

# 22

## **Mistakes and Failures Mandatory**



**Tim's freshman year in high school. Nobody was betting on me.**

Funny that when I was first starting out in life, no one gave me a chance and everyone doubted I could do well. I relished that role. I literally had a 7th-grade teacher tell me I would end up a bum. I like being the underdog more than the favorite any day of the week! The crazy thing is once you start to steadily achieve some successes people start to think you have the Midas touch and that everything you do magically works out for you. Now the guy no one would bet on now is the favorite?! I guess I always was determined to do well and always had a strong sense of self that I would never give up on myself or my dreams. So I get asked this question a lot: Have you ever made a mistake or mistakes? It always catches me off-guard, because someone might perceive me as someone who hasn't screwed up or failed. I normally reply with how much time you got?!

My list of mistakes is a mile long; I'm not in some special mistake-free club. When I was younger, I would hide and really dwell on my mistakes. Fortunately, through the love of reading biographies and business books, I learned that everyone makes mistakes. An amazing number of really great business people have made huge mistakes. This changed my outlook and attitude to past mistakes and when I currently am making mistakes. I embrace my mistakes and value the knowledge I learned from them. An amazing thing happened along the way.

I started noting that if really successful people trust you, they will share their failures openly and candidly! It's really ass-backward that you almost have to be open and honest about your failures and mistakes to achieve a decent level of success. It's as if you hid your failures, you can't achieve. I've read about Ray Kroc (founder of McDonald's) almost losing it all and having to go back to his vendors for some help to keep McDonalds afloat, along with the story (not sure if it's true, but BET it is) about Herb Kelleher, founder of Southwest Airlines, making a mistake and literally going to Vegas to gamble to make payroll or the airline was going to go out of business.

Reading and hearing these stories made me realize it's just part of the process and there is zero way around missing out on the

mistakes and failures. In fact, the folks that refuse to make a mistake will never succeed. Let me say that again. Trying to eliminate all mistakes will stunt your success growth. I communicate in my businesses that it's OK to make mistakes and fail. I expect it, to get to where we need to go in our businesses. If later you find it's a mistake, embrace it and let everyone know what we did wrong, what we learned and how we can avoid the same thing in the future!

My great boss, Ben Cornett, used to say, "Make a decision, any decision, and we will either learn from it, or our decision will be right but, either way, we win by making that decision now." Keeping a failure my dirty little secret will only ensure that we will repeat it and by not sharing it with my business friends they may suffer the same fate!

Another story, I was sitting with a buddy of mine and a wealthy friend of his. At the time, these guys are worth more than \$20 million liquid and I was still trying to put a few businesses together. This was back when I embraced failure on a scale of 1 to 10 at about a 4 (I'm a 10 now). My buddy, let's call him Joe, doesn't like attention.. Joe always loved having deep soul-searching business conversation, which as a young guy I loved from someone doing so well. Well, Joe asked me when had I really been scared and thought I really had failed.

At that point there were two monumental failures that rattled around in my brain on a regular basis. First was my divorce of 10 years to Elaine. It really bothered me that I couldn't make my marriage work. It bothered me that I made a vow to God and because I wasn't happy and she wasn't either, we got divorced. Secondly, I bought a house when I was 20, then I bought a second house at 21. I assumed a mortgage and because I was young and didn't have extra money I didn't have a professional inspection of the house. The house was pretty and we managed to make payments. The challenge was it had a plumbing problem that just wasn't fixable even if you had money, which I didn't.

I called Chevy Chase Bank who the mortgage was with and tried to work something out to delay payments so I could somehow fix the house. They weren't willing to work with us and I made the conscious decision to abandon the house. I wasn't used to quitting, losing, or walking from a challenge, but I was literally living on top of a cesspool. The other out was to trick someone else to take over payments on the house but being a big believer in karma I didn't want to stick the next guy like the previous owners stuck me.

So now it was Joe's turn. This guy's living in a \$5 million house in 2002 dollars and had just sold his half of his business for \$16 million. So when he started off by saying almost monthly he and his brother would look at what they could liquidate in their business so they could pay off creditors and just move on. I'm like, "Joe, we're talking about the \$16 million, your cut (other brother got \$16 million, too) business?" He said, "Yes, we just wanted out. We thought the walls were coming in on us tons of times!"

This candid conversation made me realize that every business, every person makes mistakes. The real key how do you handle it mentally? Embrace it or hide it and it's truly backwards you think to hide to be successful but reality is open up and learn from them, don't dwell and charge on! If I focused on the foreclosure at 22 years old I wouldn't have 158 rentals now! If I focus on the failure of my divorce I wouldn't be in the best relationship of my life now with Crystal!