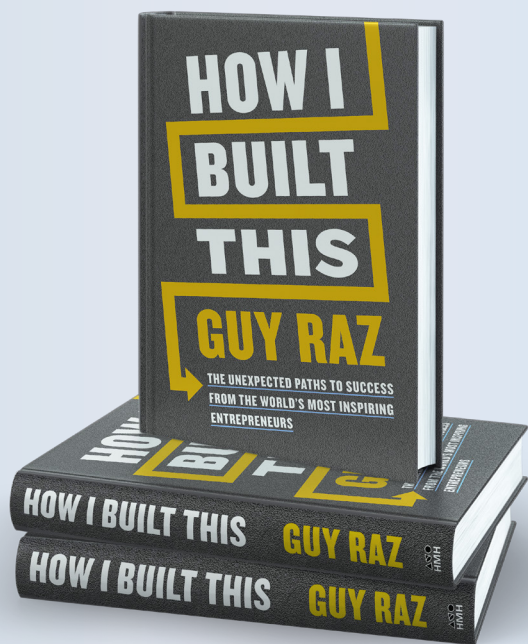


# BOOK SNAPS™

Zooming In On Your Next Read



## How I Built This

By Guy Raz

Guy Raz is the creator and host of the popular podcasts *How I Built This*, *Wisdom from the Top*, and *The Rewind* on Spotify. He's also the co-creator of the acclaimed podcasts *TED Radio Hour* and the children's programs *Wow in the World* and *Two Whats?! and a Wow!*. He's received the Edward R. Murrow Award, the Daniel Schorr Journalism Prize, the National Headliner Award, and the NABJ Award, among many others and was a Nieman journalism fellow at Harvard.

Copyright © 2020 by Guy Raz • Houghton Mifflin Harcourt

## How to Start, Launch, and Build a Successful Venture

Popular podcast personality Guy Raz is the host and creator of the podcasts “How I Built This,” “TED Radio Hour,” and the first-ever NPR podcast created especially for kids, “Wow in the World.” His audience spans the globe with more than 19 million listeners tuning in to his wildly popular shows each and every month. When it comes to podcasting, Guy Raz tops the charts with his highly acclaimed shows that draw on his decades of experience in journalism with NPR.

The “How I Built This” podcast shares the stories behind the world’s “greatest innovators, entrepreneurs, and idealists” whose work has sparked movements. The book *How I Built This: The Unexpected Paths to Success from the World’s Most Inspiring Entrepreneurs* is based on the show and “offers priceless insights and inspiration from the world’s top entrepreneurs on how to start, launch, and build a successful venture.”

Raz organizes the book into three sections that “trace an entrepreneur’s hero journey.” “The Call” covers what happens when ideas incubate into businesses. “The Tests” shares wisdom that will help founders overcome the major hurdles inherent to any new venture. “The Destination” uncovers insights into the long term success of businesses and the people who build them.

Raz wrote the book for all those dreamers who are not “natural-born entrepreneurs or even entrepreneurs at all.” This book is for those who lack experience, but excel in grit and vision. It is for people “who are idealistic but may not have found an idea worth going out on a limb for just yet.” This book is organized to help normal people succeed.

### The Call

Entrepreneurship is not a very “natural” calling. We all like to fit in and be part of a larger group that gains us security. Entrepreneurship is a risky business that often requires one to launch out alone and unsure. Those who embrace this call do so with “a different set of instincts.” Throughout history there have been those individuals who left the comforts of home to forge a new



path. Historically we have labeled those people “explorers.” But, Raz writes, “in the twenty-first century, with the frontiers that are still open for exploration no longer physical, but technological, social, intellectual, and economic, we have given that person a new name: entrepreneur.”

Entrepreneurs are not born or selected. They are self-made. Anyone can become one by answering the call. Anyone who listens to the idea swimming inside their head that breeds excitement is answering the call. Anyone who responds to a problem with a unique solution that only they can provide is answering the call. Once the call is received, there is a “critical set of things to think about as you prepare to cross the Rubicon of entrepreneurship into truly uncharted territory.”

One key to being able to answer the call, is being wide open to ideas in the first place. You cannot answer the call if you are not listening for a ringer. Ideas may be a dime a dozen, but good ideas are rare. One of the timeless questions surrounding entrepreneurship is “can you actually find a good idea or does it have to find you?” Raz asserts that the answer to both questions is “yes.” Looking for ideas really involves looking for problems that could use solutions. Being open to “the possibilities and perspectives around you” increases your chances of finding a launchable idea.

Taking a leap is scary but it doesn’t have to be dangerous. In order to answer the call safely, entrepreneurs are wise to have a fallback plan and continue working in their “day job” for as long as possible. This may seem like you are not giving the required faith to your idea but that’s not the case. All entrepreneurs suffer setbacks. Having steady income or something you can turn back to when the bottom falls out gives you “a cushion at the bottom of your entrepreneurial leap of faith so that if you do crash, you can bounce back to fight another day.

Many assume that founders of highly successful ventures choose a product or service about which they have vast experience or knowledge. Raz has found countless examples of just the opposite. Sometimes people are called into forming a business as a “consequence of curiosity and coincidence.” Lacking “subject matter expertise or institutional knowledge” is not a deterrent on this kind of entrepreneurial hero’s journey. In fact, it can be a “blessing.”

They are not tied to predetermined bias or conventions. They are free to explore new options. However, it is imperative that they conduct thorough, exhaustive, and complete research about whatever they plan to launch. They have to “build a foundation of knowledge on which they can leverage their creative instincts and their professional judgement.” Raz cites the enormously successful Away line of luggage as a prime example of this path as its founders had zero experience creating or selling luggage prior to taking their leap.

Though one person is often given credit for founding a company, more often than not, there is at least a partnership behind the scenes. Raz thinks startups with sole founders are almost automatically set up to fail. Humans are social creatures. “We live in groups. We work in teams. We mate in pairs. We thrive when

we are together. It is as true in life as it is in business.” Different people bring the necessary divergent skills and perspectives needed to turn an idea into a functioning organization. Find a partner that complements your skills, way of thinking, and strengths while elevating the vision you share.

## The Tests

Most entrepreneurs “have a healthy fear of failure.” The stark fact is that most startups fail. And even those who eventually do succeed, meet failures and setbacks of varying degrees along the way. The biggest fear that almost all entrepreneurs face full on is the fear of “if.” What if your idea isn’t good enough? What if it never gets off the ground. If you can just get it going, it is bound to succeed, but what if you can’t? This is normal. Failure is going to happen but that shouldn’t stop you from pursuing your idea. What you do with those failures, or tests, challenges and twists, can make all the difference between take off and failure to launch all together.

There has never been a better time to launch something new than right now. The world is positively ripe with countless examples of what to do, what to avoid, and how to persevere. Those new to the entrepreneurial game only need to look to those examples to figure out how to avoid “falling into traps, making mistakes, or taking wrong turns” more than is absolutely necessary. Once is enough. Those who came before you can teach you everything you need to know about the tests your business will face.

Every market has barriers to entry and competition will be one of the greatest. Competitors will be poised to pounce if you let them know you are coming. One of your biggest defenses is to forget about entering the market through the usual channels, or as Raz calls it, “the front door.” Instead, “enter through the side door” where you will be ignored. Look for niches that represent perfect opportunities for your product or service. Raz uses the powerbar RXBar as an example. The protein bar market was excessively overcrowded in retail outlets like Whole Foods. The founder looked for a side door, in this case selling direct-to-consumers in the CrossFit gym segment. Through that opening the founder was able to establish his brand before his “direct competitors could notice and stamp him out.”

“Young businesses trying to find a foothold” need to zero in on exactly the right location for their business. In some cases, location choice can be obvious. Snowboards need to be sold in snowy locations. Bathing suits do better near beaches. However, sometimes a founder chooses a location that is not so obvious. For example, the founder of Shopify was told he needed to be in Silicon Valley but in reality, it was already overcrowded and ready for a bubble to burst. Instead, he kept his company’s feet firmly planted in Ottawa, Canada where he had “the distance needed to be as creative and unconventional as he wanted to be.” A move to Silicon Valley may have “rounded off many of the edges” of the fledgling founder’s software, leaving it far less dynamic than what it ended up being. The point Raz makes through this and other examples is that sometimes a business needs to move towards the rest of the field and sometimes it



## When you find that you and your business have finally arrived, you have to decide what comes next.

needs to move away from it. It is “your job to figure out which camp your business belongs in.”

### The Destination

You may think the hardest part is over once an entrepreneur reaches their intended destination. Raz is sorry to say that achieving your objective actually marks the beginning of the real work. When you find that you and your business have finally arrived, you have to decide what comes next. “Do you keep moving and do it again? Do you stick around? Do you build? What do you build? How big? With what? And why?” These types of questions become all consuming and anxiety provoking. You may begin to wonder if all of this is really worth it and why you are continuing to put yourself through it.

In the earlier phases, you are figuring out what needs to be done to survive another day, hopefully moving ever closer to the goal line. Once you cross it, it’s time to figure out if you want this business to stand the test of time. If so, what you are really talking about is your own legacy. This pulls in contemplations of your “mission and values” and how to “honor all the work you put in and treat those who helped you get here well.” On top of that, grappling with these next steps leads you to answers that will “make you feel successful.” If you get to your destination for reasons that are not authentically you or “along the way you lost sight of what inspired you from those very first days, then the long, arduous entrepreneurial journey may fill you with regret.” The real destination is not profit alone. It is “also about finding and fulfilling a deeper purpose.”

Businesses that remain long after a founder is gone “act as a force for good in the world.” As a founding entrepreneur, your company’s mission ensures that your business is about more than money. It is your responsibility to “identify and articulate it from the very beginning.” Your mission must be fiercely protected and upheld in good times and in bad. Your mission gives you and those around you a reason to keep going, fighting the good fight, even when it is tempting to throw in the towel and walk away. It makes the business about something bigger and greater than your product, your efforts, and yourself. Become mission-first over money-first.

Founders must be intentional about culture if they want both themselves and their businesses to thrive. Many entrepreneurs find themselves in a sticky trap that, if left alone, could be hugely detrimental on a personal and professional basis. This may sound dramatic, but it is true. It comes down to whether you build a culture that is founder-centric or whether you learn to let go and rely on the team you have assembled.

In a founder-centric organization, “the impulse is to do everything yourself, to believe that only you know best, and then to build processes that reflect that belief.” After all, you have nurtured this from its origin as an idea inside your own head to a full-fledged business. “It becomes difficult to know where you end and the company begins.” If things go wrong, you take the responsibility as your own and work ever harder to avoid mistakes or wrong turns. This takes a tremendous toll both physically and emotionally.

Instead, entrepreneurs must put the business, not themselves, at the center. A major part of that process is creating a culture that can leverage each and every person on the team. It should be incorporated into recruiting, hiring, and daily life at the organization. Micromanaging and merging your own identity with that of your business is a recipe for ruin.

Guy Raz has found inspiration, wisdom, and camaraderie through the interviews he has conducted with founders and entrepreneurs. One of the most important lessons he has learned from them, and his own experience as an entrepreneur, is that the journey can be a lonely place. He writes, “Starting a business—starting anything creative for that matter—is difficult. It is a twisting road with hours, days, weeks, and months filled with struggle and failure and self donut and even tears.” It is all too easy to not only feel the weight of the world on your shoulders, but to be overburdened holding it all up. The despair and stress and overwhelm encountered by entrepreneurs motivated Raz to produce the “How I Built This” podcast and to write the book.

Raz wants you to know, despite how you may feel, you are most definitely not alone. In *How I Built This*, “you have every single entrepreneur who has come before you and has made the mistakes you can learn from without having to make those mistakes yourself.” Raz’s book serves as a means of support and refuge to build your confidence as you build your business. It is an excellent resource for anyone who finds themselves traveling at any point along the entrepreneur’s journey.