**CS Pat Flynn**

**Voice Over**: Welcome to The Chalene Show. Chalene is a New York Times bestselling author, celebrity fitness trainer, and obsessed with helping you live your dream life.

**Chalene Johnson**: I get messages from some of my Lifers, who find this really interesting – this idea that you could create your own business online. There’s a piece of them that tunes in and tunes out like, “Yeah, I’m not really sure if that applies to me.” I think a big reason why that happens is because there isn’t a why. There isn’t a need.

If you have a job or you don’t need one, if you’re a stay-at-home mom or if you’re a stay-at-home dad, if you love your job and you can’t ever imagine leaving, then I can see how it might just seem not that related to you. But let me ask you this. Do you love helping people? Is there something that you know inside and out, you just can’t stop talking about it?

Forget about your job. It doesn’t even have to relate to the way that you make money. But is there something like a hobby or something you figured out or something that you just really find super interesting? You love talking about it. You love teaching people about it.

If you answered yes to that, I’m just going to encourage you to start doing something with that. Start a blog, a YouTube channel. Create a Facebook Like page just around that subject, a Pinterest board. Whatever it is, that thing, just focus on it because you’re about to hear from someone who is doing just that.

When he least expected he would need it, he found out that by sharing what he knew, by helping other people just for the fun of it, what he had created almost accidentally was a six-figure business that allowed him not just the security of knowing he could provide for his family after being laid off, but it has allowed him the opportunity to help thousands and thousands of other people do it, too.

Whether you’re an entrepreneur or just a little curious about some of these stories, I encourage you to listen to this with an open heart and an open mind. Don’t think of this in terms of business, think of this in terms of what do I have that I love and I love talking about and I love helping other people with. If something came to mind, this episode is for you.

Ladies and gentlemen, Pat Flynn.

**[START OF INTERVIEW]**

**Chalene:** Pat, you know what I love about your show?

**Pat Flynn:** What’s that?

**Chalene:** Among other things, how you start sometimes with like a song.

**Pat:** You like my beat boxing?

**Chalene:** Yes. Thinking of a master plan, ‘cause ain’t nothing but sweat inside my hand. So I dig into my pocket all my money spent, [0:02:41 inaudible] and still coming out with Flynn. Stop the mission.

**Pat:** Nice.

**Chalene:** You’re so good with that.

**Pat:** We got the flow on.

**Chalene:** I really want to ask because you look really young, but I love that you have this flair for music from the ‘80s and ‘90s.

**Pat:** Thirty-two.

**Chalene:** You’ve done so much for someone who’s so young.

**Pat:** Thank you. I appreciate that.

**Chalene:** So, you know, I know your story because I found your podcast when I specifically was looking for ways to create passive income. Your podcast popped up. I’m not even sure how I found it, but Smart Passive Income has been my go-to source for so many great inspirational stories when I had to transition from really a brick-and-mortar business and selling DVDs on infomercial on TV and figure out a way to create passive income online. You’ve been the go-to man.

**Pat:** Thank you for that, Chalene.

**Chalene:** It’s amazing, so I know your story. For those people who are hearing from you for the first time, help my listeners understand what happened in 2008 that made this all come together?

**Pat:** Sure. Well, I went to school for architecture. It was something I’ve wanted to do all my life. I was very lucky to get my dream job coming out of college randomly through a connection in the **[Marge Van Heusen 0:03:52]**, which was a whole completely different story.

But anyway, I was working in Bay Area and everything was great. I got promoted to Job Captain, the youngest person to get promoted to that position in the firm out of the 250 people. Then, 2008 happened and the economy tanked and my job went down with it.

I was brought into my office. My boss sat me down. He said, “Pat, you’re one of the youngest and brightest guys we know. Unfortunately, we have to let you go.” I was like, “What? How can you say that and then that?” That does not make sense to me. They held on to me as long as possible and my first reaction was, “What did I do wrong? Why am I a failure? What is my dad going to think?” He’s very traditional, worked in the same place for 40 years and then retired and was able to support the family and I love him for that.

My thought went to my fiancé at that time, April. We had just gotten engaged. I just was like, “Oh my gosh.” I’m thinking the worst things as we always do like, “What are we going to do? How are we going to survive? Maybe we should delay the marriage,” and all that stuff.

I remember that evening when I went back to my apartment, she came in and she saw me crying. All she kept saying was, “We’re going to be okay. We’re going to be okay.”

**Chalene:** That’s when you knew you picked the right girl.

**Pat:** Absolutely. You know what, I’m so thankful for her and her support and her believing in me because so many amazing things happened after that. Although, it didn’t happen right away and I didn’t know it was going to happen.

So after calling every other architecture firm and trying to figure out if I can get another job, begging and pleading even for just an executive position – like an assistant position – it wouldn’t let me back in.

Luckily, I had a little bit of transition time because I was Job Captain. I had clients; they couldn’t just let me go from them. So I took the train after moving back with my parents. My wife moved in back with her parents, too. So again, we could save money for our wedding.

On the train ride from San Diego to Irvine, California, which is where I went everyday – in the morning, I would listen to podcasts. I discovered this one podcast called Internet Business Mastery hosted by Jason and Jeremy. On one of their episodes, I listened to a guy named Cornelius talk about how he had built a six-figure business teaching people how to pass the project management exam.

I was like, “Wait a second. I took a really hard exam when I was an architect. It was so hard that I created website for myself to help myself and a couple of co-workers pass the exam.” After I passed, I just let that site sit there. I had no more use for it. Maybe I can turn that site into something like Cornelius did.

The next say, I just did some really quick research on online business and put an analytical tool, Google Analytics, on my site. The next day, I saw that over 5,000 people were already visiting that site that I had created for myself and let just sit there.

That blew me away. After getting over the initial scare because I was just, “Oh my gosh. Where are these people coming from? I had no idea how this was happening.” I was like, “Wow. There’s a cool opportunity here.” Then I got involved with a lot of communities online and just started asking everybody around for help and what should I do and how can I figure this out, and getting involved with other internet communities.

Eventually in October of 2008, I published a study guide for my audience who is on that site, who I’ve built a relationship with through answering questions in the comments and just putting my face in the site and talking about my experience with the exam.

In October of 2008, which is the same month I officially got laid off, I made $7,908.55 from a $19.99 eBook. It was completely life changing for me in so many ways. The money was amazing but also the fact that here I was in online business doing it. My whole perception of online business beforehand was like, “Red alert, red alert, red flags. Scammers,” you know, this whole thing.

Then here I was doing it and providing value for people and getting paid in return but also getting these incredible notes of thank you from people who were purchasing my guide. The most incredible part of this was 25 percent of my customers, I discovered through a survey, were people who had all ready taken and passed the exam. They didn’t need my guide but they bought it anyway.

**Chalene:** What?

**Pat:** I was like, “What? This doesn’t make any sense to me.” They said, “Pat, you finally gave me a way to pay you back for all the free information you gave me to help me pass the exam.

**Chalene:** Wow.

**Pat:** I was like, “Whoa!” That has been really the origin story of why and how I do business the way I do, which is serve your audience first and provide value. Your earnings are truly just a byproduct of how helpful you are to your audience. That’s what I do now in all of my sites and businesses.

I since started SmartPassiveIncome.com. I did it almost a couple of months right after that success with that eBook to share how all this happened and be just completely honest and upfront with it. Now, this blog has become an example for people on how to do business in a very transparent way because I not only talk about my wins and share all my strategies for free, but I also talk about what didn’t go well.

**Chalene:** You do.

**Pat:** My failures. I love that.

**Chalene:** People love you for that because it is relatable. This is such an inspirational story. It would be amazing because I know that this is going to be one of those full circle moments where someone is going to say of the first time they heard you, “Yeah, I’ve just been laid off. I’ve just been fired, and listened to this episode with this guy Pat Flynn on The Chalene Show and that’s the day I decided I could do this.”

You know, sometimes when we ask people to recap their story, it sound so simple. It’s like, “Yeah, I was laid off. I had a fiancé, and that same month I made $7,000.” It almost sounds too good to be true, right? I think that there are people listening right now.

I want to talk to you about two things if I can. Number one, is there people listening right now who are like, “Yeah but I’m not going to get laid off. I’m not going to be fired. My boss loves me. I’ve been here for X number of years. I’m everybody’s favorite. I’m certainly not going to quit, and I’ve no interest in starting my own business. I don’t need to start a business. My husband has a very secured job.”

I always say to people, you just never know. You just never know. Forget about the money. It’s so fun and so rewarding to help people with the obscure knowledge in your niche that you have. So what would you say to someone who is like, “Yeah, this is an interesting story, but I don’t have any need to start something online?”

**Pat:** Sure. I mean to your first point before, this was not an overnight success by any means. It took a year and a half of putting content on the site while I was studying before I even had the opportunity to then turn it into a business. There is no such thing as the overnight success.

**Chalene:** Let me stop you right there. I want to connect that dot for people, nice and tight. You get laid off in October of 2008. You already have a website. You were all ready producing content. You were already creating a community. It just wasn’t a business yet. Is that correct?

**Pat:** That’s correct. I think I even did myself a favor by not even realizing I had a business opportunity on the hand because I just built so much trust and authority with those people by sharing everything they needed to know to pass. Then when I finally gave them the opportunity to pay me back, they definitely took that opportunity.

**Chalene:** Wow. All right. So before you start making an income from this website you created by sharing – that’s a very niche expertise. I think most people would agree. Before you did that, if someone who called you and said, “Hey, Pat. A headhunter told us about you. We’d love for you to join our firm and it’s even more money than you were making at your last firm.” Million dollar question. Would you have taken it?

**Pat:** This is before I knew I was going to get laid off?

**Chalene:** No, right after. You just got laid off but you haven’t figure out how you’re going to make income yet.

**Pat:** Yes.

**Chalene:** You would’ve taken it?

**Pat:** I would’ve.

**Chalene:** Wow.

**Pat:** Like I said earlier, I just was trying so hard to get back into what I had spent of my life studying, years of life wanting to do, three years of my life in the professional world in the world of architecture. I just wanted back in because that was my comfort zone. That’s all I knew. I didn’t have a Plan B.

But because the industry at that point is that they weren’t hiring anybody – I mean, they were laying off people left and right. I was very lucky looking back because it gave me the okay to go out there and try something new. I really feel like it made me a kind of person who was able to take bigger risks than if I continued with my job or was offered a job somewhere else.

An interesting story, a few months later, in March of ‘09 when my business was doing very well for a number of months, I got a call back from the boss that had let me go. He left that firm and started his own firm, took a number of my co-workers with him. He offered me a position, the same position with a little bit of a higher pay but he also offered to pay for years of rent for my wife and I.

**Chalene:** Oh my gosh.

**Pat:** It was the best no I’ve ever said in my whole life.

**Chalene:** Did you struggle with it or were you certain?

**Pat:** No. Not all.

**Chalene:** Cool.

**Pat:** I was certain just because when I got laid off and finally started thinking about this and saw this opportunity, I figured, “You know what, I had done everything ‘right’ up to this point and I still got let go. I went to school. I got the good grades. I did extracurricular activities so I can impress the admissions office and get and do all this stuff. I still got kicked out.”

Even though my dad, who was always right, he said that after I got laid off I should go back to school and go to a graduate program, get my degree, and come back out. I’d be that much better of an architect and be able to get a better job.

He was right. I could’ve done that, but I saw and experienced what it was like to do things right and have it just completely taken away from you without any warning. I wanted to in the future know that if I would’ve fail, it would be because of my own wrongdoing not something that anybody else could control. That’s when I decided to truly become an entrepreneur.

When my boss called me back and I officially said no, that was like, “Okay, I’m committed. I’m doing this.” It’s awesome.

**Chalene:** What a lot of people I think miss is that you can create and you should be creating Lifers. They’re just people who you take care of. It’s the person who you’re like, “Hey, I’m 10 feet ahead of you on this trail and you turned back and you look at the person behind you and say ‘Hey, be careful there’s a big hole up here. You don’t want to step in it.’”

You’re just doing it out of like, “I figured this out so I’m a good person. I want the person behind me to have a nice time in this trail as well.” I think there’s some things that we can learn from this. Those people who aren’t yet entrepreneurs but have something that they’re already helping people with. What do you think you did that was unintentionally creating Lifers before you ever laid off?

**Pat:** I feel like it was just understanding through the world of architecture that it was okay to fail, and that when I fail to share those mistakes. I had some people, when I became a Job Captain, under me who I wanted to help out and I knew that I made a lot of mistakes and continue to make mistakes when drafting. I would share those mistakes with the senior drafters under me so that they wouldn’t make those mistakes either.

This is exactly what you’re talking about. When you go to this site that I have at Green Exam Academy to help people pass this exam, I talk on that site about how I got 183 out of 200 on that exam. I didn’t get a perfect score. I wasn’t even close to a perfect score. A 175 is the passing grade and yet people still are able to trust the information and the fact that I was there and I had taken that exam before, and I could share just something a little bit.

Being an expert is really just knowing a little bit more than somebody else. That is something that is valuable. I feel like a lot of people discredit the information they know and the experiences that they have in their life that might be able to help other people.

**Chalene:** I love that you just said that. It doesn’t mean you know everything. You have to be okay with accepting I might know a little bit more than someone else or I have my own unique way of doing this. I’m not saying I’m an expert but I’m saying this works for me. If it works for you, awesome.

**Pat:** Right. You have to be honest with it, too. You don’t want to pretend like you know something and then not know it or not be able to provide value. The craziest part about this is actually in May of ‘09, a couple of months after my boss called me. The United States Green Building Council, which is the company that actually administers this exam, this organization about – it’s about green buildings and sustainable design and things like that.

They came out with their own study guide. The company that creates the exam questions came out with their own study guide. I thought I was done for. Why would anybody buy a little indie study guide, an audio guide from Green Exam Academy when they can get the questions and the help for the questions that are administered by these people. I thought I was dead.

**Chalene:** Right. Yes.

**Pat:** My sales went up. I didn’t understand that until I talked to people in my audience. You know that the United States Green Building Council has their own study guides, right? They’re like, “Yeah but I really connected with you and your experience in taking the exam.” That was the coolest part. Everybody who emailed me call me Pat, by my first name.

When I was getting these letters from people who had taken the exam and passed because of my guides, they would say, “Pat, thank you so much, Pat.” That’s where that transition between my traditional work at a 9-to-5 job were actually it was really like a 9-to-8 job is different. Why I love it so much more now as an entrepreneur because I was like, “Wow. Okay. Maybe I can’t change the world but I can change somebody’s world.”

**Chalene:** That’s what makes it an incredible opportunity for anyone who’s listening because people would rather invest in a person they trust than buy the best product. If you’re the person I trust, then I assume that this is the best product for me. I’m much more comfortable with that than just buying a product or buying a service. It’s like we fall in love with the person first.

**Pat:** Right. My buddy, Chris Ducker, who I know is on the show. He and I are best friends. We poke fun at each other all the time. He knows a thing or two.

**Chalene:** Yes, he does except how to say Legos.

**Pat:** Right or niche or chamomile, whatever

**Chalene:** Sorry, Chris.

**Pat:** Chris, I know you’re listening to this. But anyway, he talks about the story of Bob the Baker, where in small towns, he would always go to Bob the Baker to buy his bread because he knew Bob and Bob knew you. He knew your family and the names of your kids. You would spend a little bit more money with Bob the Baker rather than going to the grocery store which is a little bit more convenient and the bread’s cheaper because you just love Bob.

He says, “It’s not about B2C or business to customer or B2B anymore. It’s about P2P, person to person.” That’s one of the smartest things that’s ever come out of his mouth.

**Chalene:** It’s brilliant. You know it’s really true. My husband every morning, he buys bagels at the corner bagel store. I said, “Honey, why don’t we just put it on the grocery list? Then every morning you don’t have to go and buy fresh bagels.” He said, “No, I love that guy behind the counter. He always calls me coach.”

**Pat:** That’s so cool.

**Chalene:** That’s exactly that story about the baker.

**Pat:** I love that. It’s just a small thing that coach, right? But those are the things that people connect with. It reminds me – and you know this because you listen to my podcast. At the beginning of every episode, I have a different random fact I write about me by the voice over guy. He’s like movie voice over guy. He says a random fact about me.

When I initially started my podcast, I shared this idea to do this with some podcasting mentors. They were like, “Pat, that is the dumbest idea I’ve ever heard. Why would you waste your time, sharing these little random facts, and have your voice over guy do it? It’s going to cost more money. Nobody cares about your fact. Just go right into the content. That’s what people want.”

**Chalene:** Yes.

**Pat:** But I did that anyway.

**Chalene:** I love that piece.

**Pat:** Thirteen million downloads later, those same people are like, “Pat, you are a genius.” I’m like, “No. I’m just being a human being and humans connect with other humans based on shared interests, likes, and just the fact that they know that that person is a real person.” Now, I go to conferences and people come up to me and they’re like, “Pat, dude, what’s up, man?” I’ve never met them before. But they’re like, “How’s your fancy football team doing?”

**Chalene:** Yes, they know you.

**Pat:** I’m like, “I don’t want to talk about it because they didn’t do so well this year.” They’re like, “Dude, I’m half Filipino, too.” We have this immediate connection. I have a huge fan base of *Back to the Future* fans because everybody knows I love *Back to the Future*.

**Chalene:** Yes. Well, we’re always looking for a way to connect with people. I think we can’t be afraid to do that. If you’re furious that some people aren’t going to like you, I think that’s a good thing. The quicker I can help you figure out whether you like me or not, we save both of our time. Then I can be more authentically myself if I’m not worrying about pleasing someone who would just – we’re not going to get each other anyways.

**Pat:** Right.

**Chalene:** So just boldly be you so that other people can find you, the people who are looking for you. I think the intro to your show is one of the things that really hooked me.

**Pat:** Awesome. Boldly be you, I love that. Everybody listening out there, that’s your advantage – you. I remember in 2011, I went to one of my mentors. I was like I had these all other business ideas I want to do. Maybe you could help me out. He said something I’ll never forget.

He said, “Pat, all these businesses are great. But you’re missing the most important thing in each of them.” I was like, “What’s that?” He’s like, “You.” “What do you mean?” “Well, you just have this ability to connect with people and build a rapport people in the online world.” I think that’s the ability we all have. It’s just do we choose to share this ability by which we are able to provide and also create a relationship with?

That’s when I had this idea for the podcast like I talked about. I’m always happy to share bits and pieces of my personal life and story with my audience. They all know I’m a huge parent – not like a huge parent. That was weird.

**Chalene:** You’re a pretty great parent.

**Pat:** Yes, exactly. I’m training for **[0:21:48 inaudible]**, not too huge. I mean I’m like really big on family life, being a good father and husband and they know that. I feel like that helps me connect with a lot of people with my audience.

**Chalene:** It will make my Lifers fall in love with you. Speaking of that, that’s a perfect segue way. “All right, fine. I’ve got these things that I’m interested in. I have a full time job” or “I’m a stay at home mom and I’m not really sure if I ever want to start my own business. But I hear you and I trust you and I understand that I should at least start building a community or offering advice, connecting with people.” What is Step 1?

**Pat:** I think Step 1 is the commitment part. Even before choosing a platform or what niche to get into, I think you just have to commit that this is something you really want to do. I think it comes with a lot of visualization, what the possibilities are and what might happen as a result of doing this.

You’ll find that even though you might not know everything upfront, there’s going to be a lot of things that excite you and that’s important to know upfront so that you know that why you do what you do. That’s probably the biggest lesson I have is just always remember why you’re doing what you’re doing. You won’t know that unless you figure out what that why is upfront.

That’s going to help you with a lot of the decision making that you make in the future in terms of what your priorities are, what your goals are and all that stuff. It’s so important to know what your goals are and why you’re doing what you’re doing especially because building a business isn’t always the easiest thing in the world to do.

There’s going to be moments in time where you want to give up or things just might not be working out for you. Then it just takes a couple of moments to think about, “Okay, why are you really doing this?” And then you get back to it and are motivated to continue working.

It also helps make sure that what you are doing is something that is relevant, that is actually helpful because a lot of us can get caught in that trap where we are working and we’re working hard. But are we actually working on something that is going to make progress and move us forward?

Those are some key things I think about as well. Another thing to think about – I mean, this is all prep work before you start taking action. But it is taking action because you’re thinking about in terms of these things, which is super important.

There is a great article out there by a guy called Kevin Kelly. It’s his name. His article is called *1,000 True Fans*, and it’s shared worldwide now. It was an article primarily for artists and artists who are looking to build a business or live off of their art or music. But it’s really an article for everybody. Again, it’s called *1,000 True Fans*.

The summary is if you have 1,000 true fans in this world, which is very many people when you think about in this world of seven billion. 1,000 True Fans, people who just love the work that you do and they’re paying you $100 a year, which isn’t very much when you think about it. I mean a lot of us I feel we pay $100 a month for something that isn’t really something that we care about or passionate about. But if you have 1,000 true fans paying you $100 a year, that’s your six-figure business right there all ready.

**Chalene:** You know let’s put that in perspective. Earlier in – you’ll see and this is for my listeners, there’s an episode with James Wedmore. He told a story about his sister creating a video on how to clear negative energy from a room or from your home. That’s kind of what she’s passionate about. She didn’t do much with it but she got 10,000 views.

Now having 1,000 true fans for someone who hasn’t started this yet sounds big. But if you think about her creating that five-minute video, putting on YouTube and having 10,000 views and if just one out of every 10 people were like, “I’m a fan. I’m now a true fan,” there you have your 1,000 true fans in less than a year’s time with one video. It’s really more possible than what people realize. You just have to start.

**Pat:** You just have to start. I mean the only thing that we know is that if you don’t start, nothing’s going to happen. Nothing’s just going to fall on our lap and we’re all of a sudden going to be where we’re at. You got to take action.

**Chalene:** But what about the people who are so afraid that they’re going on the wrong direction, take the wrong first step. “Pat, I’ve got all these great ideas. I don’t know which one it is. So here I am, sitting, listening to the two of you, paralyzed by fear of perfection, uncertain that the first thing I want to do is the right thing or not.” What would you tell them to do?

**Pat:** I would say that the first thing doesn’t have to be the right thing. As long as you learn from your mistakes and every entrepreneur has multiple failures, some are incredibly extreme. Elon Musk went bankrupt. He almost went bankrupt before his base program and Tesla took off. Tim Ferris, his book, *The Four-Hour Work Week*, was denied by 20 publishers before the 21st or 22nd said yes. Rovio and their company had 59 games come out before Angry Birds finally was a hit. I mean, the first swing doesn’t have to knock it out of the park.

**Chalene:** Yes. Speaking of that, can you share with us maybe a painful lesson that ended up being a blessing? Have you had some failures you can share one with us?

**Pat:** Do you have 50 hours to talk about this? I hope this shows you like I don’t want to fail, I try not to. But when it happens, I love it.

**Chalene:** Yes, it’s an experiment.

**Pat:** Because I’m like, “Now, I know not to do that.” But also it’s pretty cool because on SPI, on Smart Passive Income, I could talk about it.

**Chalene:** I can tell the story.

**Pat:** I can tell it to other people, too. So here’s the story. In June or July of ‘09, again this is after Green Exam Academy took off and was doing very well, I got a letter from the United States Green Building Council who just seemed to love me at that point. It was actually from an attorney who represented them.

They said, “You got to shut down what you’re doing in 14 days or we’re going to sue you.” Essentially, it’s a cease and desist letter. I just flipped out. My immediate reaction was throw everything on the floor like, “Okay I’m done. I’m not doing this anymore. This is just way over my head. I don’t want to get involved with this. This is too scary. I’m going to call architecture firms and figure out where I can get to where I was before. This is scary and I’m not set out for this.”

I eventually cooled down a little bit and talked to a lawyer. He said, “Pat, if you actually read this, you would have understood that you were using their trademark in your domain name. The trademark was LEED. I thought it was clever because my domain name was InTheLEED.com.

Again, I started that just randomly for fun and just to help myself and a couple of co-workers and that’s it. But then it turned into this business. They caught notice of it. They wanted to shut me down or at least take the trademark away. Then we ended up doing some technical stuff to make sure that Google kept the rankings high, 301 permanent redirect for those of you who are techies out there.

It worked out. I changed the domain name to GreenExamAcademy.com. But that was a huge lesson for me because that showed me a few things. First of all, don’t use a trademark in a domain name even though some companies will allow that. At any moment in time, they could reverse that position and take you down.

Secondly, it taught me that I had to connect with some people to fill in the gaps, the holes of knowledge that I didn’t have to help on my business. So then it’s that point that connected with a lot of people like a CPA to help me with all the finances and stuff, which I didn’t have for a long time but I finally got around getting one and an attorney to help me work through any legal stuff that would have happen.

It’s really easy to when you’re starting feel like you have to do it all yourself. This is a trap. We talked about this or you talked about this with Chris when we was on talking about outsourcing and feeling like you have to be that superhero syndrome essentially, as what you called it.

**Chalene:** Yes. I have to ask this question of you. Have you ever outsourced something and then really regretted it and wanted to do that work yourself and try to take it back?

**Pat:** That’s a great question. No.

**Chalene:** Isn’t that funny? We all think that we will but we don’t. Has there ever been an opportunity where the investment that you make in hiring someone to either help you to do it or to outsource it hasn’t given you great returns?

**Pat:** It always has given me great returns.

**Chalene:** Hallelujah. So I just want people to hear that as often as possible. I don’t know about you, Pat, but when I’m asked about the mistakes that I made as an early entrepreneur that I hope others don’t repeat, that’s the big one. It’s I wanted the credit. I wanted to be able to say I did that. I designed this. I also wanted control of it. That became my ceiling.

For a lot of people when they first start out, that is a big leap of faith as learning to delegate. So for those people who are entrepreneurs and maybe they’re just at the beginning of this journey, I want to give them some hope because it is sometimes very daunting. What would you say to those entrepreneurs, who have what I like to call opportunity envy, where they’re like, “Oh, Chalene is doing a podcast. I better do a podcast.” “Someone’s sale is killing on Facebook. I should start spending more time on Facebook.”

You just keep feeling like, "Oh there must be a better opportunity over there. So you keep getting distracted. How do you stay focused?

**Pat:** The distractions are killers. FOMO is real – fear of missing out. That’s something you definitely have to pay attention to. Now, I wouldn’t go blind to those opportunities, but I would just put them aside if they’re not related to that next thing that you really have to work on.

Oftentimes, when we see these other opportunities ahead of us, they’re right in the middle of something else we’re doing.

**Chalene:** True.

**Pat:** Do those things but not right now. You can give yourself permission to try these other things, these other bright lights that come our way. Go ahead, but not yet. Finish that thing that you were doing. There’s a great book by Gary Keller and Jay Papasan called *The One Thing* that is all about that and essentially the consequences of what happens when you don’t focus on one thing.

This is interesting coming from me who has five different businesses and they’re all working at the same time. But they all weren’t built at the same time. Now, I have teams in place to help manage them.

**Chalene:** That is such a great take away. When I read your resume, I think to myself, “This guy is young and he’s done so much.” How is it that you do it all? I think you’ve just revealed it. I don’t do it all at once. I do it in pieces and it just stacks up and looks like a lot.

**Pat:** One thing at a time. Then it’s about prioritizing, making sure that one thing you’re working on is the thing that you should be working on. Again, it doesn’t always have to be the right thing. But at least you know that there’s a possibility that it could be the right thing.

In the book *The One Thing*, there’s a really cool example of this domino effect that Gary talks about. Did you know that a domino can knock over another domino that’s one and a half times its size? That can happen.

So if you would stack these dominos and each one sequentially is one and half times bigger than it, one little push of that of a two-inch domino, 73 dominos later would knock over a domino that is as tall as from the Earth to the moon.

**Chalene:** Wow. You’re speaking my language. That’s the whole concept behind setting goals and then creating your push goal. Picking that one goal that could knock over a domino the size of the moon.

**Pat:** But obviously kill a bunch of people and you don’t want to do that.

**Chalene:** Well, that’s true. I’m not that goal-driven. That’s true. You know Pat it’s been such an honor to talk to you. You inspire so many people. I want to encourage anyone who just loves to hear these stories, the stories of people you bring on the show who either were fed with their job or they lost their job or they’re on extreme debt. They listen to your show and hear other people’s stories. They’re inspired by them and just the crazy wild different types of businesses that people have created passive income. More importantly, they’re created a way to live the life by their design.

I know it’s a priority to you to pick up your kids every day and spend time with your family. I want to take this opportunity to honor you for that especially as a man.

I don’t think there are enough Pat Flynns in the world. The effects of that are – it doesn’t matter how big your bank account is. I personally don’t think that you’re providing for your children unless you’re present for them. You know, you got to be there.

**Pat:** That’s why I do what I do. I do it so that I can spend more time with the kids. That’s why my schedule is the way it is and why I don’t have even though I have the opportunity to create a multimillion dollar business, where I have to go in an office. I don’t want to do that.

I’m working the way I want to work so I can do what I want to do and that’s spending time with my kids and be one of the only people who goes with their significant other to go pick up their kids or one of the only guys in Target at 11:30 a.m. and has awesome parking spots because nobody else is there at that time. All that sort of stuff.

To your point about my show and thank you for plugging that, that’s awesome. There is a whole array of different kinds of businesses that are featured in some of my most popular shows. They’re not the ones with A-listers like Tim Ferris and Gary Vaynerchuk, but it’s the ones with people who nobody knows who are succeeding in this crazy spaces.

**Chalene:** Totally. Like the people with the bakery and the Amazon people, and the bread guy. The stories are amazing. I hear these stories I’m like, “Who even knew this is a business?”

**Pat:** Episode 37 with Lain Ehmann. She makes fix figures a year in the scrapbooking industry.

**Chalene:** Geez.

**Pat:** You just got to take action.

**Chalene:** Yes. It’s a real service that you provide by – that’s there for free people. Take advantage of this. I think smart people will spend time in their cars while they’re working out, listening and educating themselves and expanding their knowledge and meeting people like Pat and the people he has on his show.

Pat, thank you for being a guest of this show. How can people find out more about how to create smart passive income?

**Pat:** Sure. SmartPassiveIncome.com would be the easiest way to go. If you’d like to connect with me on Twitter – you know, I’d love to know that you heard this if you want to say hi and give me a shout out on Twitter @PatFlynn. I’d love to reply and say hi back. Me and Chris Ducker are also doing something special over at 1DayBB.com.

**Chalene:** That’s 1 Day and then the letter B.com. Tell us about it.

**Pat:** It’s a show where we have real entrepreneurs calling and they tell us what their business is and their biggest struggle is. Then me and Chris go back and forth for 15 minutes in what’s called a hot seat and just try to develop a plan for that person. Then we take that conversation offline into our community or the podcast to our community. We’ll also have a live event, which is also structured in the similar way on April 24th. I’m super stoked to be doing this with my good friend and partner, Chris Ducker.

**Chalene:** Chris is awesome. So just to be clear, can anyone call and leave a message?

**Pat:** Anyone. Anyone can call.

**Chalene:** Cool.

**Pat:** We’re getting a ton of people calling in but we can’t possibly select everybody.

**Chalene:** Of course, right.

**Pat:** I also have AskPat.com, which might be more suited to people who are just starting out and who don’t have a business, where I answer a voicemail question everyday for five days a week.

**Chalene:** I will link to all of those. Those are three different podcasts as well as websites. You don’t have to write those down. I’ll include those in the show notes as well as the books and references that Pat made in our interview today. You’ll find those at ChaleneJohnson.com/podcast.

That’s also where you can leave us a voicemail. Let me know what you thought about this episode. I hope that this is that full circle moment for someone where they’re like, “You know what, I’m just going to start blogging about this. I’m going to start a YouTube channel and just share what I know.” This could be that thing, that six-figure passive income that becomes the life that you really want to design and live. It is work but it’s so fun. It’s so fun and so rewarding.

Pat, thank you so much for being on The Chalene Show.

**Pat:** Thank you for having me. Everybody, thank you for your time today.

**[END OF INTERVIEW]**

**Chalene:** As I mentioned, Pat Flynn is a great dad and he’s a cool guy. He’s done a ton of things but as he said in the interview, not all at once. His success at that age, he’s 32. He’s so remarkable but it’s doable. He’s not overwhelmed. He doesn’t work 80 hours a week, and he’s a good guy. The moral of the story is you can do it, too. Just start.

Hey, thanks for spending time with me today, Lifers. You know I love you. So you’re welcome to listen to other podcasts. Just don’t leave me. Just always come back to The Chalene Show. That got weird. Sorry. I got a little mushy there.

Anyways, I love spending time with you. I really do appreciate you. I love it when you leave me messages. I look every week on iTunes and I can’t believe people are still writing me reviews and subscribing. You’re amazing! I can’t say enough nice things about y’all. Until we have the opportunity to spend some time together again, I just want you to know, you are totally awesome.

**[END OF RECORDING]**