

THE BILLIONAIRE MONEY RULES

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



Billions Money Rule #4: Pay Everyone Involved

GUIDELINES FOR IMPLEMENTATION

People do things for lots of different reasons, but in the business world, it's a good bet that paying people can go a long way toward motivating many (if not most) of them. But money isn't the only form of currency employed by the self-made Super Rich. When thinking about how you're going to pay the individuals working with you, it's essential to know everyone's roles and responsibilities. In setting the compensation of the participants, the following guidelines can help.

Guideline 1: Stay flexible.

As projects and business ventures progress, they tend to evolve. The importance of various participants is highly likely to change. The Super Rich are generally very efficient at adapting and restructuring the compensation model for any venture. This requires closely monitoring the changing nature of the deliverables and modifying compensation appropriately for participants.

Wealth creation implication

Compensation models are initiative-dependent. As the character of initiatives changes, you might need to rework both the amount and the way you're paying participants. You must always be prepared to make changes when warranted.

Guideline 2: Many people think they are more important than they probably are.

When working with talented and motivated individuals, you're likely working with egos—some larger than others, but egos nonetheless. While the self-made Super Rich recognize and certainly want to work with the best, they know to distance themselves from the self-promoting hype of many self-proclaimed experts.

Wealth creation implication

Know what you're paying for. More important, know what *you want* to pay for. To avoid overpaying, do not buy into the pictures the participants paint of themselves. While you'll periodically need to negotiate the price as well as the form of currency, be clear on the value you'll be receiving.



Guideline 3: Prepare backup contingencies.

When the negotiations become intractable because you're able to pay "X" and your prospective participant wants "X + Y," this will not be much of a problem, provided alternatives are more-or-less readily available. The self-made Super Rich work hard so they are not dependent upon any individual participant. Hence, they are also better-positioned in any negotiation.

Wealth creation implication

Always remember that just about anyone can be replaced. Be prepared, as much as possible, to bring in a pinch hitter if a participant becomes too greedy and demanding. The more comfortable you are with your backup contingencies, the more you will profit from any venture.