same level as you are or even as well a few levels above you because that's what's going to inspire, that's what's going to keep you going, and just be really patient. It does take time. Just enjoy the journey. Don't beat yourself up by comparing yourself to other people. Just really enjoy the journey.

Because if you're listening to this right now, I guarantee you that ... You've probably been listening to a lot of Pat's episodes, if you just implement the stuff that he's sharing with you, you can do crazy stuff like I'm doing. I'm only just getting warmed up. The thing is, right, if you just take action, be patient and just enjoy the journey, I guarantee you 12 months from now where you are from where you want to be, it'll be so much different. It's just such a great ride. We live such great lives, Pat. It's important no matter where you're at just to really appreciate that.

- Pat Flynn: For sure. Nathan, thank you so much. Where can people go and find more from you and what you're up to?
- Nathan Chan: You can just go to foundr.com. If you want to check out one of our printed magazines, we're doing a few more at the moment, they're going to come out soon, you go to foundr.com/branson. You can get a free printed copy of the Branson issue, but you do have to cover shipping and handling.
- Pat Flynn: Cool, man. Hey, we appreciate you. Thank you, Nathan, for the update and all the amazing wisdom here. Looking forward to seeing kind of where things end up the next time we get you on the show.
- Nathan Chan: Oh, man. Thank you so much for your time, Pat. I really appreciate it and the opportunity of coming back on. It was a ton of fun, dude. I hope you guys got a lot of value.
- Pat Flynn: Love it. All right, man. Take care.
- Nathan Chan: You too. Ciao.
- Pat Flynn: All right. I hope you enjoyed that interview with Nathan Chan. Again you can find him at foundr.com. That's F-O-U-N-D-R.com. If you want to get that free issue, all you have to do is pay for shipping. Just go to foundr.com/branson. It's like the Richard Branson Branson. Man, what an amazing conversation. Nathan, thank you so much. Just super appreciative that in the beginning there he mentioned that I had a big influence on him quitting his job and getting started. It just makes me happy. This is why I do what I do. To be able to connect with Nathan here now in the podcast for a second time, I mean this is just so cool.
- I feel so blessed and very blessed because you are still listening to this episode. I appreciate you for that.
- Hey guys, really quick, before you go, a lot of people ask me, "Pat, what are the biggest mistakes you made?" Or, "If you could start over again, what would you do differently?" It's actually two things.

Number one, I wish I hired people sooner. It's been so amazing to build a team out, and this has only happened recently. I've been in business for nearly 10 years now, and only over the past couple years have I really been focused on building a team. That's allowed me to take my time away from things that I shouldn't be doing as the CEO of my company essentially, and putting that time into things like recording podcasts, like coaching people, like the relationship building, which is so important in business.

But the second thing is I wish I started building my email list sooner. I actually made this mistake twice. In Green Exam Academy, my first business, helping people pass an architectural related exam, I didn't build an email list back then because I didn't think it was important. I actually didn't even know how, and that was why. I made the same mistake again, not building an email list, on Smart Passive Income.

I waited a year and a half to finally get my first email on Smart Passive Income, and it kills me because I'm like, "There are so many more people I could have helped." Because that's what I use email list building for, is, there's human beings on the other hand of those subscriber numbers. The more value that I can provide in that very personal one-to-one way, which is email, the better the results in my business are, the more likely they are to take my recommendations for affiliate offers, the more likely they are to be a customer for some of my programs.

So I highly recommend, if you haven't started already, getting involved with email, or if you have started building your email list already, getting involved with the email service provider that I recommend, that I use, that I'm also an advisor for and an affiliate for. That's ConvertKit. If you guys go to smartpassiveincome.com/convertkit45, it will redirect you to a page where you can get a 45 day free trial to convert kit. This deal is only available on that page. If you go to, again, smartpassiveincome.com/convertkit45, take a moment to redirect through my website for tracking purpose, to make sure you can get the 45 day free deal. You can check that

out there. You'll see a little video explaining I love it. I love it mainly because it's so easy to use.

There are a lot of other tools out there that can also do the same thing, but ConvertKit really is the one that is relatively speaking the most economical to use, that has all those advanced features like tagging, segmentation, to help you really deliver emails that only people want to see. It's super easy to use. That's Nathan Barry, the founder. His specialty before he built this program, or this application, was user experience and user interfaces. That's why ConvertKit has grown so rapidly. If you'd like to check it out, that exclusive deal for a 45 day free trial, smartpassiveincome.com/convertkit45.

By the way, I know a lot of you have been asking me about starting a podcast. Some of you who haven't heard of my offerings before may enjoy hearing about this, but I actually have a three day free mini course to help you get your podcast up and running if you want to have conversations like this with others too, have a platform to help build an audience and hopefully grow a business out of that as well. If you want to check that out, all you have to do is go to howtostartapodcast.com.

That'll take you into the three day mini course where you'll get access to all the information you need to get a podcast up and running. It's structured in a way that it'll make it easy for you to not get overwhelmed with all the tech stuff and all the things involved with getting a podcast up and running. It's honestly been one of the best things I've ever done. Even if nobody listened to this episode, I had an hour long conversation with somebody, or almost an hour. That's something you can do too to connect with any influencers or other people in your industry. Of course, people are going to listen to the show.

If you want to start that podcast, I recommend going through my free three day mini course. I'm going to walk you through all the steps hand-in-hand. All you have to do is go to howtostartapodcast.com. You can pick it up there. Thanks, guys. I appreciate you, and



I look forward to serving you in the next episode. We got a lot of good stuff coming. Make sure. If you haven't done so already, now that the episode is almost over, get that phone ready and hit subscribe. I would actually recommend going back into the archive and looking through the titles and finding podcast episodes that might relate to where you're at in your business right now.

There's 315 other episodes at this point, unless you're listening in the future in which case there's likely more. I love this podcast. I love all of you who listen to it. I love you who have left reviews. You guys are amazing. Thanks so much, and I look forward to serving you in the next episode. Bye for now.

Voiceover: Thanks for listening to the Smart Passive Income Podcast at www.smartpassiveincome.com.

RESOURCES: [Foundr](#)[*Scaling Up: How a Few Companies Make it...and Why the Rest Don't* by Verne Harnish*](#)[Mitch Harper](#)[BigCommerce](#)[Entrepreneurs' Organization](#)[Intrepid Travel](#)[MasterClass](#)[SPI 169: How Nathan Chan Built a 6-Figure Digital Magazine and the Marketing Strategies We Can All Use](#)[Order Foundr's Upcoming Branson Issue](#)[How to Start a Podcast](#)[ConvertKit Trial for SPI Listeners*](#)

[*Full Disclosure: As an affiliate, I receive compensation if you purchase through these links.]

