

[Transcript] The Diary Of A CEO with Steven Bartlett / Moment 120: The ONE Skill, We Can All Learn, That 95% of Millionaires Have!: Alex Hormozi

Caleb in the corner who works for you. He's your creative director. If Caleb said to me, you know, Caleb said to you, he said, Alex, I want to be a millionaire. What would you say to him? What advice would you give to him? He says, listen, I've heard you doing all these podcasts, you're running around, I've been filming the camera, but I've been filming, I've been listening. And this millionaire stuff, this sounds amazing. So what advice, how old are you, Caleb? 29. What advice would you give to 29-year-old Caleb if he said to you, Alex, how do you, knowing me, how do you think I become a millionaire? So there's a lot of ways to do it. It just depends on which way you want to go. So say, first off, you can stay at Acquisition.com. That'll probably happen on a long enough time for us just because we're going to get really big. We're already pretty big and we're just getting started. So like, I genuinely believe that and that's 100% my goals that every single person that we have becomes very, very wealthy because I'm going to die and it's not going to matter anyways. And if everybody else can make some too, great. So that is a path. Another path is he peels off and goes on his own and starts a business of some sort. And so it depends on whether he wants to make the business itself what his core skill is, which would be like media and maybe services around media, or using the skill that he has of media in an opportunity and gets two or three other people to maybe co-found it with who have other complimentary skills. And then he just runs that division or portion of the business within the larger context. And that's like a classic question of like, I'm really good at making wallets. Like, what do I do? It's like, well, you can continue to make them. And then when you can't make as many as you have demand because you're so good at it, you can either raise the price and just continue to keep raising the prices until eventually become Versace of of wallets and you make tons of profit, but you don't have tons of units and that's okay in your luxury brand. Or you put on the put on the business owner hat and you say, okay, how do I mechanize the wallet building process? And I become more businessy. And so I think it's like, do I want to be the artist or do I want to be the entrepreneur? Both of them are fine. It depends which one you feel like you're more naturally inclined to or have a higher likelihood of success doing. I like the game of business. I've played lots of different games in terms of industry is I like the game overall. I don't feel like I have a particular art. I don't think I'm really good at any aspect of business. I feel like I've been decent enough to not make one of them the constraint. Like, I'm not a great copywriter, but I'm good enough that that's not going to be the limiter. I'm good enough at hiring that I can make sure that that's not the limiting factor. Right. And so that's kind of how I think about it in terms of business growth overall. And so it'd be the same thing with Caleb is like, we have to identify what the constraint of the system is and then deconstrain it. When you say talent stacking, so you say that a few times, what do you mean by that? So this is one of my favorite topics. Many skills like one plus one equals five when you put them together. So let's say you have somebody who's really good at math in the beginning that as a skill, not super monetizable, right? Okay, well, then you learn bookkeeping. Okay, well, now you had a proclivity for math, but you learned something that has value in the business world. Okay, then you learn to get your CPA and I become an accountant. Okay, more valuable. Then you start studying around tax law and insurance and you're like, oh, significantly more valuable. And then you learn how to how capital markets work and how debt markets work,

[Transcript] The Diary Of A CEO with Steven Bartlett / Moment 120: The ONE Skill, We Can All Learn, That 95% of Millionaires Have!: Alex Hormozi

right? And, and you understand how mergers and acquisitions work. And all of a sudden you're a CFO. And then you learn how to sell and promote a little bit and all of a sudden now you're a rainmaker. And so you still needed to be good at math. But when you stack these other skills on top of it, the original math skill becomes significantly more valuable when you have these skills on top. But each one kind of requires the one before, which is why one of the things I hate about kind of the entrepreneurial world a little bit is like, they'll learn something new and then poo poo the thing before it's like, I'm not upset at the teacher who taught me arithmetic because I learned algebra. One was necessary for the next. And so as entrepreneurs, a lot of times it takes, I think the self awareness to say like, where am I at on my skill stacking adventure, right? And each skill, every skill you add to your skill tool belt makes the rest of your skills more valuable, which is why I think it's so cool, which is why I'm such a big advocate for education overall. And that's, I mean, mission of acquisition.com make business successful and everyone. That's why you put all this free stuff out there is his like, if we can give people enough skills, they'll be able to stack them on their own and then just achieve whatever they want in a totally different way. If you'll allow me to go there. It's like, you look at Jay-Z, right? Maybe he was somebody who naturally had rhythm, right? And so then all of a sudden he learned how to wrap. Okay, took his rhythm, put in a wrap. Okay. And then he made his first GD. Okay. And then he learned how to promote significantly more valuable. And then he learned how to make a label. And then he learned how to recruit other artists. And so he still needed to learn how to know how to promote the other artists. If he didn't know how to promote at all, he wouldn't be able to do it. But once he had the label, he got significantly more leverage on the skill of promotion. And he could recognize people because of his skill in wrapping and rhythm. And so like each of these skill stacks on top. And then eventually he, he pinnacled into Beyonce as his top skill. I'm just getting like, where is he going? But no, but like, that's the idea. So like, and that's why I'm just like, learn the skill, find the next skill. And the nice thing is that it doesn't even matter how disparate the skills are, like if Jay-Z is really good at math and understands capital markets and understands the label, those combined to do another cool melange, right? A little French word, like mix of skills that's like unique to Jay-Z. And the longer you play the game, the more skills you get. And the more unique your mix of skills is. And that to me is like the coolest part about business and just like education in general. I stumbled across a bit of a similar but maybe adjacent idea in my career where when I learned, when my company went public on a stock exchange in Europe, I then learned from an investment bank, when we're having the meetings with the banks, we went on this roadshow, met 20 different investment banks, we're considering an IPO in another country. They told me that our business would be worth four times more if it was just on a different stock market. If you move it to the Nasdaq, the exact same business would be worth four times more, which meant that my net worth would be forexed just by taking the exact same business and moving it to a different stock exchange. And I thought about that a couple of years later when I was thinking about the skill set that I had acquired over my career, which was this skill set of marketing and social media and entrepreneurship. And I was thinking, you have to not just have the skill, but know what market to apply it to. And what ended up happening,

[Transcript] The Diary Of A CEO with Steven Bartlett / Moment 120: The ONE Skill, We Can All Learn, That 95% of Millionaires Have!: Alex Hormozi

I've never told this story before, but I looked for an industry where my skill set was in least supply but highest demand and returned the greatest. And it turned out that industry in terms of social media marketing and storytelling, I felt was most in demand and would return the greatest value for companies that were about to IPO. Because essentially when you're going to IPO, if you have a good story, it can swing your valuation by hundreds of millions. Or in the case of the first company I worked with, when their IPO listed at three billion, billions. And so my skill set of social media and marketing, I could do what with it? I could go help a local gym and get paid a thousand bucks, or I could go help a company that was in the lead up to an IPO that was where I can potentially have hundreds of millions in value and take 7 million as part of an equity deal. So upon leaving my first company, the equity arrangement that I had was valued somewhere between, I'm going to say between, it depends because the share price fluctuated. But I think on the day of the IPO, the equity that I got for the 9 to 12 months work that I'd done was worth in the region of seven to eight million dollars. Nine months work, basically freelance, same skill stack, but applied to an industry that would pay me more for the same skills. And so I thought a lot about that. And that's ultimately why we started our company, which is now called Flight Story. We have probably at the time of airing this about 100 people. We started the company about a year and a half ago. And that's basically that supplying the skillset we have to industries that need it. And we started out in the IPO market, did a little bit of work in the biotech market. And now we've kind of broadened out. But people don't think about that a lot. You're like, my skillset, where is it in Heistamon and can pay the most?