

The Maverick Show Episode 37
HOST: Matt Bowles GUEST: Nathan Hirsch

Matt Bowles: Hey Everybody! It's Matt Bowles. Welcome to The Maverick Show. My guest today is Nathan Hirsch. He is a location independent entrepreneur and the Co-Founder and CEO of FreeeUp which connects businesses with pre-vetted virtual assistants and freelancers. Nathan founded FreeeUp in 2015 at age 27 with just \$5,000. And he subsequently bootstrapped and scaled the business to nine million dollars in annual revenue in just three years.

Nathan has been an entrepreneur for a total of 10 years having founded his first online business with just \$20.00 out of his college dorm room buying and selling student textbooks. He rapidly expanded and scaled that business into a multimillion-dollar e-commerce company and proceeded to sell over \$25 million in Amazon over a six-year period while serving over 10,000 customers. His primary business challenge during that period was that it took him way too long to find talent. So, he founded FreeeUp to address his frustrations.

Today FreeeUp receives hundreds of applications each week from freelancers and virtual assistants, each of whom are rigorously interviewed and vetted. Only the top one percent based on skill, attitude, and communication are made available to FreeeUp's thousands of business customers all over the world. With over 3,000 rigorously vetted freelancers now on the platform, FreeeUp provides all of its business clients with a no turnover guarantee covering replacement costs if a freelancer ever quits along with 24/7 customer service. Nathan runs his business completely remotely and he's also an avid traveler. Nathan, welcome to the show.

Nathan Hirsch: Matt, thank you so much for having me.

Matt: I am so happy to have you on the show. We've been trying to put this interview together for quite some time so I'm super excited that we finally nailed it down. I'm doing this interview today from West Africa. I'm in Legos, Nigeria. Where are you?

Nathan: Well. I did not know that. That's awesome! I'm in Orlando Florida.

Matt: Awesome. But you're headed where next week?

Nathan: I'm actually going to Vegas for a few days to go to one of my partner's parties and then I'm heading off to Croatia for Baby Bathwater. I don't know if you've ever heard of them. They put on these high-level entrepreneur events and they rent out an island. So, it should be pretty fun.

Matt: That's awesome! I've been to Croatia and it's a super amazing place and you're going at an amazing time of year so I know you will have a great time. So, let's get into this interview. I want to start off by asking what were your entrepreneurial tendencies at an early age? When you were growing up, when did you realize that you were an entrepreneur or that you wanted to explore becoming in entrepreneur?

Nathan: I'll kind of paint the picture. My parents were both teachers growing up, so I always grew up with that mentality that I was gonna go to school, get a real job, work for 30 years, retire and that was gonna be my life. And if you fast forward to their life, they're retired now and traveling the world. They live a great life. They had a great career. There's nothing wrong with that, but I knew that at a young age that wasn't for me.

Now my dad taught in the town next to me. I lived in East Longmeadow and my dad taught in Longmeadow. Longmeadow had a better school system, so I got to go to school over there. And the thing about Longmeadow is all the kids...their parents were doctors, lawyers, dentists, and big business owners. They had big houses, nice cars, and every video game system you can imagine. We weren't poor by any means. We were middle class. That's what East Longmeadow was. It was a town full of middle-class people. But every day I would go to school with people who, in my mind, had everything.

So, at the time money was a big factor. I always wanted, but I couldn't have. My parents wouldn't buy me the latest video game. We didn't have nice cars. Our trips...our vacations were traveling in a tent when people were going to five-star hotels. So, there was that factor. And it was never more evident than during the summer vacations. Whenever I was legally allowed to work at 14, 15, or 16...whatever it was...my parents made me get a summer job. I was working 40 to 50 hours a week every summer, every break, every time that I could while all my friends were outside playing and enjoying the summer.

And I learned a lot about sales, about customer service, about marketing, and managing people, but I also learned that I just hated working for other people. I was watching the clock every day and I've always just been a rebel against authority. I think a part of it was just to rebel against my parents. They were teachers who I loved, and they were very supportive, but I never got along with teachers growing up. I never liked people telling me what to do. I wanted to do it my way. I didn't want to have to follow someone else's directions or someone else's rules. And obviously, when you get a job, you have to do that. You don't have any other option.

So, when I got to college, I kind of looked at college as a ticking clock. I have for years to figure out how to start a business or else I was gonna go into the real world, have bills and responsibilities, and have to do the job. Once you go down that path, it's really hard to get out. So, that was really my mentality going to college.

Matt: Wow. That is really interesting. So, you went into college with the mentality that you have to figure out how to start a business before you got out of college. That is incredible! So, from there what did you do? What were the next steps?

Nathan: So, I made a few thousand dollars every summer doing the internships. I worked at Firestone and Errands and I got pissed off at the bookstore one day because I bought this textbook for hundreds of dollars. They were offering me pennies on the dollar and I said, you know what? I can do this myself. So, I created a textbook business. At the end of every semester, I would buy people's textbooks using that summer money. And I would store them in my car or in my dorm room or in my garage at home. I would drive in from Connecticut back to Massachusetts and organize them.

And then at the beginning of the semester, I would sell the books back to the students, but I would also sell them online a little bit. That was my first glimpse into being an entrepreneur. I made pretty good money in pretty good margins. I created a referral program so people started talking about me and before I knew it, the lines were out the door of people trying to sell me their books to the point where I actually got a Cease and Desist letter from my college telling me to knock it off because I was competing with the

school bookstore too much.

Matt: Wow! And now, how early was this in your college career?

Nathan: This was the end of freshman year, early sophomore year.

Matt: Okay. So, you got the Cease and Desist letter and you realized that you're able to create an overwhelming amount of demand. So, what was your next move? How did you parlay that and harness that demand you created?

Nathan: So, I had sold these books on these different distributor websites and one of those websites was Amazon.com. Now, this was 2008 or 2009. No one knew what Amazon was. It was kind of this big bookstore that was just getting into other stuff. I thought it was so cool that I could have a 24/7 storefront and I just had to figure out what products to sell. And I looked at my situation. I couldn't sell books anymore. I didn't wanna get kicked out of college. My parents were both teachers and that wasn't really an option.

I didn't have much money so I couldn't buy inventory. I didn't have any place to store the inventory even if I bought it. I couldn't store that much in my dorm room. So, I came up with the concept of really drop shipping before it was even called drop shipping. I didn't even know it was called drop shipping until three years later. I thought, hey, I have the storefront, and I'm pretty good at getting products to sell once I get them in the storefront. What if I could build relationships with vendors that would ship the product for me to the customer. I could mark it up and sell it for more and I'd make the difference between what I sold it for and what I'd bought it from. And then I just have to figure out what products to sell and what vendors to partner with.

So, I started experimenting with outdoor products, video games, computers...typical college guy stuff. I tried all these deal sites and all these different websites trying to get them to drop ship for me and I just failed over, and over, and over. The only thing I could get to sell was these books. And it wasn't until I reached out of my comfort zone that I came across this deal on baby products that I started to finally get sales and build relationships with baby product vendors.

So, if you can imagine me as a 20-year-old single college guy

selling baby products on Amazon, that was my business. People thought I was crazy. I remember I would sit in the back of class just listing baby products. Girls behind me would give me the weirdest looks and that was how I got my business off the ground. But I sold one million dollars within the first year or so. The baby product business really took off.

Matt: Wow! A million dollars in baby products in a single year! That is definitely impressive. So, why was that particular product niche working better than the other products that you tested do you think? And what did you learn from that? What were the next moves then based on your lessons to scale the business after that?

Nathan: Good question. So, there was kind of two sides to it. There was the logical side of it. I've always been a very logical person. And then there was the unknown...the trial and error side of it because there were no courses. There were no gurus. There was no Amazon software to find profitable products like there is now. So, the logical part of me said, okay, I can't take too much risk. If I'm selling \$2,000 products and there's a return or there's an issue, I'm gonna be in a lot of trouble if I have to refund \$2,000.

In addition, what has the least chance of breaking. Probably a lighter product. Something that's not too heavy. And then just minimizing risk of what is that price point. I can't make a lot of money on a \$3.00 product if Amazon is taking their fee as well. So, I have to kind of find that range. And I kind of found that sweet spot of \$2.00 to \$50.00...maybe \$2.00 to \$100.00 if there was a really good product. Obviously, nothing that would cause damage or hold reliable in any way.

And then the flip side of it was just trial and error. List everything on Amazon, see what would work, and see what people would buy. I think baby products is just a fascinating industry because when people are gonna have a baby, they're gonna buy products for their baby. There's no way around it. Mothers are gonna overspend. They want the best for their baby. And I got in before a lot of those big baby brands got on Amazon.

So, it was timing, it was the logic behind it, and it was a lot of trial and error. My parents told me I should probably start paying taxes. So, I met with an accountant and the first question he asked me is, "When are you gonna hire your first person?" At the time, I'm

doing everything. I'm listing every product and filling every order, I'm responding to every email, and I'm adjusting inventory. If something goes out of stock with one of my vendors, I'm taking it down off Amazon.

And I go to the accountant, "Why would I do that? That's money out of my pocket. I love Amazon. It's addicting. I can do this seven days a week forever. If I hire someone, they might steal my ideas. That and start a competing business. I wanna do this myself." And he just laughed in my face. And he said, "You're gonna learn this lesson on your own."

Sure enough, my first fourth quarter comes around. It's the end of the year and I'm not prepared at all. I get destroyed. I'm working 20 hours a day, my social life is gone, my grades plummeted, and I somehow make it through to January because I'm a hard worker. This was my baby. I wasn't gonna let my business die. And it gets to January and I think to myself, I can never let that happen again. I need to start hiring people. I'm burned out. I can't answer any more customer service calls or emails.

So, I knew nothing about hiring. I posted a job on Facebook and this guy in my business law class who I maybe talked to once or twice, says, "I don't know what to do. I need a job." I don't even interview him. I just say, "You're hired." It ends up being an amazing hire. He's hardworking, he takes stuff off my plate, he brings a lot to the table, he's doing stuff that I didn't even want to do, and I end up, later down the line, making him the business partner of my Amazon business. His name is Connor Gillivan and he's Co-owner of FreeUp. We've been working together for eight or nine years or whatever it is.

So, I hit the jackpot right from the beginning. It was the luckiest thing in the world. I made this amazing hire and there I am as this punk 21-year-old thinking, man, this hiring thing is easy. You post a job online, someone shows up, you hire them, you make more money, and your life becomes easier. And after that, I just proceed to make bad hire after bad hire after bad hire quickly learning that college kids were much more into drinking and smoking weed than they were into running my Amazon business. And no 30-year-old took me seriously. I mean, I didn't even take myself seriously. I didn't know what I was doing. And it was really tough to hire. That's really when I had to venture into the remote hiring world

really by necessity in order to get the manpower that I needed to stabilize my business.

Matt: So, at that time what was your hiring process like? After you made your first hire and it was successful, what were your next moves? Did you create job descriptions for different roles and go to freelancer sites and try and hire people for them? What was the process like? And what did you learn from that experience?

Nathan: Yes. So, we had made all these bad hires. And we did come up with a very rough draft of a process and we really look at why were these hires were so bad. And the biggest thing at the time was no one cared about the business. It wasn't their top priority. They were kind of just doing it on the side to make a little extra money, but they didn't really need the money. So, our mentality was we're only gonna hire people that are struggling and broke and that need the Amazon business as much as we want the Amazon business. So, as much as we need the Amazon business. That was our mentality. We were like, if we hire people that are hungry that need this and that if we fire them, they're going to be miserable and upset and not be able to pay their bills, that was how we were gonna get high-quality people. Because that's what Connor was at the time. He was a broke college kid who really needed that job.

And that did okay. I mean it definitely avoided some of the people that we should not have hired to begin with. But we would post a job and interview people. It was a lot of trial and error. And we still didn't know what we were gonna get. It was kind of crossing your fingers. And when you're dealing with people remotely...and I remember the first time I talked to someone in the Philippines for the first time and her name was Chiki Ann and she is still with me today. She was actually my second hire, but the first one didn't last very long. It was pretty much me asking for feedback. Like what can I do to get the best Filipino virtual assistant?

And not only that, but what can I do to keep them around because they were disappearing on me. They didn't want to be there. And it was a rough process to get through. She was the one that actually sat me down and said, "Nate, you're direct. You are way too direct. You can't talk to people in the Philippines like that. They're too emotional. You need to bond with them. You need to have a connection. You need to treat them like they're family." Which was the exact opposite of the two internships that I had with

a boss that was over your shoulder, micromanaging, direct, always talking down to you. And that was the only real-life job experience I've ever had. So, I almost based my entire management mentality off of those two managers that I had way back in the day.

Matt: And so, what were the biggest lessons you took away from that both in terms of your approach to hiring, and your approach to management, and ultimately, your approach to building a company culture.

Nathan: Down the line, we realized that hiring just for skill doesn't work. You get someone that has a five-star review, they've got a great resume, they've got years of experience and three months later it blows up in your face and you're there wondering how did that happen? This person was so good. He was so talented. And we realized that skill was just one part of the equation. The other two parts are attitude and communication.

So, for attitude, we realized that we wanted people that were passionate about what they do. If we hated bookkeeping, which we did, we needed to find someone that loved bookkeeping as much as we loved being an entrepreneur. We wanted people that the second something didn't go their way; they didn't get aggressive and they didn't disappear. They could have a conversation and talk it out and get on the same page. We wanted people who could take feedback and not take it personally. And obviously, people that get around with other people around them and didn't cause drama that wasted our time.

So, over time we started to develop...hey, we need to start vetting people for attitude. We need to start looking for red flags. What is this person telling us during the interview that shows they may not have the right attitude that we want in our business? Now the flip side of that is communication...or the third part. Communication, we realized, was everything. Especially when we were dealing with people remotely. It didn't matter what their attitude was or what their skew was, if we can communicate with them or if they were going in circles and they couldn't hit deadlines, if they would disappear or not tell us when a personal issue or an emergency came up, that was causing some huge stalling in our business.

So, we really focused on the trifecta of skill attitude and

communication. You needed all three at a very high level. And any signs of not having that...we didn't want to work with you. And the interview process that we use on FreeeUp to get on our platform is really just the interview process from our Amazon business. They got better, and better, and better each year until we got two years five, six and seven where we...when someone got on the other side of the interview process, we were very confident they were gonna be a good fit and stick around.

Matt: So, once you make the hire, can you talk about your process for onboarding your staff and integrating them into the company culture? And ultimately, also the particularly remote management as you're managing a distributed team across different time zones.

Nathan: Yes. So, I mentioned before that I kind of have a rugged management style. I was firm. I was direct. It was almost like we had this good cop bad cop thing going between Connor and I where Connor was the one that everyone could talk to and open up to and he'd be the face of the culture. I was the one who would fuel the processes for the business and make the tough decisions and be direct.

So, for a while, the on-boarding process was talking to Connor. And Connor would learn about you, and learn about your family, and get to know you on a personal level so you felt comfortable with him. And then once they got into that and they could see that was okay, there was someone that owns the company and did actually care about them, then they would go to me. And I would jump in and I would say, "Hey, here's your task. Here are your roles and responsibilities. Here's what you do. Here's what you don't do. This is success. This is failure." I was the one to go to with the actual business processes and he was the one to go to if they had an issue or any drama or anything like that because I just didn't want to deal with it.

It got to the point where our turnover was pretty high. I mean it was probably around 45 to 50% and Connor sat down with me and he said, "You need to figure this out. We can't do this good cop bad cop thing anymore." And he really challenged me. So, what ended up happening was we had the same person quit for the same role that three other people have quit from. It was frustrating and it cost us a ton of time and a ton of money.

I sat down with that person right before they left and I said, “Hey, will you do an exit interview with me?” I don’t know if you’ve ever done an exit interview, but it is extremely uncomfortable. You sit across a table from someone else and they are pissed at you and you’re mad at them for wasting your time and your money. But Connor really challenged me to do this. And I really just said, “Can you tell me why you are quitting?” This guy hit me to the core. He told me everything that was wrong with my management style, with my leadership, with the culture and the business. That it was because of me with our hiring process, and everything that was wrong with specific people and the company.

He hit me in the core, and it hurt a lot. But I should have written that guy a check right there because that information was gold. It saved me hundreds of thousands of dollars down the line and it really was a self-reflection point and a turning point for me as a manager and as a leader that if I was gonna keep going down that path, no one wanted to work for me. It was gonna be really impossible to scale the business past a certain level. So, I really took that feedback seriously. And one of the last things he said to me before he quit was, “You know, this is the first time in however long I’ve been with the company...six months or whatever it was... that I had asked him for feedback. And that was a real eye-opener for me.

So, the way that I changed my management style was I would ask everyone for feedback pretty consistently. Even to the point now where I think some of my VA’s are like, “Nate, you don’t have to keep asking for feedback.” But I want that information because that information helps me communicate better, it helps me be a better manager, it helps me lead better and keep people around. I mean our turnover now is less than 5%. So, that was really the turning point for me is how do I go from this manager who just talks down to people who was the bad cop who only talks business and doesn’t care about culture.

But I have Connor there to handle that. How can Connor and I manage and build the culture together and the people? It was simple stuff...there’s simple stuff like greeting people and asking people how their day is going. But there’s other stuff like how you run a meeting and making people feel like they aren’t only projects and they’re not doing it for me, they’re doing it for them. And how we assign tasks, how we communicate in meetings, especially

with people internationally, that a certain way you say something might be interpreted differently. So, that was really how I shifted my mindset to be a better manager and a better leader.

Matt: And can you talk about some of the actual tactical management communication techniques and processes for project management and so forth when you're running a large distributed team?

Nathan: Yeah. So, we keep it really simple. We've got three communication channels. You've got email, you've got Skype, you've got Viber and you've got WhatsApp. And everyone knows what these communication channels are for. Email is for something that's not urgent. Maybe it's an update, a process change, or maybe I'm sending somebody information about a client on FreeUp. Back then it was about maybe an angry customer. It's something that they can check their email and if they get it done by the end of the day, it's good.

Then you got more of the day-to-day stuff on Skype. I've used Skype for years. We have group chats now where it's, "Hey, here's our Billing team. Here's our Customer Service team. Here's our Social Media team. And once a week we meet in that chat and anything relative to that chat goes in there. If someone has a social media idea, it goes in there. If we have an update for hey, we want to change this image right now, it goes in there. So, if someone is actually working, if they're on shift or if they're online, they need to be active in that Skype chat so we can communicate with them. Whereas the email is something that they can check later.

And then the Viber and the WhatsApp is strictly for emergencies only. If our software crashes, we need to be able to get a hold of our developers. But if it's not an emergency, we stay away from bothering people on their phone.

And then we use Trello and Jira, So, Jira for developers and Trello for projects. And we break it down between day-to-day tasks that have to get done, short term projects that need to get done in the next week or so, and then long-term projects. So that's stuff that needs to get done in the next month, or in the next quarter. I really like practicing what I preach that you can run a very large remote team just using free software that I just mentioned. I mean I have 45 virtual assistants in the Philippines. I've got 20 freelancers that

do stuff like our blogs and our Facebook ads and all of that is managed just using those free tools. They are the same tools that I used for my Amazon business way back in the day.

Matt: Awesome! And now, let's talk about FreeeUp. Can you talk a little bit about how you decided to start that company, what the origins were, and how it evolved?

Nathan: Yeah. So, with the Amazon business we got to the point where we were doing over \$5 million a year which was great, but then the courses...the gurus...all the...the market got very saturated. We were still making money. We were hovering...maybe one year we'd do \$3 million and the next year we'd do \$2.5 million, but we weren't selling our own product. We weren't passionate about the brand. We didn't own any patents and we were kind of just going in circles with Amazon. They would change a rule and we would have to adapt to that rule. We weren't really building anything.

And throughout this process, we have built this really good Rolodex of freelancers and of virtual assistants that we knew we could count on. But with e-commerce, they kind of go in waves. This was before prime, so during the summers, it was pretty dead. During the fourth quarter, people were shopping a lot, so, we needed more people. And then come January, you would not need as many hours from different freelancers. So, we have people for customer service, for listing, for graphic design and we knew how much of a pain it was to find these really good people. Talking to other Amazon sellers, they had that exact same pain point. It was tough. If they needed someone to list a product, it might take them two weeks when they needed someone today.

So, we came up with the idea of FreeeUp where if someone needed someone, they could pick someone from our Rolodex. They would shoot us an e-mail saying, "Hey, I need this." We would introduce them. And we started FreeeUp with around \$5,000. We invested that in this minimum viable product software where the freelancers could clock in, the freelancers could clock out, the clients could log in on their side and see the freelancer on their account and their hours and that was it. There was nothing else in the software. No affiliates, no ticketing system...people would email me their requests or Facebook message me their requests, but it became a hit pretty quick. When people needed something, they got it fast. They liked the talent that they were getting, and we used that initial

money to invest more and more in the software.

And what ended up happening was we created a referral program, which was one of the best business decisions we ever made where you would get 50¢ for every hour that we billed to someone that you told about us...forever. So, with these people that had used us...and likely our initial 10 or 20 clients really liked us...they started telling everyone. I remember the first time that I really thought we had something was when someone messaged me on Facebook and they said, “Hey, I was in a conference in China and people were talking about FreeeUp.” And we had never done any marketing.

So, that was how we got off the ground. And within a year or a year and a half, we had surpassed our Amazon sales. And with Amazon, we had kind of done the same thing for years. We didn't really see that we were going anywhere so it was a pretty easy decision to focus on FreeeUp. That's what we wanted to do. We wanted to grow our brand. We wanted to see how far we could push this thing and really invest in the software and eventually invest in marketing and working with different influencers. That's how we got it off the ground.

Matt: I'm wondering if you can talk now about your scaling process. When you scale a company from \$5,000 to a \$9 million annual revenue in just three years, that is a really rapid scaling process. I'm wondering if you could talk from the business side just in terms of some of the techniques like cash flow management for example. When you're scaling a company at that speed, what are some of the tactics that you use to scale so quickly?

Nathan: I've created two businesses, right? Both of them are cash flow positive at all times which is a very unique thing to be. With the Amazon business, we were selling products that we didn't actually store. We would only buy the product after we sold it, so we would get the money up front, buy the product, send it to the customer and we would always be cash flow positive. There was no situation where we owed someone money or anything like that.

And with FreeeUp, it's the same thing. Our billing periods are Wednesday to Tuesday. We charge clients on Thursday and then we don't pay the freelancers until the next Thursday. So again, very cash flow positive. It does open up some opportunities, but

we also run a very lean business. We didn't go out there and invest a ton in Facebook ads or a ton in software. Everything is slowly graduating. We look at how much money did we make last month, how much do we want to invest back in different pieces of the business, and we keep it as lean as possible.

We didn't buy a business park. We didn't buy any shirts. There were no extra expenses for the first year and a half. We didn't even spend money on marketing for the first year and a half. We grew our business using three things. We're talking about FreeeUp now. The first thing was the referral program that I mentioned. Within the first year, we have paid out something like \$100,000 in referral money which is a lot of 50¢'s. Last year we paid out about \$300,000. So, the referral program is an easy way to get people to talk about us and to refer people to us. We put it on our web site. Every phone call we would have with a client we would always end it talking about our referral program. So, that's one.

Two was podcasts. I've been on over 150 podcasts. For the most part, they don't cost anything, and you get in front of thousands of people at the same time. So, we targeted business podcasts. We had a cool story that I just shared about me started this business in college and that just got as well known by lots of different people without us having to run Facebook ads or Google ads or anything like that.

And the third thing was influencers or micro influencers. We would go to someone who was a big seller in the Amazon community...let's say Scott Volker...and we'd give him some credit to try out the FreeeUp platform. If he liked it, he would also get access to the referral program and he would promote it to his audience, his students, his Facebook Group...whatever it is. That was a great way that we just had people talking about us at all times.

So, we have people talking about us because of the referral programs wherever they went, we had the podcasts that were playing over, and over, and over, and over. And then we had the influencers who every day were pushing us to their community. And that's really how we scaled FreeeUp. Everything else...our Instagram page, our Facebook and all that came much later. Now we have a budget for everything, and we slowly scale each one of those every quarter. But we really got off the ground just using

those three free channels.

Matt: So, what was your approach to entering a fairly saturated marketplace? There are a number of companies in the freelancer/virtual assistant platform space that are very well capitalized and have a lot of brand recognition. When you're gonna go in and approach that space, what was your strategy for differentiating yourselves and disrupting that industry?

Nathan: That's a good question. The thing to keep in mind is none of the referral programs, none of the influencers, none of the podcasts mattered if we didn't have what we felt like was a really good product service that was different from what was out there. The initial reaction we got from influencers was, "Oh great, another freelancer platform. That's what we need." It took a little while for people to give us a chance, but what we try to do is create something...take everything that we liked about the other platforms because we thought they did some things well. And change everything that we didn't like.

So, our concept is we get thousands of applicants every week...virtual assistants, freelancers, and agencies from all over the world. We vet them for skill, attitude, and communication, as I mentioned before, and only the top one percent get on our platform. So, that's the first way that we are different. Anyone can go on Upwork and anyone can go on Fiverr and offer their services. We only accept one out of every hundred.

And once people are on our platform, we're very quick to remove them if they get client complaints, if they take on projects they can't do at a high-level, if they're showing signs of a bad attitude, if they're not communicating, or if we have to chase them or the clients do. So, that's the first part.

The second thing, which to me was the most important, is the speed. I didn't love going on platforms and browsing through 50 different people and trying to find the right one. I wanted someone sent to me that could get started right away. So, with clients, they wouldn't browse. They would put in a request. We fill that request within a business day...usually faster. Clients can always ask for more options if they wanted, but we're pretty good at getting it right on the first try if we have enough information.

And right from there the client can do a quick five-, 10-, 15-minute interview, hire them, negotiate their rate, agree to a fixed price or whatever they wanna do and get started. So, people would create an account, put in a request, and some clients were getting started with their freelancers within hours or minutes which is really unheard of if you use any of the other platforms.

The backend...I'm all about customer service. I learned that from Firestone...the Firestone training. And my calendar is still at the top of the FreeUp web site three years later, but I also have a team of people that monitor my site, monitor my email, monitor our live chat 24/7. We're totally client focused to make sure that every client has a great experience...and we're there if you have the smallest issue. But on the freelancer side too because we know that freelancers can go anywhere to offer their services, there's no shortage of agencies or platforms. We want to create a community with the freelancers where they really like being there and where they can grow their freelance business, get the resources, get treated well if there was a dispute, and be fair and try to resolve everything.

And then the fourth thing, which really resonates with me, is that no-turnover guarantee. Turnover kills businesses. There's nothing worse than browsing through 50 people and spending two weeks interviewing someone and then working with them for two weeks, or a month, or whatever it is and then having them quit on you or having them disappear on you. We have a no turnover guarantee. People on our platform rarely quit, but if they do, we cover replacement costs and get you a new person right away. So, that's the four ways that we were able to differentiate from other platforms. And I think those four things, the pre-vetting, the speed, the customer service, and the protection really resonates with people out there. They've had experiences where they've gone through bad applicants on other platforms or it took them too long to hire, or they had an issue and it wasn't solved quickly and it cost them more time and more hassle. Or they have someone quit on them. And I think those four things are why we've been able to stand out.

Matt:

That's awesome! Can you talk a little bit about the actual tasks that the virtual assistants or freelancers can perform when someone comes to the FreeUp platform and how you break those out?

Nathan: Yes. So, I like to divide it up into three levels. You got basic, mid-level, and expert. So, basic level freelancers are non-U.S., \$5.00 to \$10.00 per hour. They might have years of experience because we're not in the marketplace for newbies, but they are followers. They're there to follow your systems and your processes. It could be sourcing products, or customer service, or lead generation.

Then you've got the mid-level. The doers. Maybe \$10.00 to \$30.00 dollars an hour U.S. or non-U.S. They're graphic designers, bookkeepers, writers, etc. You're not teaching a graphic designer how to be a graphic designer, but they're not consulting with you either. They are doers. They're there to do that one specific task that they do 10 hours a day at a high level.

And then you've got the experts. They're high-level freelancers, agencies, consultants that bring their own strategy to the table and their own expertise. It could be someone for Facebook ads, or to manage an account, or to build a website with great UI and UX. They can project manage or they can execute high-level game plans.

So, as an entrepreneur you need to figure out what do you need in your business. Where are you at in your business? Are you someone that's stuck in the day-to-day operations and you need to get your time back and get more hours in the week? Do you need to hire someone to teach them how to do your processes and your systems so you can focus on higher level tasks? Are you someone whose projects are just building up and they're too far outside of your core competency? You can't make every info graphic, every logo...you can't update everything on Xero and reconcile all your books. You need to hire specialists to get that stuff done.

Or you're taking on something new. Let's say you want to run Facebook ads. You can spend the next six months taking courses and becoming a Facebook ad expert, but at the end of the day, you can't do that with everything. And for the average entrepreneur, that's not a good use of your time. You need to hire an expert. So, we really cater to all three. No matter where you're at in your business. We have over 100 skill sets on the platform.

Matt: Yeah. I can totally relate to those pain points as an entrepreneur having run The Maverick Investor Group for 12 years now. We've hired a number of people off of freelancing platforms and we have

definitely found a couple of good people, but in order to find a couple of good people, you've got to go through a lot. So, I totally relate to that and that value that you guys have created makes absolute perfect sense to me as a business owner.

So, let me ask you this. Just personally as an entrepreneur can you talk a little bit about over the 10 years of business experience that you have, what are some of the biggest setbacks that you've experienced so far? What did you learn from them? And what is now your approach to handling and dealing with a business problem?

Nathan:

I mentioned before, I'm a very logical person. So, my problem-solving skills... I always follow the same pattern. First you get all the information, second, you look at what resources you have and what are the different options. Then you pick what option makes the most sense and has the highest probability of success and you execute that option using those resources. And last, you put steps in place so that exact same thing doesn't happen again which is what a lot of entrepreneurs forget to do.

So, a bunch of different things. One that really stands out to me is back in the day, right after I hired Connor, I had this idea that I could hire a manager of the day. And I would teach and have him do all the day-to-day operations...the customer service, the listings, and repricing everything. I was pretty stressed out. I wasn't sleeping very well, and I thought, man if I could just get one person to do everything it would be great. So, I found this one person and a taught him how to do everything. It took months and months of training and really making sure he knew what he was doing. But when he was done, it was awesome. I was sleeping better, the business was running without me, it was on autopilot.

And on the flip side, I had this one manufacturer who was doing 85% of our sales. And I said, "You know what? I don't care about this other 15 percent. Let's just focus on him. It's easier that way." And I get this business humming along to the point where I say, "You know what, Connor? Let's go on vacation. We deserve a vacation." So, we go to Myrtle Beach and I'll never go back.

On the first day of my vacation, I get three phone calls. The first call from my manager of the day quitting on me. So, months and months of training down the drain. Second, from a supplier telling

me that they no longer want to do business with me, so I have to start all over again. And third, from my accountant telling me that someone had filed a fake tax return in my name, had stolen my identity, and I was gonna have to deal with that mess when I got back. So, I went from this unbelievable high of this 21-year-old entrepreneur crushing it to let's start all over again. And I learned some very valuable lessons.

What I did was I came back, and I said, "How much money do we have in the bank account?" We had about \$20,000. I said, "Okay, we need to hire people to contact lots of different manufacturers." The lesson we learned here is diversity actually matters. We put all our eggs in one basket and now we are paying for it. Step one is we need to get new manufacturers. So, we hired a team and we started contacting lots of different manufacturers. At one point we were working with over 200 manufacturers and it wouldn't be the last manufacture to drop me, but the next time it wasn't that big of a deal because we were very diversified.

Once we could hire again and we were making money again, we went back and we said, okay, let's not make that same hiring mistake again. Let's departmentalize. Let's hire a team for customer service. Let's hire a team for listing. Let's hire a team for repricing. So, if one person quits, it doesn't take us six months to onboard them. We can just replace them for that specific team. And it wouldn't be the last person that quit on me.

So, that was a lesson that I learned, and I feel like a lot of entrepreneurs go through that. They make a bunch of bad hires and they finally find someone they like and load that person up with everything. They just don't diversify their business in general which can really hurt you long-term. I'm really happy I learned that lesson in year one and not in year five, six, or seven. Obviously, and I know you know this, but every entrepreneur has more than one struggle. So, that was early on.

Down the line I opened up an office which was one of the worst business decisions I ever made. I took this remote company that had pure flexibility and no overhead, and I tried to bring as many people as possible into the office. I still had an outside remote team in the Philippines, but everyone from the U.S. was in an office.

I thought it would lead to better culture and better communication.

Instead, it led to drama and led to people who were used to working remotely really hating their job. It led to higher overhead. Personally, I felt like I created a 9 to 5 job for myself which was terrible. I felt like I had to wake up every day and go to work. And that was a struggle. It was a terrible situation to break our lease and get out of it once they realized it was a bad decision and it cost a lot of money and we had paid for people to relocate so they were devastated. It was a mess.

That was a learning situation. And then on the other side, more recently with FreeeUp, when we first started FreeeUp we didn't really look at us as a software company. It took us years to really look at ourselves as that and hiring developers has always been a personal weakness of mine. I'm a very logical person. I speak business. Developers tend not to do that. So, it took me a while to learn how to communicate with developers and ultimately make the decision to let Connor handle our dev team because he was better equipped to deal with that instead of having two business-minded owners working with the developers. So, those are three situations that stand out.

Matt: The other thing I wanted to ask you, Nathan, is that I know you identify as an introvert. And for all the other introverts out there, I'm wondering if you could just share a little bit about how you have developed the skills to do such effective business networking and to become the face of a company and do all of the podcast thing and public speaking that you do. Can you share a little bit about that?

Nathan: So, I define introvert as someone who gains energy by being alone as opposed to someone who maybe gains energy by being around lots of people. So, I almost feel like I can fake being an extrovert. I can do a bunch of podcasts all day. I can go to a conference and talk to people. But at the end of that, I'm exhausted. I definitely don't gain energy from it. And it's definitely not my actual comfort zone either. I mean if you put me on a stage in front of 500 people or whatever it is, that's definitely not my natural place to be. For me it's one of those things that I forced. I mean with my Amazon business I was behind the scenes for seven plus years. No one knew who I was, I wasn't active on social media, I was never doing any podcasts. I wasn't really networking that much. I took a hard look and realized that that was holding me back. I had gone seven years as an entrepreneur, made a good amount of

money, had a lot of success, but I had no network and no brand, and nothing was there.

So, I made a dedicated effort to network with three new people every day seven days a week. The first thing I do every morning is I reach out to three new entrepreneurs. I'm not trying to sell the men are not trying to pitch them. I just want to talk to them. And that kind of made me a little bit more open to talking to people. And from there getting on podcasts and being scared out of my mind and forcing my way through it made me a little bit more comfortable. And I kind of look at it as something that's necessary. If you want to grow your brand or if you want to grow your business, you have to do it. So, there's no secret formula. I put myself in uncomfortable situations and I try to figure it out as I go. I get better and better.

Matt: Awesome! I wanna also ask you about your productivity tips and how you structure your workday to get so much done. Do you have morning routines for example? And how do you basically structure your workday?

Nathan: I'm definitely a morning person. So, from 6:30 to 9:00 a.m. is my most productive time. It's when people aren't bothering me. I usually have a list of projects that I'm cranking out. That's the time I can get stuff done. From 9:00 a.m. to 4:00 p.m. that's usually when I have stuff booked. So, my calendar is usually booked about a week or two out depending on what it is. That's scheduled podcasts, scheduled partner meetings, business meetings, team meetings...all that stuff is very rigidly scheduled in my calendar. My calendar link is right at the top of our website.

And then an important part of my day is for 4:45 p.m. every day. I go to the gym. There's a gym right down the street called Hard Core Fitness. They have two types of classes. One is weights and the other one is cardio. I alternate it up so that I'm getting that balance. It's important for me to kind of get away from technology for an hour. I mean if you see me, much of the time I'm on my phone or my laptop, I feel like I might go blinds one day. But for me to put that stuff away and get rid of all the stress that I gain from the day and be able to take it out in the gym, that's been an important part for me to recharge. And then, when I come home, my fiancé is usually home by then and we can enjoy the rest of the night depending on if I have a few phone calls or podcasts or

whatever it is. But that hour to recharge is so important.

Matt: Awesome! I also wanted to ask you, as a business owner, you're surely familiar with the concept of the entrepreneurial roller coaster. I wanna ask when that entrepreneurial roller-coaster goes down and you experience setbacks and highly stressful situations, what strategies and techniques do you have that you use for stress management and stress reduction?

Nathan: It's funny, I feel like I'm at my best when I'm the most stressed. Not that I necessarily handle stress, or I don't let things stress me out because I do. I think about them until I can solve them. But I definitely...my whole logical problem-solving mentality really comes into play when things are not going the way that you want. And I almost look at my business partner, Connor, as 15% of my psychologist. He's the most calm, cool, collected person I've ever met. They've had times where I'll be super stressed out and my fiancé, Quinn, will say, "You need to go talk to Connor." And I'll have a phone call with him and by the end of that phone call I'm back to even keeled and I'm relaxed and I'm ready to go.

So, he really has me just talk it out, lay out all the information, go to my normal problem-solving skills. And I also feel like eight years into being an entrepreneur, you do get a little numb to the highs and lows. When things are going awesome, you never think you're on top of the world and invincible. You always know you're one thing away from going down a few notches. And when things aren't going the way you want, you don't think, okay, I'm gonna be homeless. You think okay, there's a problem and we need to figure out a solution. So, just that ability to stay even-keeled and have a business partner they can keep me there whenever I get too up or too down has been incredibly important for me.

Matt: Yeah. I really hear you on that and I couldn't agree more. My business partner, Valerie, plays a very similar role. She and I are the perfect complements to each other, and I could not agree more about the importance of picking the right business partner. All right, Nathan, at this point are you ready for the lightning round?

Nathan: Let's do it!

Matt: What is one book that has really impacted you over the years that you would most recommend?

Nathan: So, one of my favorite books is *Start with Why* and it really resonates with me on a personal level. With my Amazon business, to be honest, there was just no 'why'. I mean I was in it for the money. I was in it to be an entrepreneur for the first time. I was pushing other people's products. I wasn't helping anyone else besides me and maybe my team and my manufacturers. There was no reason behind it. It was taking advantage of a great time to get into ecommerce. That was fun for the first few years. It was exciting and it was new. It got old really fast.

And one of the reasons I'm so passionate about FreeUp is I get to help freelancers, I get to help clients, and our partners and I get to build my own brand and give back to the community. And there's an actual purpose and a 'why' behind my business. I didn't realize that at the time. To me I thought being an entrepreneur was all about how much money you could make, and it didn't matter how you did it as long as you did it. That book really changed my mind and helped me to figure out, hey, if I'm gonna go out and start a second business, I can't be pushing baby products anymore. I need to figure out something that actually has a passion of 'why' behind it.

Matt: And what is one app or productivity tool that you are currently using that you'd most recommend?

Nathan: So, I just posted this on Facebook yesterday actually. So, I challenge anyone to be faster than me on the phone. I'm super-fast. I think it's a very underrated skill as an entrepreneur just because you're on your phone so much. But I use this tool called WordBoard and it allows me to have my most common canned responses on my phone. So, one thing that I do every day for 5 minutes is I text every client that signed up of the day before. I get an email from my assistant, it takes two minutes to do on my phone, but people have questions. They respond to those. And for me to have to type out every single answer would be crazy. I answer the same question all the time. So, anything that I find myself saying over and over and over again, I quickly add to the WordBoard, it becomes a key on my text, and I can send stuff really quick.

The same thing applies to Facebook Messenger or WhatsApp or Vox or any other app on my phone. So, over the course of the year

- that saves me hours or probably days.
- Matt: If you could have dinner with one person...it could be an author, a celebrity, a public figure...anybody that's currently alive today that you'd never met, who would you pick and why?
- Nathan: I mean I have to go with Jeff Bezos. I know that's a common answer, but I got into the Amazon space when it was just starting. I feel that I saw it right as it was starting to hit that tipping point and accelerate. So, for me to learn about the behind the scenes stories and all the stuff that happened while I was kind of watching my business grow from my end and all the changes that I was seeing... I feel like that would be a fascinating conversation. I'm not sure meeting anyone else would give me that behind the scenes look that that dinner could have.
- Matt: Yeah. And he's a pretty tough guy to get access to. So, that would be pretty amazing. Okay, the final question is knowing everything that you know now, if you could go back in time and give one piece of advice to your 18-year-old self, what would you say to 18-year-old Nathan?
- Nathan: I would focus on customer service and focus on relationships. I mean any business in the world whether you're selling insurance, whether you're running an e-commerce business, whether you're working in the freelancer marketplace, an agency...if you can't find a way to build relationships with people, nothing else matters. It's very tough to build a business without doing that. These relationships are gonna lead to so many opportunities that you can't even imagine from podcasts and interviews to introductions to new clients, or partners, or friends for life. I mean that's the kind of thing that if I could go back that first seven years, I would've done that completely differently...having a much stronger network that I have now. And I feel like I have a pretty good network.
- For me, if you're listening out there and you're getting started in business, start growing your network early. If you want, steal my idea and network with three new people or two new people every day. Start building that foundation and getting to know people on a personal level. That's gonna lead to some amazing opportunities.
- Matt: That's awesome advice. All right, Nathan, at this point I want you to let people know how they can get a hold of you, how they can
-

follow you on social media, and how they can learn more about FreeeUp.

Nathan: If you go to FreeeUp.com with three 'e's, my calendar is right at the top if you want to book a meeting with me. You can also check out my podcast *The Outsourcing and Scaling Show* and join my Facebook group, *Outsourcing Masters*. And if you go to FreeeUp.com/MaverickShow you get a free \$50.00 credit to try FreeeUp now. We'd love to be a resource for you to help you scale your business remotely.

Matt: Awesome! We are going to put that link in the show notes at TheMaverickShow.com so you can just go there and see everything we talked about this episode, Nathan's book recommendation, app recommendation...all the things that were referenced here as well as the link that's gonna get you the \$50.00 discount at FreeeUp, that's all going to be in one place. Just go to TheMaverickShow.com and it'll be right in the show notes for this episode. Nathan, thank you so much for being here today, my man. This was really awesome.

Nathan: Thanks so much for having me. This was great.

Matt: All right. Good night everybody!

Announcer: Be sure to visit the show notes page at TheMaverickShow.com for direct links to all the books people and resources mentioned in this episode. You'll find all that and much more at TheMaverickShow.com.

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