

Best of success principles from Wealthy People

Principle #1 Respect money

- Whatever you don't value you will lose.
- Pay attention to it. Learn about it, don't waste it. Wealthy hate waste. (I call it financial efficiency)
- Take care of the money then the game gets really interesting.

Principle # 2. Develop Wealth Habits

- **You must save.** Put money away first consistently. Systematise it.
- **Everything is cyclical.** Buy low sell high. Be fearful when others are greedy and be greedy when others are fearful (Warren Buffet). GORDY: When everyone is jumping out the windows, start knocking on doors. He likes to buy things (eg car) at 10c in dollar.
- **Delay gratification.** Invest early and you'll have what everyone else wants later on.
- **Have patience.** Time in market overcomes a lot of mistakes.
- **Don't be greedy.** Find a way everyone wins.
- **Do not become a consumer.** Ask yourself, "Do I really need this"? Don't use money as a statement. Gordy calls it INVERTED SNOBBERY.
- **Stay humble.** Gordy \$5M mark people become Muppets

Principle # 3. Know your numbers

- No excuses here. They all said the same!
- Keep number simple (dashboard)
- Need to know quickly if something is working or not. Fast feedback

Principle # 4. Become good at deal making

- **Always be looking for a deal.**
- **Deals should be simple.** Gordy says it should fit on the back of a beer coaster. Tricky = complicated. Walk away.
- **Never risk money you don't have.** Be prepared to walk away from a deal and if you can't make money from it, cut it loose.
- **Fall in love with the deal,** not the property (real estate)
- **Every transaction should be win/win.** Gordy on selling someone property that he makes lots out of but he knows they will do even better vs my old man...misses out.
- **When setting fees.** Gordy: Think of a price, double it and don't blink.
- **Make offers.** Chooky when looking for our first house.

Principle # 5. Know your WHY, and have a go.

- **They all see themselves as adding value to people.** They believe they are making lives better. Find compelling deep meaning as to WHY you do what you do. IT ignites passion.
Randall: Creating amazing experiences for people. Average = Average
Gordy: Creating beautiful places for people to live that they make money from owning.
Ken: Creating amazing line of cattle. Do things that last. Do them well.
- **Have a BIG vision.** Glen: Lift your line of sight. Golf story

Principle # 6. Find great people and make them greater.

All very interested in developing people and they have developed a high standard culture.

- They expect high standards.
- Fire fast.
- Success is non-negotiable HOW is on the table. Team are not allowed to come to Randall with a reason something won't work if they don't have solutions.

Glen: BE a genius maker...not a genius. Don't be stingy about paying for good help.

Ken: Induct well, promote from within, train heaps, put in area of genius, support thru tough times.

Gordy: Employees should be treated like volunteers, or family that you have high expectations of.

Randall: Encourage a lot. Give quick feedback on under performance as people need to know when they are underperforming.

He pays an attitude bonus not linked to income.

Principle # 7. Be the best. Create great products

- Obsess about your client's experience.
- Know your stuff backwards. Have access to the important data from your industry. Gordy had a 1-page summary of each area with the relevant KPI's so his decision making was obvious.
- Think from all points of view, not just yours.
- Where's the gap.
- Test small but test often
- Get lots of fast feedback.
- **Randall** "We are committed to being the best and we need your help". They did Welcome Back calls after a trip and asked for feedback. When they made changes based on feedback they were notified and rewarded with a credit.

Principle # 8. Common habits to ensure their best.

- All said, "Do what you say you'll do and act quickly on decisions"
- All are grateful for life/opportunity
- Delegate well and fast.
- All have "thinking time" Randall : 2 hours a day
- Win the day before you start. Do the toughest thing first.
- Score each day and look inward for results.
- If there is something you don't like, change it or get rid of it.

The only thing you have of value is time...What are you doing with it?

Principle # 9. Develop an A grade external team

- Accountant
- Lawyer
- Financial Advisor
- Mentors
- Coaches