

# THE BILLIONAIRE MONEY RULES

## HOW TO JOIN THE RANKS OF THE SELF-MADE SUPER RICH



## Billionaire Money Rule #6: Use Failure to Refine and Refocus

### STEPS FOR IMPLEMENTATION

The self-made Super Rich are experts at taking losses and using them to improve themselves and their agendas. We've never encountered a person of extreme wealth who didn't have a litany of stories about bad business decisions, bad investments and choosing to work with the wrong people. Failure is inevitable. It's expected. The key to success is what you make of your failures.

For most situations, there are seven vital steps to autopsying failures. As always, adjust these steps as needed in accordance with your own endeavor or situation.

#### Step 1: Review your expectations.

Going into each business initiative, you should have a clearly specified range of expectations. In running the numbers, you put together the financial and strategic possibilities. Here, delineate these projections once again.

#### Step 2: Detail your results to date.

While you've determined that the initiative is a failure, there are different degrees of failure. Precisely describe the current state of affairs and where you see things going.

#### Step 3: Identify the discrepancies.

From the start of this process, you knew the initiative was going south, if hadn't already hit rock bottom. What's important is to quantify and highlight the differences between what you expected and what has happened.



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#### **Step 4: Compile a list of all the “mistakes.”**

Without attributing blame or responsibility, put together a list of all the errors that resulted in each discrepancy. Very often the best way to do this is to construct a matrix, as many of the same mistakes, such as depending on the wrong person, produced multiple discrepancies.

#### **Step 5: Specify the lessons you need to learn.**

By carefully considering the causes of the discrepancies, you’re likely to see core, singular errors in judgment as well as patterns of miscalculations. From these conclusions, tweeze out the lessons so you do not repeat the same mistakes.

#### **Step 6: Aggregate the mistakes from a number of failed business initiatives or poor investments.**

Oftentimes you will not see a pattern of miscalculations by autopsying a single failure. Only by considering several unsuccessful ventures will you recognize the overarching decisive mistakes you’re making.

#### **Step 7: Learn the bigger lessons.**

Across multiple unsuccessful initiatives, you can determine ways of thinking, habitual actions and repeated poor judgments. From here you can discern the bigger lessons you need to master to ensure you only make new mistakes.

