



CRIS AUDITORE ZIMMERMANN

Get Your House in Order

PRINCIPLES OF SUCCESS BASED ON
THE LIFE OF COSIMO DE' MEDICI

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*To my three boys, Carlos, Alfonso, and
Cedrik: May you grow into men of
unwavering character and enduring
strength. I am endlessly proud of you!*



Complimentary Medici Masterclass & Infographic

As an exclusive benefit that comes with this book, you get access to the Medici Success Framework (a concise summary of each of the House Rules) and a free Masterclass where I personally take you through the Medici Success Framework.

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Introduction

In July 2020, I had the wonderful luck to be in Florence, Italy, with my family on vacation, especially since the rest of the world had gone into lockdown in those first tumultuous months of the Covid-19 pandemic. Because we could not fly anywhere, my wife and I decided to pile our three sons into the car and drive from our home in Germany south toward the Mediterranean.

From Frankfurt, we journeyed through the mountains of Switzerland and down to the pristine Lago Como in Lombardy and then went on to Milan. After touring through Tuscany, we spent a few days on the beautiful island of Elba. Then we decided to stay a week or so in one of my favorite cities in the world: Florence, home of the Duomo and the Palazzo Pitti, the Boboli Gardens, and the Ponte Vecchio, not to mention the museums and the ornate Piazzale Michelangelo, with its towering replica of David, the artist's most famous sculpture.

It was a hot and sunny summer, and because of the lockdown, there were virtually no tourists, no Americans, and no Chinese, because they were all banned from traveling. It was probably the

best time ever for my family and me to walk this ancient and lovely city without the distraction of visitors from all over the world.

We were in a beautiful locale—yet for me it ended up being a waking nightmare. My kids were talking to me, and I couldn't hear them. My wife posed a question, and I had to ask her twice to repeat her words. I walked the picturesque streets of Florence like a zombie, unable to enjoy one of the most stunning cities in the world, unable truly to savor the wonderful Italian food and the fun of being with my favorite people—my wife and three sons.

One night, I woke up around 2:30 a.m. in our Florence hotel. I remember what happened as if it were yesterday.

My body was covered in cold sweat, and my heart was beating so rapidly I thought it would burst. I couldn't believe this was happening to me for the fifth night in a row. I got up and tried to regulate my breathing, willing my heart to slow down. I realized I had been having panic attacks. I was in a bad place mentally and emotionally.

The few weeks and months before the vacation had been very troublesome to me. I had problems focusing on my family. Then, when the lockdown occurred, my whole calendar, and with it my many goals for the year, went up in smoke. I could not travel. I could not stay as busy as I normally was. As a very goal-oriented person, always with many things on my to-do list, the shock of the sudden destruction of my carefully designed business plans threw me completely off guard. My kids were at home, and we had no good homeschooling program. We were all going nuts as a family.

To make matters worse, just before we left for vacation, a major property deal I had worked on for months fell through. So we were on this beautiful vacation, but everything I usually enjoyed brought me no pleasure or excitement.

On this specific night, I gave up trying to get back to sleep and picked up my iPad. I had downloaded a book about the House of Medici, the Italian commerce and banking family dynasty that had an incalculable impact not only on Italy but also all of Europe. I flipped on the iPad and started reading.

The Medici dynasty had gotten its start in the first half of the 15th century in Tuscany and consolidated and held political power from 1437 to 1737. I realized that members of the family had built or commissioned many of the beautiful structures and art that I had been seeing that week in Florence.

I homed in on the details about Cosimo de' Medici, the Italian banker, philanthropist, and patron who, more than any other person, had dominated Florence during the Renaissance in commerce, art, architecture, and politics.

Fascinated, I read about how he got started, how he went into business, how he developed and nurtured his personal and business relationships, how he started engaging with artists and architects, and how he negotiated war and peace with foreign kings.

It dawned on me that Cosimo was not only a successful businessman, and later on a political figure in the city of Florence, but he was also someone who could teach me a great deal. The core idea or thought from my reading that jumped out at me was that this remarkable man, Cosimo de' Medici, had his house in order—not just his business house but also the other areas of his life.

Cosimo deliberately set out to bring order and beauty to each of his domains—not just his bank but every other facet of his endeavors: his family relationships, his intellectual growth and stimulation, his relationship to nature and peaceful co-existence with those around him, and his political influence. That night as I read, it became immediately clear to me that I needed to tackle the various “houses” of my own life, to clean them up and sort



1. Statue of Cosimo

them out.

What started as an aha moment in the middle of the night turned into a treasure hunt for two years to discover the success secrets of this man, Cosimo de' Medici. I was hooked.

First, a little background. Cosimo lived from 1389 until 1464. Known as the godfather of the Renaissance, he is also called the Pater Patriae, the father of the Fatherland. But his wisdom transcends his own times.

In the 15th century, Cosimo created a unique banking empire, with operations not only in Florence but also in Venice, Rome, London, and Geneva, which ended up making him one of the richest man in Europe. He did not come from nobility, but he worked to position himself and his extended family as the most powerful and influential dynasty in Europe.

Cosimo became the unofficial ruler of the city of Florence. Out of his family came four popes and two French queens. His influence was so pervasive that today, 500 years later, up to 16 million tourists visit Florence each year and marvel at its beauty.

One of the things Cosimo wrote to his son Giovanni in 1457 in Milan was: "I don't make the same calculation as everyone else."

In fact, I came to find out he had an entirely different way of calculating, thinking, influencing, and managing from what I had ever heard before, and I'm an avid reader of all sorts of books, especially those on leadership and biographies of extraordinary people.

I set out to learn how I could think like Cosimo de' Medici in approaching all aspects of my life. I read everything I could find that had been published about Cosimo. I became fluent in Italian, hired art historians to help me with research, and

**"I don't make the
same calculation
as everyone else."**

Cosimo de' Medici

read about seventy books and unpublished manuscripts on the entire Medici family. I dug into Italian archives and visited villas, palazzos, and libraries Cosimo had built. I studied his relationships with artists like Donatello as well as the common people who lined up at his home during certain hours when he made himself available for conversations. I examined his relationships with his wife and children, including his famous grandson, Lorenzo the Magnificent. And I looked at the way he wielded political power and built a complex empire.

He was a man who paid attention to all of his relationships and his own desire for a balanced life. Though fabulously wealthy, he was careful to appear humble, to exercise influence behind the scenes not only for the good of his own house but for his community as well, something many extremely successful people in our day have forgotten.

In this book, I will be introducing you to the four different houses that I believe are central to how Cosimo set up his life. But before we jump into these houses and look at the corresponding areas of our own lives, I want to talk about why I am writing this book. I want to share my thoughts about success in a broader and more multidimensional way.

I've met too many business owners and entrepreneurs who have had phenomenal success in commerce but then have totally dropped the ball in other parts of their lives. I don't believe you can term a life successful if you have huge open flanks or ruin it through bad decisions in crucial areas.

For example, there's my good friend Thomas, a real estate investor who owns half a billion dollars' worth of real estate in Germany, Switzerland, and Spain. He has a nice home in the city and a country house where he often goes to relax. Yet he has gone through an ugly divorce that split his wealth in half: His wife and the many lawyers who were involved ended up with most of it. He's still rich, but only in financial terms. The

more I talk to him about his relational life, the more I realize he's a broken and devastated man. I have great compassion and love for my friend, and I want to be there for him as he's going through this very difficult time. But his story is a prime example of how someone can build a tremendous portfolio, almost an empire, and then destroy it by half.

It's not just the financial breakdown that is devastating. I feel for his heart and soul, because he has lost the lovely partner with whom he spent so many years building a life and family. They have gone on the most exciting excursions around the globe together. Now it's all broken and shattered. It hurts him. It hurts his wife, it hurts his children, and it hurts me as his friend.

Another entrepreneur I know is David. He built a small technology company and has about 15 employees. He's worked very hard and can make ends meet. Yet he's so busy that he doesn't have time for other areas in his life. Even though he has 15 employees to help build his business, his cash flow is so tight that he is often just carrying himself from one quarter to the next. During my last conversation with him, he told me that he's worried about paying for his kids' education because they want to go to private schools. That's what he would like to afford, but he doesn't know how to accomplish that.

When people look at his business from the outside, they think he's doing quite well. But there is a big financial burden that he's pushing from one month to the next. Just because you are an entrepreneur or a business owner and you have employees and you have some nice products, that doesn't mean you have your business set up financially in a way where it can be truly successful. A business where you're merely surviving, barely making payroll, is not a successful business. David traded a day job where he was an employee for what he thought would be a better environment. Through his own making, the firm is too weak to be considered a successful business.

The reason I'm writing this book is to talk to business owners who really want to be successful financially, who want to be successful with their marriage or with their partner, who want to be successful with their children, who want to make an impact in their community, in their city or in this world, and who want to do well themselves. So in many ways, I would say that we need to redefine success more broadly. But I want to make clear that I also believe that success does have a very strong financial component. As a friend of mine always says, being rich does not make you happy, but neither does being poor.

So here's the tagline for this book and for the principles that I am deriving from the life of Cosimo de' Medici: You need to get your house in order to be successful like the Medici.

And it is not just about being successful with one house, but looking at all of them and developing them intentionally.



The Villa



The Palazzo



The Signoria



The Bank

Let me give you an overview of the four houses that we will be looking at.

The first one is the Villa di Careggi, the countryside home of Cosimo de' Medici, the place where he would retreat to work on himself. So I have termed it the House of Personal Development.

The second house is the Palazzo Medici Riccardi. It is the Grand Palazzo that Cosimo built for his family in the center of Florence. I've termed it the House of Relationship, because that's where he very intentionally developed his relationships with his wife and children. He built his network with influential people, and he invited artists to live in his home.

The third house that I want to introduce you to is the Palazzo della Signoria, which is the city hall in the heart of Florence now known as the Palazzo Vecchio. Though Cosimo never had an official office in the Signoria, he used his influence in a political way to shape the welfare of the city and Tuscany, and through that Italy and Europe. He wanted to have influence far beyond his personal and business life and change society. And did just that through the Signoria.

The fourth house that we will be looking at is the House of Business, the Banco dei Medici.

The Medici family grew wealthy because they set up a banking empire all over Europe. It was organized in a holding structure with various sub-branches scattered throughout Europe. Cosimo not only kept a close eye on his business affairs, but he built them out strategically so that he would have the cash to pay not only for his lifestyle and family but also invest in the arts and architecture, give generously to the poor, and help the church.

These four houses were controlled, managed, and put in order

You need to get your house in order to be successful like the Medici.

by Cosimo. And in every one of these houses, there are lessons for us to learn. If we want to get our house in order, you will see that each of the four “houses” has three rooms or distinct areas that we will visit. As we enter each house and each room, I’ve created a house rule for us to remember.

These are simple principles that, if we put them into practice in our own lives, will help us be successful. You will also find at the end of each chapter some questions. These questions are not rhetorical but deeply practical if you take the time to think them through.

With this book, I certainly do not want to give you mere historical data or an analysis of the life of Cosimo de’ Medici. There are hundreds of books and manuscripts written on the family over the centuries, yet all of them are through the lens of historians and art historians. While these are brilliant people to give us the history, I felt the need as a business person to distill the principles of success that actually help us design our lives as entrepreneurs and business owners. You will find numerous illustrations of my own life and experience intermixed with the life of Cosimo as I reflected upon his pathway to success. I want to invite you to engage in the same exercise: Reflect on how Cosimo set his house in order, so that you can set your house in order.



The Villa

The Villa di Careggi, the countryside home of Cosimo de' Medici, is the House of Personal Development. It is the house where Cosimo spent time to work on himself. For Cosimo, it was of the greatest importance that he started with himself. Investing in yourself is one of the smartest things you can ever do. I firmly believe you can't have success on the outside if you don't have success on the inside. A chaotic house equals a chaotic life. So we need to do the job of cleaning up our houses one room at a time.

With the famous architect Michelozzo di Bartolomeo Michelozzi, Cosimo turned the medieval structure into one of the nicest country homes in Tuscany. Five hundred years later,

the Villa di Careggi is still a beautiful home, though it needs some renovation and remodeling.

The Medici family had more than two dozen palazzos and villas throughout Tuscany.

They were proud property owners, but the Villa di Careggi was Cosimo's favorite. It is the villa where his grandson Lorenzo de' Medici, later known as Lorenzo the Magnificent, was born. It's the place where Cosimo would die one day. Most important, it is the place where Cosimo withdrew in order to work on his heart, mind, and spirit.

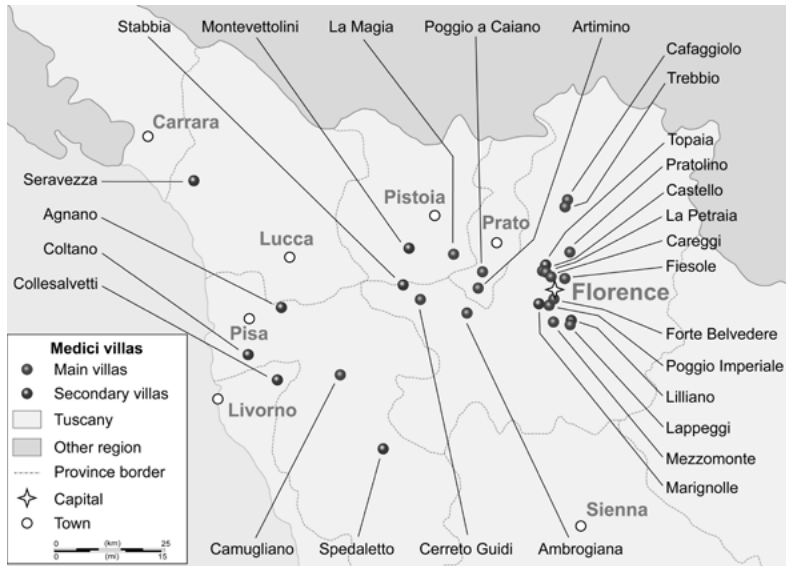
Let me show you a picture of what the house looked like 500 years ago.

You can see how it was placed in the countryside. Cosimo walked the estate, spending time with people who lived nearby, engaging in conversation with them. He took time to learn about the people out in the fields. What did they believe? What were they thinking about? What were their worries and anxieties?

The Villa was not a hectic place. It was a calm environment, and that was important to Cosimo because he worked in Florence, which was a bustling city. Merchants from all over the Mediterranean came to the city to do business. And of course he had his bank there.

But he had this peaceful villa just outside town where he could spend some time playing, where he could spend some time reading, where he could spend some time developing himself. The Villa was the house for self-improvement. Here's a quote from Cosimo de' Medici: "Yesterday, I arrived at Careggi not so much for the purpose of improving my fields as myself."

Let's examine three distinct rooms at the Villa, three spaces that show us how Cosimo arranged his inner life. The first one is the Garden, the second one is the Library, and the third one is the Loggia.



4. Medici Villas



5. Villa de Careggi 500 years ago



— *The Garden* —

House Rule #1

Water your garden

Cosimo de' Medici regularly spent time at his countryside Villa di Careggi in order to take care of himself. Though he employed many people at his various properties in Italy, at the Villa di Careggi he watered his own garden. This was his way of calming down, relaxing, and regaining strength.

Cosimo took great pride in his garden. Here's a picture of what it looks like today, and you can see it is under construction and definitely not as nice as it used to be.

Cosimo not only employed people to work in his garden, but that's where he got his own hands dirty. We can read numerous reports about Cosimo getting up early in the morning to water his plants, prune his vines, tend his olive trees, and maybe plant some mulberry and almond trees.

The Italian writer and diplomat Alessandro Braccesi wrote this about Cosimo's horticultural efforts: "Everything the Venetians have, everything that Tuscany has, is planted in this garden. The whole assortment of fruit trees is put forth in this garden, and this garden bears every species of its kind. Here you will be able to enjoy the scents of all the flowers."

You can almost picture Cosimo soaking up all the fragrances of the different flowers he had planted on his estate. Well, a garden stands for nature, and for animals and fruits and vegetables, the bounty of the land.

On a recent visit to Florence, I stayed at the beautiful Villa Cora, which is owned by Sandro Fratini. It is a hotel villa that dates back to the 18th century and has been beautifully renovated with fresco ceilings, a mirror room, and antiques. I had enjoyed a wonderful aperitivo with Sandro, his son Giulio, and my friend Daryl, and we sat by the pool on a nice summer evening. In the middle of our conversation about business and Florentine architecture, Sandro interrupted me and asked if I could smell the lovely roses.

Quite honestly, I did not know exactly what he meant. Well, I turned around and saw that behind me there were dozens of bushes covered with roses. We were practically sitting in the thick of the rose garden, and only as I looked at the flowers and took a deep breath could I smell them.

It was just another occasion where I went away smiling.





7. The Garden of Cosimo

Sometimes, I am so business-oriented that I forget to take a deep breath and smell the roses. This is the reason why Cosimo developed his garden at the Villa di Careggi. He as a business person needed a space to smell the earth, the flowers, and the fruit trees, to experience nature in a different way.

But the garden also stands for harmony. There's a way that nature can transcend and transform us as human beings, and give us a sense of peace that we can't find anywhere else. There is a beautiful painting by Botticelli called *Primavera*, or Springtime, a wonderful portrayal of a garden that is progressing from winter into spring—from the right to the left, if you look at it closely.

It's one of the most famous and controversial paintings in the world. And it was named by the art historian Giorgio Vasari, a contemporary of Cosimo, who first saw it at the Medici villa. This painting is a depiction of how slowly a garden progresses. Apparently this is also what Cosimo liked so much about the garden—it was slow. It took its time.



8. *Primavera*, Sandro Botticelli

And that's exactly what human beings also need: a space. We need a physical location where we can slow down, calm down, and reconnect with who we are. If Cosimo, the most successful businessman of the 15th century, had enough time to spend in the garden at his villa outside of his hectic city life, how much more should we take time off? We must find a natural space so we can reconnect with ourselves and recharge our batteries.

“Cosimo never avoids work. He’s never slow to act, yet he does not allow his work to overpower him.”

Plato scholar during the Renaissance

A Plato scholar of his time said this: “Cosimo never avoids work. He’s never slow to act, yet he does not allow his work to overpower him.”

What a powerful statement. Work could not overpower Cosimo; he would not allow that in his life. Can this be said about you and your business, or how you’re running your affairs?

Let me be honest. I’m not a gardener at all. In fact, I’m known to kill more plants than anyone else in my family. My wife has a green thumb and knows how to care for plants nicely, but I’ve killed a few while she’s been away from home. So I’m not an expert on gardens. But what I can talk about is finding a physical location in nature to reconnect. Because one thing I came across early on in my business career is the principle of the Sabbath.

Years ago, my family and I lived in the beautiful city of Bad Homburg, a recreational city with many clinics and spas where people from all over Germany come to find relaxation. We lived in a beautiful Jugendstil villa on the famous Kaiser-Friedrich-Promenade, which meant that we were living just opposite the beautiful Kurpark.

The Kurpark is one reason why people from all over come to

Bad Homburg. This wonderfully arranged 75,000-square-meter park has ancient trees and a huge variety of flowers and plants, as well as enough space for families to lounge on the grass, play soccer, or throw balls.

On my days off, I would take my boys into the park. I used to joke that it's best to live in the city and not have to take care of your own garden. A whole army of gardeners take care of the Kurpark, and we could just enjoy it and relax there.

I refused to bring my cell phone with me whenever I took my children to the park. But there were days where I violated my own rule. Looking back, I definitely know that the most relaxing days were those where I detached from all technology and lived in the moment and played with my boys. And I regret the times when I didn't do that, where I had to make one more phone call or send off one more email or text someone.

In the Judeo-Christian tradition, there is the story in the book of Genesis describing how God created the world. It's a garden scene. At the end of the six days, where He's putting everything together in the Garden of Eden, God declares a seventh day of rest, which we now call the Sabbath. And it is this principle—after hard work, you need to take a day off—that for many years has been what I call my “survival package.” After six days of work, I just drop the hammer, even though I don't work with a hammer. I work with a pen or computer. But I just shut everything down. And I rest and reconnect with me as a “human being,” not a “human doing.” I believe this is important to us as business people.

The principle of the Sabbath teaches us that there are days to work, and then we need a day to rest. I keep finding people who try to relax and work on the same day. And honestly, that really doesn't provide the respite we need.

What I love about the principle of the Sabbath is that there is a clear distinction. There's a time to work, which is six days,

then there's this day of rest. And on the day of rest, you kick back and relax. If you study Jewish tradition, Jews were strict on observance of the Sabbath. In the Old Testament, there were all kinds of rules about it—even defining how far you could walk from your home on Sabbath. This was a family principle, involving the whole household. The women always prepared the food ahead of time so they wouldn't spend the day in the kitchen. And one interesting fact is that the Sabbath would always start on Friday evening and last until the end of Saturday evening.

The reason I like this is because sometimes I am so stressed out that I work all the way till the end of my working hours, and then I fall into bed. The next day I'm off, but I'm not really prepared. There is something powerful about starting your Sabbath rest in the evening and switching into a different mode, getting ready and preparing yourself mentally. So the Jewish tradition has it that the day off starts in the evening of the day before, and then it runs through the night, and then the whole day. It was really the day where you were supposed to reconnect with yourself, your family, and God. And that also meant physically not traveling, not going to places or environments that stressed you, all but forcing you to calm down and relax.

In Germany we've got the Autobahns, which are unique in the world. On most of these roads, you can drive without a speed limit. And it is so much fun to drive, especially if you own one of our nice German cars.

I remember a few years ago I had a friend who visited me from the United States, and of course he knew about the Autobahn. We took a drive together in my convertible BMW, and we had the roof down. My friend loved the speed, so I pulled over and handed the steering wheel to him.

Ever since I saw him grinning that day while racing on the German Autobahn, I've made it a habit that when people come

to visit me, I let them drive my car on the Autobahn. At least once!

Driving a beautiful German car like a Porsche or BMW on the Autobahn is a blast, but I've seen gorgeous vehicles that have been wrecked—a perfect image of something built for speed but not sensitive to its limits. If you think you can go without limits as a business person, you are very close to your own limit—and to your next crash.

One reason I can teach about the principle of the Sabbath now with a lot of confidence is because I've been practicing it since my early twenties, when I experienced what some would call a burnout. It was just at the beginning of my career, when I was setting up shops at Frankfurt Airport.

Newly married, I ran a catering business. I had started in the property business and was actively involved in my local church. And it didn't take long for me to hit a wall because I had too many plates spinning.

The symptoms began to pile up. I couldn't sleep at night. My eating became disordered, as I was always craving way too much sugar. Thank God my family pulled the trigger and bought me a ticket to take a vacation in the United States.

So I got on a plane. I had no return ticket, because my family said stay until you feel better. And that was really what I needed. I went offline: no emails, no international cell phone. I unplugged myself.

I stayed with family friends on the East Coast of the United States for a while. We had long conversations. Then I worked myself down the coast, walking city streets, rummaging through bookstores, and reading good books along the journey.

After five weeks of this downtime, I realized that I desperately needed to build a Sabbath into my life. And I don't ever want to experience a burnout like that again. Thankfully, I can say that I've learned my lesson. I observe the principle of the Sabbath

conscientiously, always taking time to relax and enjoy activities and people I love.

That experience has enabled me to speak with many business people who have been extremely successful but have wrecked their careers, their businesses, their marriages, or their relationships with their children because they've been going too fast without proper time for recuperation and recharging.

I've visited some millionaires in mental clinics. I've connected with some hedge fund managers who had to take a couple of years off because they burned out.

I have a friend here in Mallorca who hit a wall in his business; he didn't just have to take a couple weeks off. In fact, he couldn't work at all for a number of years after his crash. I recently met him for dinner, about 15 years after his breakdown, and he recounted to me in detail how he never wants to go back to his old ways, working too much and not paying attention to his personal well-being.

I want to help you avoid ending up in a position like that. That's why I think it's so important to talk about getting out of our busy lives, getting our house in order by spending some time away in nature.

Reflection

How do you rest?
How do you recharge?
And how do you play?



— The Library —

House Rule #2

Hunt for books

In an age before the printing press was invented, Cosimo de' Medici had to literally hunt for books and manuscripts all over Europe. He searched for ancient texts on philosophy, theology, and wisdom, finding books in monasteries, convents, and castles. A voracious reader, he built one of the greatest libraries in the known world.

Let me introduce you to the second space, and the first room within the villa: The Library.

Cosimo was an avid reader. One of his biographers wrote this: “Cosimo never got tired of country life. Whenever possible, he left Florence to spend as long as he could at his beloved Villa of Careggi, where he was able to read in peace.”

So, in addition to gardening, Cosimo spent time at this villa in order to read books. This may not sound surprising to you. But if you look at the history, this is an astonishing fact, because when he was a young man, there were so few books around. Remember that Cosimo was born in 1389 and lived until 1464. The printing press was not invented until 1440, in Germany. In the home of his father, Giovanni di Bicci de’ Medici, where Cosimo grew up, there were only three books. There simply were not many books around then, even among the wealthy.

So, how did Cosimo develop this love and passion for books? And why did he start a library? The answer is fascinating. In his thirst for knowledge, as soon as he was old enough to travel, Cosimo went on a hunting expedition for books. He traveled throughout Europe to gather manuscripts, especially from the Greek and Latin philosophers who lived hundreds, even thousands of years earlier.

He got so passionate about reading old books and studying ancient times that he became one of the most famous people ever to sponsor libraries in Europe. Here’s a quote by Professor of Library Science William Meehan: “Heartened by the romantic wanderlust of a true bibliophile, the austere banker Cosimo even embarked on several journeys in the hunt for books, while guaranteeing just about any undertaking that involved books. He financed trips to nearly every European town, as well as Syria, Egypt, and Greece, organized by Poggio Bracciolini, his chief book scout.”

Cosimo started employing people to find books all over

Europe, even in the Middle East and Africa. Historian Edward Gibbon writes: “His riches were dedicated to the service of mankind; he corresponded at once with Cairo and London; and a cargo of Indian spices and Greek books was often imported in the same vessel.” So whenever Cosimo had things brought into Florence, even merchant goods, he would always ask, “Can you please bring some more books? Can you look for some manuscripts?”

At one point he employed 45 people in order to copy the books and manuscripts that he brought into his Library. He paid scribes to sit all day and copy one book. One of the most famous of his transcribers was Niccolò de’ Nicoli; you may know him because he’s the writer who created italic handwriting.

Let me also show you a library in the heart of Florence, which his grandson Lorenzo commissioned.



10. Medici Library

The Biblioteca Medicea Laurenziana is a must-see if you ever get to Florence. Michelangelo designed the staircase. It's absolutely beautiful and holds thousands of manuscripts. Some of the most important manuscripts preserved in Europe came from the Medici family, and Cosimo was the one to start this whole project.

So let's talk about books. I became an avid reader during my teenage years, starting off with travel and adventure novels. When I got married 20 years ago, I thought my wife and I were going to share the same passion. So for her first birthday that we were together, I gave her a book. She unwrapped the present and looked at it and said, "I already have a book," which, of course, made me laugh. I thought you could have more than one. Well, she needed to get used to my obsession with books. I just enjoyed books so much, especially in my free time, that I would always bring them along. There were no Kindles, no iPads: When we went on vacation, I always had to check an extra bag of luggage just to carry the books that I wanted to read.

My love for books started early, when I was about 10 or 11 years old. A famous German novelist named Karl May wrote more than 100 books on the adventures of a fictional German pioneer who traveled throughout the Middle East. He was called Kara ben Nemsi. In later books, he traveled west to the United States, where he was known as Old Shatterhand. So I followed this fictional character around the globe as he experienced adventures on the prairie with the Indians. As he fought with one tribe against another tribe, I would crawl with him to enemy campfires and flee with him as hordes of enemies gave chase. The books were written in such a way that I couldn't put them down, and numerous times my mom would find me reading with a little flashlight under my blanket.

From this early passion of reading the Karl May stories at bedtime, I found unique books that shaped my business

formation. When I was 16, my uncle gave me the biography of Richard Branson, *Losing My Virginity*. In this book, Branson tells his story of how he got started in business in England, first running a local newspaper, then venturing into the media and music industries, then exploring what it means to build an airline as well as other brands in the Virgin Group. He married his entrepreneurial spirit to adventure marketing by flying hot air balloons around the world and taking a speedboat across the Atlantic. I became totally fascinated about becoming an entrepreneur and having a fun lifestyle at the same time.

Another book that was influential to me was one that my grandfather in South Africa sent me called *Developing the Leader Within You*, by John Maxwell. I was about 18 years old. For the first time I felt I could be a leader. I wanted to invest in myself and develop my own skills, my own character, so that I would become a person who others looked up to and wanted to follow.

Often I get asked the question, what have been the most influential books in my life? And I can look back and say that there were books that spoke to each of the stages of my life, and perhaps if I read them today, they wouldn't seem as important. But at a certain point in time, they had a powerful influence.

I made two decisions early in my twenties. The first: I gave myself an unlimited book budget. I told myself that when I wanted a book, I'm not going to look at the price. If I wanted it, I got it.

When Andrea and I first married, we lived in a small apartment in downtown Frankfurt. We had just turned 21. Andrea was working as a manager in the clothing industry, and I was studying law at Frankfurt University. We wanted to be independent and on our own feet, but we only had one income, and I was a student. Thinking back on how we lived during our first few years of being married, it was interesting that I would

spend more money on books than we spent on food.

I studied each day at the Nationalbibliothek, the National Library, which has all the books published in the German language since 1945. I was the first one to enter the library in the morning and the last one to leave at night. Throughout my day, I was surrounded by books. It was heaven.

The second thing: I made a decision to read 52 books a year, and I've been doing that now for more than 20 years.

Let me be honest. I know people who read more books than I do. But I found out that for me, one book a week is manageable. Even so, I'm always stressed out in December, so I buy thin books to catch up on my reading because I want to achieve my goal by December 31st! I've had a couple of years where I missed my goal; life just got too hectic. But hey, that's the beauty of January 1st. You can always start fresh.

There's a famous quote by President Harry Truman that says, "Not all readers are leaders, but all leaders are readers." Cosimo was a leader. He had people to manage his business at the bank and in politics, as well as his many other interests. But he needed to make a lot of decisions. And I believe that the basis for his decision-making came out of the knowledge he drew from books. I would go so far as to say Cosimo capitalized on his books.

There's a famous anecdote about the Republic of Florence going to war with the Kingdom of Naples. Cosimo heard that King Ferrante of Naples was also a book lover and was especially interested in a book written by a Roman historian named Livy. Cosimo went out of his way to find the manuscript and made sure it got down to Naples and King Ferrante. And it came with a question, so to speak, about making peace with the Republic of Florence. The story goes that peace was achieved. That's what I mean when I say Cosimo used his books for benefit—and they paid many dividends!

So his example is how I look at books. Books are tools to get you where you want to go. Books contain the strategy for your next endeavor as a business person. Books are an inspiration for the war you're fighting. So feed yourself. Feed yourself with good books like Cosimo. As Leonardo da Vinci said, "Learning never exhausts the mind."

"Go hunt for books" is the inspiration I drew from Cosimo de' Medici, and it's so easy to do nowadays. Given the availability of

"Learning never exhausts the mind."

Leonardo da Vinci

Kindles and iPads, it might sound a little strange to say that we need to hunt for books, but I have some friends who still engage in old-school book-hunting. One of them is Dennis. He is building a

library of ancient books that he wants to donate to his university some day, but right now, he's building a collection of rare manuscripts, which entails flying around the globe searching for books. The last time I talked to him, he had just returned from Greece, where he scored some old manuscripts in the city of Athens.

I've got another friend from San Antonio, Texas. Tim recounted to me that because of his love for books, his family always gives him vouchers to a specific Italian bookstore in New York City. His favorite hobby is to fly in once a year to spend hours and hours digging in this bookstore for treasures. His passion is architecture and art, so he buys these oversize books with gloriously reproduced paintings. The question I constantly ask entrepreneurs and business owners these days is, what are you reading? What is your field of interest?

I fundamentally believe that we need to be developing ourselves, and we do that not by wasting time on Netflix or skimming the internet, but through the art and science of sitting down and reading a book. Reading a book we hold in

our hands slows our minds down. Instead of a million thoughts rushing through our head, we focus on the content of a single, well-crafted book.

One of the questions a friend asks every time we meet is, “Cris, what are you reading that’s inspiring you?” I love this question, because I want to lead an inspired life. And the way I stay inspired and inspire others is by feeding myself with good thoughts.

It is often said that you cannot give what you do not have. Well, you cannot have great output without having great input. Reading for me is not just about information, it is about inspiration. And isn’t this what we all need more of? People who are inspired inspire others.

Reflection

So what’s your field of study?

Which area do you want to grow in and develop?

What are you reading?



— The Loggia —

House Rule #3

Debate ideas

The Platonic Academy was re-birthed in Cosimo's home because he wanted to discuss philosophy with intellectuals and scholars of his day. Eleanor Roosevelt said that "small minds discuss people, average minds discuss events, and great minds discuss ideas."

Let me introduce you to this third space: the Loggia, the final room of the Villa di Careggi.

It's an outside courtyard surrounded by columns, covered by a decorative roof. Michelozzo, a famous architect of the time, was commissioned by Cosimo to build this extension. It's a beautiful space, and it became the birthplace of Cosimo's Platonic Academy.

Remember, the ancient philosophers Aristotle and Plato had been hidden for more than a thousand years. During the Middle Ages, no one studied these ancient philosophers from Greece. They started looking back during the Renaissance, and Cosimo financed that by collecting books in his library. But he wanted to go beyond that. He wanted to read the materials and discuss them as they had been debated many years ago. And he did that by founding the Platonic Academy. The Loggia became a space for discussion, where they would come together for an evening with like-minded humanists to discuss ancient philosophies.

This beautiful painting by Antonio Puccinelli shows the Loggia, where they were having a meeting.

Ficino, the famous scholar of the time, is lecturing, of course, on Plato. We know that because there's a bust of Plato next to him on the right. The man dressed in red is Lorenzo de' Medici, the grandson of Cosimo. The painting on the wall shows Cosimo the Elder looking down at the scene of the Platonic Academy that he had founded.

Ficino is famous for one quote: "The soul exists partly in eternity and partly in time." The things that they wanted to discuss at these meetings were things that went beyond the here and now, beyond the meta of daily business. They talked about philosophy, ideas, concepts, virtue, character, and Cosimo initiated these conversations. Cosimo de' Medici wrote a letter to a friend with the following words: "Come to us as soon as you can. Bring with you your translation of Plato on the highest



12. *The Loggia in Villa Medicea di Careggi*





13. Loggia, Antonio Puccinelli



good, for I desire nothing so much as to learn that road which leads to the highest happiness. Farewell, and come not with thine Orpheus lyre.”

“Come to us as soon as you can. Bring with you your translation of Plato on the highest good, for I desire nothing so much as to learn that road which leads to the highest happiness.”

Cosimo de' Medici

So Cosimo is writing to a friend: “Bring me more Plato books and let’s come together and discuss them, because I want to learn the roads that lead to happiness.” Plato, of course, is famous as an innovator in written dialogue and dialectic forms of philosophy. There are many things that can be studied about him, and that’s what they rediscovered during Cosimo’s time.

Perhaps you know this famous painting called *The School of Athens*, a fresco in the Vatican Palace.

The two central figures are Plato and Aristotle. The painter is Raphael, and he was commissioned by the Medici popes. So humanism was born in Florence. And the Medici paved its way.

Many of us learned how to debate ideas in school or at university. This is one of the benefits of formal education, that we get to engage with theoretical concepts and ideas that we would normally not be exposed to. In fact, I would argue that many people after school or university stop engaging with theoretical ideas because they get sucked into mundane work. They were at the height of their intellectual development during the years they received formal training and then stopped, which I think is sad. I remember my big interest in philosophy got kickstarted by my high school teacher, Mr. Spröde. He taught a class on philosophy in high school, which is normally not taught at that level. Looking back, he probably could have been a university



14. *The School of Athens*, Raphael

professor. He was the most educated and well-trained person I'd ever met. And he had a way of talking about Kant, Hegel, Schopenhauer, and Nietzsche, explaining their philosophical constructs, that even I, as a high school teenager, could begin to understand. He handed us texts that were much more difficult than any reading I'd been exposed to before.

I needed more concentration to understand the philosophical texts, but that's part of the beauty of reading it. You have to slow down. You have to concentrate, you have to focus, and you have to really try to understand what the author is saying. What I especially liked about the way Mr. Spröde taught philosophy is that in the exams, he would not look for our personal opinions but for the congruency of our arguments. He did have his own opinions, but whether we agreed with his idea was irrelevant. What was important was whether we could argue logically within the framework of the philosopher. I think this is something that many people have lost. We mix ideas with our personal opinions, and arguments immediately get political. There is great value in understanding the framework of philosophy as well as science.

I later studied law at Frankfurt University, and it helped that I had received some preliminary training in philosophical thinking. At law school, you are not supposed to argue your personal opinions but instead stay within the parameters of the codified law and textbooks.

One of the sentences that stuck with me from Mr. Spröde is this: "Your brain is a muscle that can grow." I don't know if this is biologically correct, but I know some pretty heavy lifters when it comes to people developing their brains. And I want to continue improving my brain capacity, and I believe I do that by engaging with ideas and concepts expressed by smart people.

One of my more recent joys has been studying new languages. As part of my study of the Renaissance and the Medici family, I fully engaged in language training in Italian. I had been visiting

Italy as a tourist for many years, and it had been on my bucket list to learn Italian, but it was only in 2020 when the world went on lockdown that I had time to study Italian properly. Every day I took one hour of virtual Italian lessons with Caterina, a private tutor from Apulia.

The next year we moved to Mallorca, Spain, and I had about a week of struggling with whether I should also study Spanish. But I didn't want to be living in a Spanish country without being able to communicate with the people on the street. So I did the same thing with Spanish. I took an hour of Spanish each day for another year.

One of the great joys of learning these two similar languages is that I am exposed now not only to new languages, but new cultures and ways of thinking and expressing. And I have found that the hour of studying a language is almost like a little holiday for my brain. I'm able to get away from all my work stuff, and I can try to put my few Italian or Spanish words in order to make a good sentence. It stretches my brain "muscle" not only to be learning a language but articulating myself well in another language. I have started reading foreign newspapers and learning about political systems in Spain and Italy, which are different from those in Germany. That's another advantage.

Another way I've lived out this house rule is by reading books with leadership or management teams that I lead. We take a book and, on a weekly basis, read a chapter and then get together for 30 minutes in order to discuss our takeaways. Most of the time these are leadership or management books that help us set up our enterprise in a better way. But I can surely say I have a much greater understanding of the concepts for the books that I not only read but discuss. The ideas sink in deeper when I have a dialogue or conversation surrounding it. I have to state out loud what I've read, and this pushes me to understand the concepts more deeply and apply them to my own life.

Reflection

How do you develop your values, virtue, and character?

Where do you stimulate philosophical thinking?

Where's the space where you get together with others to debate intellectually?

Reflections on the Villa

As you've seen, the Villa is all about self-development and the efforts that Cosimo took in order to cultivate himself. He cared for himself by caring for his garden. He read books. He engaged in philosophical discussions and spent time away from the hustle of the city in the peace of the garden.

So the question is, what are we putting inside of ourselves in order to be effective as entrepreneurs and businessmen? Let me give you some keys.

Key #1

Self-development cannot be microwaved.

I don't know about you, but I hate microwaves. If it was up to me, there would not be a microwave in my house. The reason is simple. I like food to be properly cooked, and you can't cook food properly in a microwave. You only heat it up. My family of five outvoted me. So we do have a microwave, but I don't use it because I don't like it.

What is true about food is also true about ourselves. We can't microwave personal development. There's no way you can punch a button and get a great character or have good thinking going on in your mind. It takes time to develop what goes on inside of you. Nature provides a perfect illustration.

Years ago, when I was a young boy in school, a teacher gave us a project to take some seeds and plant them in a pot. I was excited. I went home, took out the pot, planted some seeds, and watered them. For several days, nothing happened. I'm an impatient person. I got quite frustrated. I went to my mom and said, "Mom, nothing's growing in this pot even though I'm putting water on it."

She said, "It just needs a bit of time." And of course, after a

couple of weeks, there was a small plant growing out of the pot.

It needed patience. The same is true about self-development. You need to set aside some time to do it.

I am the most impatient person that I know. Not just that I know, but also the people around me. I can hardly stand in lines. In fact, when I'm standing in line either at a supermarket or at a check-in at an airport, I'm always tempted to jump the line and make my way to the front. I've been known for years for being the first in line at a buffet or potluck because I just hate to wait.

My family jokes that when we're at airports it always feels like we're running from something or someone—that we're on a mission to flee and not get caught, even though we're just going for a relaxing holiday.

One prime example of me being so driven was in the year 2000 when I went with my girlfriend Andrea, now wife, to the city of Paris. And of course, a romantic weekend in Paris also needs to include the Louvre.

I had heard about the Mona Lisa by Leonardo da Vinci, which is the most famous painting in the world. And I wanted to take my girlfriend to see it. We got up early, made our way to the Louvre to get there before crowds of people arrived. And then—I kid you not—we did the whole Louvre in 15 minutes. We basically sprinted all across these phenomenal hallways with masterpieces hanging on the walls, with me being fully blind to any of them because I was on a mission to see the Mona Lisa. So we finally got to the room where the Mona Lisa was displayed. We took one look at it, and I was off to the closest exit. I've joked since then that I hold the world record for the fastest person ever to visit the Louvre. But this just shows you how task-oriented I am—and how ironic it is that today I am studying art history and taking courses on the Renaissance and 18th and 19th century French art.

Art history is a way of me slowing down my life and taking enough time to process visual art and not just be running.

Key #2

Self-development is more about creating intentional space than crossing off another item on your to-do list.

I love to-do lists. I've used them ever since I started working. I have my notepad, and I write down the things I want to accomplish. But over the last few years, my to-do lists have changed. At the beginning of my career, there were a lot of details I had to handle myself. Now I've got employees who tend to the details so I can focus my time more on thinking projects.

So I'm not against to-do lists. I use them every day. But personal development can't be just an item you put on your list. You need to create intentional space in order for you to develop yourself.

I love going to New York City, because the city doesn't sleep. It's going on 24/7. I like the energy I get while there on business, but I always take time to go to Central Park, a haven of trees and grass and nature in the heart of the metropolis. A few years ago, I started renting bikes for myself and whoever is with me. I take my boys or my friends, and we go bike riding in Central Park. This is a picture for me of what we need to do with our busy lives. Our lives are like New York City. We have things to do, projects to organize, new ventures and investments to research. So we need to create some Central Park space within our lives.

I'm a big proponent of creating intentional space in order to recharge and re-energize. One way I have practiced that for myself is going on an annual four-day retreat with members of our church around New Year's Day. For a decade, we have

gathered together in some German town, usually in an upscale youth hostel. We take time to process a specific theme and do an end-of-the-year reflection as well as goal setting.

I've always felt that there is some baggage in my own life that I need to leave in the past each year in order to embrace the new tasks ahead. But it takes this buffer of four days in between the years not to just stumble into the new year. I reflect, meditate, and process what I want to do in the coming year.

Now, since we live on a beautiful Spanish island, I have made it a routine that when I finish my workday, I drive my Vespa to a nearby beach, and I jump in the water for a few minutes—no heavy exercise or sport activity, just a few minutes of diving and swimming in the beautiful Mediterranean, marking the close of my working hours.

When I get home, I don't turn on my cell phone, but I switch into a mode of relaxing and re-energizing. The next day, I'm ready to tackle work again.

Not everyone has an ocean nearby, but finding a way to mark the close of your business day and shift into personal development makes a world of difference.

Key #3:

Self-development is never urgent but always important.

One of the first leadership books I ever read was *The 7 Habits of Highly Effective People* by Stephen Covey. If you don't have it in your library, it's one of those must-read books. Covey explains the concept of matters being urgent, non-urgent, important, and non-important.

At the beginning of my career, I felt like everything that was important was also urgent. I didn't even know what the difference was. I believed if something was important, it must also be urgent.

	URGENT	NOT URGENT
IMPORTANT	<u>QUADRANT I</u> <i>urgent and important</i> DO	<u>QUADRANT II</u> <i>not urgent but important</i> PLAN
NOT IMPORTANT	<u>QUADRANT III</u> <i>urgent but not important</i> DELEGATE	<u>QUADRANT IV</u> <i>not urgent and not important</i> ELIMINATE

15. Stephen Covey

Years ago, I had such a disorganized calendar that I interacted with way too many people during the day. Whenever I hit the office, there were already people waiting for me. Throughout the day, people would be sitting in my lobby, like patients waiting for a doctor. I felt that because people were present, their needs and desires must be urgent and important. I understood only later that just because someone is there right in front of you and wants to talk to you now does not mean that the matter is important.

It may be important to the person who wants to talk to me, but not necessarily important to me. I could not distinguish between what was important and what was urgent. In the same way, I have encountered this problem with emails. Emails are not marked with the order of importance. They all seem urgent

as they drop in. But we know that not every email is as important as the next. So it takes a conscious effort to discern what is important and what is not. And clearly, just because it is urgent does not make it important.

Self-development is important but not urgent.

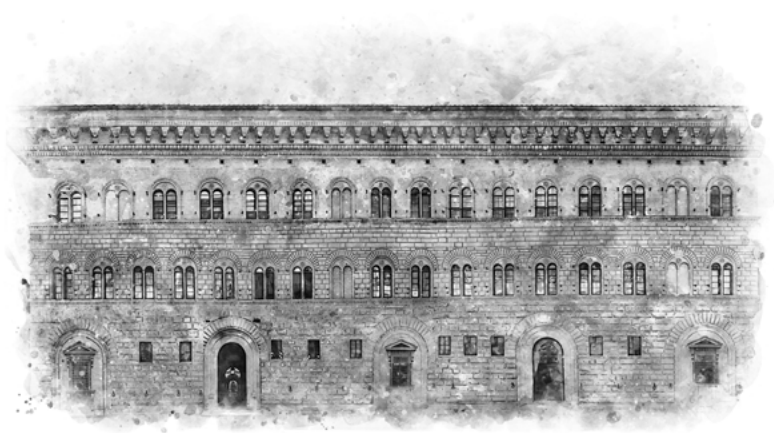
When I read Covey's book I began to understand this crucial concept better. Covey urges us to spend more time on the important but non-urgent. So for me, self-development is important but not urgent. We have to set aside time in our lives to work on the important stuff. Not just the blazing fires. Not just the stuff that keeps hitting our email inbox. We need to develop our characters, our minds, our spirits. The important stuff.

This is one reason why I love long international flights. I am totally disconnected from the internet, and I have eight to 10 hours of uninterrupted time to work on a project, to read a book or manuscript, or to develop my ideas without any interference. Recently, airlines have started offering Wi-Fi on international flights. This is the last thing I want. I need time offline so I can work on something that is important but not urgent.

Something else I've put into my calendar intentionally is to attend conferences. Years ago, I would merely participate in conferences but pay little attention to the other great speakers tackling interesting topics. Nowadays, because part of my life is speaking at conferences, I make a point to listen in on some of the most phenomenal content in personal and business development.

But the other reason I love conferences is that for a couple of days, I'm basically in a different mode. I'm not working on my computer. I'm not in meetings, but I have intentional space to develop myself. I'm sitting there, I'm listening, I'm taking notes,

I'm engaging in the content. I have made critical decisions for my life at conferences where the content and the speakers and the people that I was engaging with in the breakout sessions would stimulate me to move to the next level, to take the next step, to make a good decision to develop my character. So conference time is not wasted time where I can't work. It is time where I work on myself.

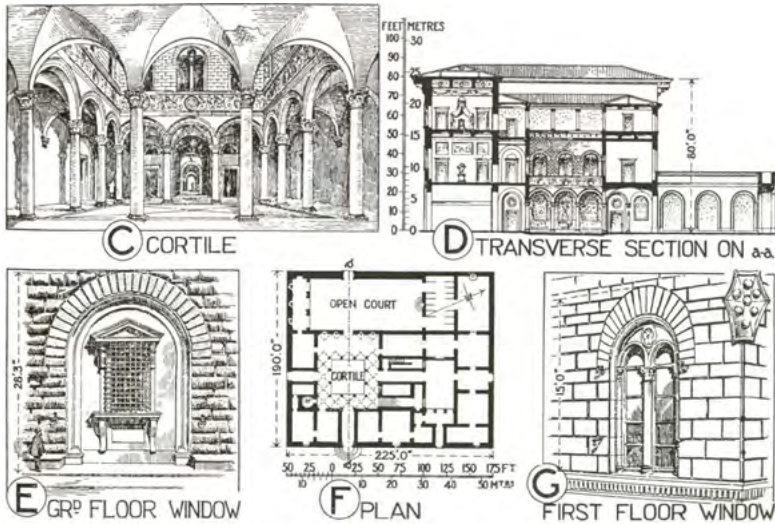


The Palazzo

Let me introduce you to the Palazzo Medici Riccardi, the House of Relationship. In 1430, Cosimo decided that he and his family also needed a palace in the city center of Florence, and he selected a corner, Via Larga, only a few minutes by foot from the big cathedral in the city center. He commissioned the same architect who designed the cathedral, Filippo Brunelleschi, to come up with a good design for his family palace.

Filippo started working on the plans; he wanted to create something spectacular because he was the most famous architect of his time. Not pleased, Cosimo retreated and pulled back. Yes, he wanted a beautiful place for his family, but he did not want it to come across as overly posh, or as if he were showing

off his fortune. So he changed his plan and hired Michelozzo, another young and upcoming architect, to design and construct this palazzo.



17. Palazzo plans

The reason it is an interesting building is that it was new construction. Typically back then, the wealthy would buy houses and do some renovations and extensions. But here they built a fresh house from the ground up.

The Palazzo was to be the permanent residence of Cosimo and his family in the city, and he used this home primarily to develop, nurture, and manage the most important relationships in his life. Cosimo was intentional about developing relationships. As writer Dale Kent puts it: "For all the power of the Medici financial, political and dynastic ambitions, their correspondence expresses most strongly the importance of close, personal

relationships with immediate family, friends and household, a circle that was in every sense the center of Cosimo's life and identity."

Kent, a biographer of Cosimo de' Medici, is clear that relationship was the basis for Cosimo's being. He did not treat relationships as a side hobby. It was central to him and his personality to take care of the people around him. We will have a look at the House of Relationship here in the Palazzo in three ways. The first room is the Bedroom. The second room is the Fireplace, and the third room is the Courtyard.



— The Bedroom —

House Rule #4

Don't jeopardize your family

Cosimo's inner family circle was at the core of his identity and life's mission. He would shun visitors, even important business contacts, if those closest to him needed his attention.

So let's talk about the Bedroom and Cosimo's intimate and close family relationships. This is a painting of Cosimo's wife Contessina.



19. *Contessina, Cosimo's wife*, Banister Fletcher (1866-1953)

They married in 1415. She came from the House of Bardi, a prestigious and famous family in Florence. The Medici needed to make connections with more noble and prestigious families. Back then it was common for parents to choose their children's spouses. In fact, that is how the Medici became a royal family.

This is a painting of Catherine de' Medici, who married the French King Henry II; the one who fixed that marriage was Pope Clement VII, also a Medici. The Medici eventually would marry into the royal French family and produce two French queens.



20. *Catherine de' Medici*, Giorgio Vasari

Cosimo was a devoted husband and family man. His biographers depict him in no way as a promiscuous man, which was common during that age. Many households had wives and

mistresses living under the same roof.

That wasn't the case in Cosimo's house, but early on in his life, when he was on a two-year expedition to Rome, he had a son named Carlo with a slave girl from Africa. We believe she was from Africa because she had darker skin (though there has been some dispute about her ethnic and geographic origins), and so did their son. That's how Carlo was depicted in later paintings. But other than that relationship, there was no account of Cosimo venturing outside his marriage. He was a family man, and his son Carlo grew up in the Medici household.

From everything that we read about Cosimo and Contessina, they had a solid marriage. And Cosimo's relationships with his children were absolutely astonishing for that era. There's an anecdote about Cosimo entertaining some prestigious international guests at the Palazzo when in strolls his grandson Lorenzo. Instead of sending his grandson away, as these guests would later record, Cosimo turned to the boy, who had a question and needed some help from his grandfather. And for about 15 or 20 minutes, he fully focused on his grandson. This was to the amazement of his visitors, because back then children did not socialize with their parents' guests.

But when his visitors expressed their astonishment, Cosimo said, "Well, you can just be glad that he didn't want to play longer, because I would have also done that." Cosimo took care of his family and his children. They were not just a side business.

Most business owners that I talk to voice regrets when it comes to their family life or their marriage. And the reason is simple: To be successful in business, you have to sacrifice. You must put in extra hours at work. Vacations are interrupted to deal with unexpected crises. And financial pressure keeps you on your toes, even way beyond working hours. The ones who suffer most for this sacrifice are often the people closest to us—our partners, our children.

My kids are teenagers now. I have regrets when I think of their early childhood. There are sporting events and school plays I missed because I was busy working. And those days will never come back. Some vacations were ruined when I did not protect our family time. I was present but absent at the same time.

On the other hand, my wife and I have always felt a need to teach our children that work is important. We want them to see that financial and business success does come at a cost, and someone needs to sacrifice for that. But I am definitely aware of this tightrope we walk as business owners. So it has been our principle to find ways to balance some of the extra hours that we need to work in order to build the business. Being successful in business can come, and should come, with perks that we get to enjoy on another level.

There are some vacations, destinations, and experiences that we can take our children to that only come because we can afford them. One of the things I've enjoyed over the years is taking my boys individually on some of my business trips. I've taken my son Alfonso on a trip to Jordan and Lebanon. I brought Carlos with me on a mission trip to the Democratic Republic of the Congo. We flew into Kigali, Rwanda, and then made our way to the city of Goma in Eastern Congo, where we would be working with a school and a hospital project. Carlos got to work alongside a team to help people in need.

Even though this was just 10 days in his childhood, Carlos regards that trip as one of the most remarkable experiences he's ever had. And just a few days ago, he told me that when he turns 18 in a few months, he wants to go back and continue working on the hospital. This year, it's time for me to take Cedrik, our youngest son, on a business trip, and we still have to decide where we want to go together. But I'm already looking forward to spending time just with him.

I've also taken my boys with me to business meetings, to

the bank, to property meetings. I feel like education is not just reserved for school, but they can also receive some of it from parents as we engage in business and they see us in action.

The only game we know that Cosimo ever played was chess. He took time in the evenings to play it with his children. My son Cedrik and I also play chess every night because we love it so much. As we move pieces on the board, we talk about what's been happening at school and during the day. It's a great way to spend some good family time.

For 10 years, we had au pair girls live with us and help with the household when the children were small. These were girls from Turkmenistan or Uzbekistan who would spend one year living with us, learning the German language. They would be part of our family, and we would share our lives with them. We are still in contact with many of our au pairs, and they come to visit regularly, even years after they worked for us. But the reason we had them live with us was not just for us to get physical help but also to create some space for Andrea and myself as a couple.

We never had to call in babysitters, because we already had one living in our house. We would go on a date night a minimum of once a week. We would even take the au pair girls with us on vacation, because quite honestly, to go on holiday with three active boys without some help would not be a vacation! So we took them with us. This did not always go as well as we hoped.

One evening as Andrea and I were returning from a late-night dinner at a nice Italian restaurant at Lago di Garda, we were quite astonished to see through the window as our two sons Carlos and Alfonso jumped up and down on a bed. As we walked into the apartment, we saw the au pair sitting on the floor crying big tears. She did not know how to manage our boys or put them to sleep. So we have many war stories to share. But after many conversations with young business families, we can assure you that if you don't have a solid plan, with help

around the household, you risk alienation between spouses, even divorce. The stress of life and business at the same time can ruin any marriage and family.

Cosimo once wrote down how he viewed education and the nurturing of his children: “We have children. We don’t know

how long our own lives will be, but while we live we must advise and educate them, so when they grow older, or whenever they are abandoned by us, they are equipped with sound principles.”

“We have children. We don’t know how long our own lives will be, but while we live we must advise and educate them, so when they grow older, or whenever they are abandoned by us, they are equipped with sound principles.”

Cosimo de’Medici

Cosimo took great care to teach his kids principles. Perhaps that’s also why he later on was called by the citizens of Florence the *Pater Patriae*, the father of the Fatherland, because he was this strong father figure.

At the end of his life, when

the children had moved out of his house, he once said to his wife that “this house is too big a house for such a small family.”

I’ve been there. Andrea and I once bought an old house in Germany, and we wanted to do a big renovation. The house contained 26 rooms, all of them small because it was old construction. We decided the renovation would be a nice family project. For a year we had more than 25 different handyman companies working on the house. When it was completed, we were happy we had refurbished a wonderful home to build our family relationships. But after a few months, my wife and I turned to each other and said, “You know what, this house is

a little bit too big for us.” We didn’t feel as connected to our children as before. So we rented it out and moved to a smaller home.

I’ve been married for 20 years. I wouldn’t say that I’m an expert on relationships—I don’t know whether you can ever be an expert. You just keep developing and learning and discovering anew how you can make them better. But there were some things about relationships that I related to and learned from Cosimo as I studied his life.

#1

Love each other for your differences.

He and Contessina loved each other because they were dissimilar personalities. He didn’t try to change her and vice versa. They loved each other because of that.

#2

Have your separate domains.

Cosimo was strict about his business life. That’s where Contessina was not allowed to interfere. This wasn’t something they debated, but it was clearly understood: She’s got her department, he’s got his. They would still enjoy and love each other, but they had separate areas of responsibility.

#3

It’s easy to build a house. It takes more effort to make a house a home.

Well, who hasn’t been there? Perhaps the house is comfortable, but there’s so much tension or distance or hostility that we don’t feel good about ourselves. We’re surrounded with people, and it takes some work to develop those close relationships.

Reflection

How do you make your house a home?

What would your partner say about your relationship to him or her, your most intimate relationship?

How could you show your family that they are more important than the guests that you invite into your home?



— The Fireplace —

House Rule #5

Befriend kings and popes

Cosimo strategically built a network with the influencers and power brokers of his time. He convened private gatherings at his palazzo in Florence for salon conversations and lavished money on guests. At one point he hosted more than 1,500 people from many countries in order to bridge the religious gap between the East and the West.

There's a lovely fireplace within the Palazzo Medici Riccardi, and this is where Cosimo would receive guests at his home. He had an open house policy; people from all over the world would come to the Palazzo where he and his family lived. Noble people, simple people, merchants, other bankers, the Duke of Milan. Even the pope came and visited Cosimo at his home.

He invited people to come and spend time not just to talk about business, but to relate to them. Cosimo made himself available to people—not just approachable but accessible. His house was not merely a symbol of wealth but a means to build relationships. Quite unusual for his time were reports of people lining up in the courtyard downstairs and waiting for him in the evening hoping that they would be able to see him, if only for a few minutes. In fact, he set aside an hour in the evenings when people could just drop in and converse with him.

Even though Cosimo gained such special status as a businessman, he always tried to make these encounters not about himself, even though it was his house and he was the rich dude. He made it about the other person. As one of his humanist friends remarked, “Whenever he wished to achieve something he saw to it, in order to escape envy as much as possible, that the initiative appeared to come from others and not from him.”

He did not let his wealth get in the way of his good relationships. You know people can get quite envious when there's money involved. Sometimes people who are rich and successful seem unapproachable. Cosimo was aware of this effect. He went the extra mile in order to make sure that didn't happen to him. There's a famous saying from Cosimo: “Envy is a weed that should not be watered.” Isn't that good advice?

“Envy is a weed
that should not
be watered.”

Cosimo de' Medici

You can feed envy by portraying yourself as too big, too grand, too rich, too successful. That gets in the way of building good relationships. As I studied how Cosimo de' Medici conducted his relationships, I thought of Angela Merkel, the German chancellor for 16 years. She had a way of never making people feel envious. When people got angry with her, she would always stay calm. She was known for keeping things humble.

Here's a famous picture of Helmut Kohl.

During the Cold War, he was our chancellor in Germany, and some historians believe that because of his good relationships with Gorbachev and other statesmen there was never a big breakout of armed conflict. There are stories of Kohl and Gorbachev enjoying the sauna together. That's how Kohl built his relationships. Could he get naked, get vulnerable, and just share some good stories? Well, that's how he did it.

Under Kohl, Germany was united in 1990. East and West Germany came back together, and we credited that not just to good political maneuvering but to high-level relationships. That's what I'm reminded of when I study Cosimo. During his lifetime, he had kings, popes, and emperors at his house, sitting at his fireplace, in order to converse with them and cultivate good relationships. Here are some takeaways that I've written down in my notebook:

#1

Walk slowly through the crowd.

In this painting by Vasari, you can see Cosimo in the center. But as you can see, he's surrounded by people. He's not this unapproachable, intimidating figure. That's how he portrayed himself. He walked slowly through the crowd.



22. Helmut Kohl and Michail Gorbatschow





23. *Cosimo*, Giorgio Vasari

#2

Everyone is boring until you get to know them.

People can be superficially quite boring. But once you get to know them, you find out they're interesting. I think Cosimo understood that, even with people who had no influence. More than 75 percent of the population in Florence had no say within the parliament. But Cosimo was popular with the poor people, with simple people, because he took time to talk to them. His reputation as someone who cared about ordinary folks spread.

#3

Generosity of time impacts people more than generosity of money.

When we talk about generosity, we always talk about money. Cosimo was liberal with donating his money. He sponsored the Church, he gave money to convents, and he provided funds to feed the poor of his city. But he was also generous with his time, which can be difficult for a business person or entrepreneur. Sometimes we need to block away our time and keep it safe. That said, there is also an art involved in making yourself available.

When I finished high school at 18 years old, I flew to Nairobi, Kenya, to help with a development project spearheaded by my uncle from South Africa. It was a construction site with about 150 workers; the goal was to build some townhouses and an office in central Nairobi. I was just an intern, but after a week my uncle entrusted me with project management because he saw how engaging I was and how willing I was to exercise leadership. So I took on various challenges: buying building materials, doing payroll on Fridays, handling the bank relationship, working with the architects doing site inspections, and so forth.

I drove throughout Nairobi in order to buy the building

materials, and as I walked into the big hardware and supply stores, I would not just engage with customer service, but I made a point to ask for the boss. I frequently found myself engaging with people much older than myself and much more experienced in business. But I wanted to be taken seriously as a business person in Nairobi. I asked questions, lots of questions, and I listened. Soon I found myself getting invited to expensive restaurants or private lunches by people willing to share their expertise with an eager newcomer.

Since most of the supply stores were run by Indian businessmen, I got to know many people in the Indian community and became friends with a number of them. In fact, years later, I still visit a friend with a place in Palm Beach, Florida, because of the relationship I had built as an 18-year-old working on a construction site in Nairobi.

I just recently read a book by Joe Polish with the intriguing title *What's in It for Them?* The book describes how Polish, a business owner and expert in marketing, networks with those he meets. His core principle is that he doesn't look for what's in it for himself, but how he can add value for the people he's meeting.

I think the title is worth the whole book because it's such a great question. So often we ask, what's in it for me? And that's totally the wrong way to network and interact with people. Instead, if we flip it around and ask the question what's in it for them, we can see how to add value and become an asset. We become a resource that people are interested in, and they call upon us because they see us as givers, not takers.

Some time ago I spoke at a conference on the French Riviera, and I met lots of European businessmen who had a high interest in developing culture and being involved in society. It was a lovely gathering, and after the formal sessions, we would converse while eating French cuisine and enjoying nice wines

and cigars. Late one evening, I met a businessman who had just come from Rome, the capital of Italy, where he had met with the pope. I was intrigued to know how he managed to get a one-on-one audience with the pope.

His answer was simple. He said, “I launched a new project that was interesting to the pope, and he asked me to come and see him.” As soon as I heard that answer, I felt, like, wow. That’s phenomenal. What kind of project could I launch where the pope would call me up and ask for a meeting? This is how I think about networking today: Be interesting, do interesting stuff, and people of influence will want to hang out with you.

Reflection

How do you make other people feel important in your presence, to the point they feel they can talk to you?

Where are you networking intentionally?

Where do you display generosity of time in your relationships?



House Rule #6

Choose your Donatello

Cosimo de' Medici invested in architects, painters, and sculptors, even inviting them to live in his homes. Every day he would meet with the artist and discuss the progress of his work. Cosimo had an eye for talent and paid generously for the greatest art of the Renaissance.

Here is this beautiful courtyard within the Palazzo Medici Riccardi that extends to the small city garden, designed with Roman columns, arches, and ornaments. Here people would enjoy the shade in the summer; Florence can be quite hot.

And this was a special construction, again showing availability and openness to inviting people to come in. There are accounts of people sitting in the courtyard waiting to speak to Cosimo. Another reason the courtyard was a special place is that Cosimo would display sculptures. But more important, this is where he would nurture the artists he employed.

During this period, artists were considered craftsman, not artistes. No special vocation or flair was connected to their work, and in many ways the Medici family changed how Europeans saw artists through patronage. Cosimo insisted that artists must always be treated with respect, that they should never be considered mere journeymen.

The Palazzo Medici Riccardi was a place where he developed his relationships with the artists. That's where he commissioned them. And that's where he would put on display the works they created.

It turns out that the most famous artists of the Renaissance not only paid visits to this palazzo, they lived in it. They shared the living space with Cosimo and his family. They worked in the courtyard throughout the day on their art, especially the sculptures. Then in the evening, he would sit with them and they could talk over what the artist had created throughout the day. That's how he nurtured these special relationships.

Let me talk to you about one of his most beloved artists, Donatello. Donatello is world famous, of course. But back then he was a young man trying to find work. Cosimo discovered him and employed him to create the most important of all sculptures ever displayed in the Palazzo: Donatello's David. This is a true masterpiece. It is displayed at the Bargello Museum in



25. *David*, Donatello

Florence. But during Cosimo's lifetime it stood in the courtyard of the Palazzo.

It's a bronze figure, created between 1430 and 1440. And one reason it was absolutely spectacular back then is that it was the largest unsupported standing bronze-figure sculpture made since antiquity.

But let me point out two distinct things about this sculpture. First, it depicts the biblical figure of David. Now the image of David fighting against Goliath was an identity that Florence embodied. That's how Florentines saw themselves, as the David always fighting against the big giants of Rome and Naples, Milan and Venice. By commissioning a statue of David, Cosimo identified with the residents of Florence.

The second interesting fact about the selection is that the sculpture clearly displays some homoerotic features. Donatello was homosexual, which at that point in society was not accepted at all. But in many ways, Cosimo defended him and protected him as if he were a father to Donatello.

You can see on the statue, if you look closely, that there's a feather up the leg of the David, and other homoerotic signs. Cosimo once said every painter paints himself, so Donatello in a sense painted his own homosexuality into the statue of David. For Cosimo to allow this speaks volumes about how much he respected the artist, how much this relationship with the artist was important to him. Cosimo gave him dignity.

There's an anecdote that Cosimo had recommended Donatello to another merchant. But upon the completion of the statue, this merchant wasn't at all happy with the amount he was supposed to pay Donatello. They had prenegotiated the fee, but because Donatello had worked so fast, the man wasn't willing to pay the full amount.

Well, they called in Cosimo. While they were arguing, Donatello got so furious that he took the sculpture and threw it

out the window and shattered it into pieces. The merchant was shocked and started moaning. He wanted to hire Donatello to re-create the same statue and was willing even to pay double. But there was no way Donatello was going to work for this guy again. This story shows that Donatello wasn't an easy figure to work with. He had a temper, and he wasn't easy to manage. But Cosimo nurtured him and other artists. He became the leading patron of the arts.

Donatello wasn't an easy figure to work with. He had a temper, and he wasn't easy to manage. But Cosimo nurtured him and other artists. He became the leading patron of the arts.

So let's talk just briefly about patronage today. Patrons continue to play a crucial role within the arts, funding projects and providing support to artists, museums, and cultural institutions. Patrons may also support research in science, medicine, and other fields, as well as charitable organizations and causes.

I want to extend this to mentorship because, back in Cosimo's time, it was similar.

The relationship between the patron and the artist was not just a financial matter of the patron giving money to commission the artist, but really it was a mentoring relationship where the patron would take the artist under his wing, or as in the case of Cosimo de' Medici, take him into his house.

It's not just about one transaction. It's really about a transformation that is happening in and through that relationship. When I think of myself and how I have been mentored and shaped by people, I think back to my childhood when I joined a Boy Scout troop in my hometown for kids between 12 and 16, and we would do all the things boys find



26. *David with feather on leg*

exciting. We tramped in the woods and put up our tents. We lit campfires. We designed and built kites and little boats. We climbed in the mountains and explored nature reserves.

The younger boys were being taught, trained, and equipped by other guys who were just a few years older than us. We had conversations around the campfire about what it meant to be growing into adulthood, what it means to be a man, what it means to be responsible beyond just homework or our household duties, what it would mean to be respected within society.

After a few years of participating in Boy Scouts, I volunteered to become the leader of a group. And for about four years, even into my early adulthood, I mentored and trained other kids, especially on fun excursions for two or three weeks in southern France, or hiking in the Alps in Italy.

When it comes to my business development, my South African Uncle Richard was my mentor. When he and I applied for our first loan with the Deutsche Bank in Frankfurt, I clearly remember how we prepared. He printed out photos and blueprints of the buildings we planned to construct and created an Excel spreadsheet for the bank.

Before the official meeting, he and I had a conversation about issues that might come up. Then after the meeting with the bank, we had a debrief. And it is quite interesting that now, after many years of being in business with banks, I prepare for meetings in exactly the same way as I had been taught by my first mentor.

The principle behind this is people do what people see. I saw my uncle handle business in a certain way, and I followed his example. It's tremendously important for us not just to learn things theoretically about business but to be mentored and taught on the job.

I see this in the story of Cosimo and Donatello. They didn't just have theoretical conversations. The patron and the artist

discussed the art, the themes, how the material was crafted.

These days, we look at the art and we say, this sculpture or painting is by Donatello or Michelangelo, or Leonardo da Vinci. But if you truly understand mentorship, the way art developed during the Renaissance, it was a joint project of the patron working together with the artist on the design, on the materials, on the shaping of the form, with continual review as it was being crafted.

Reflection

How do you invest in these kinds of patron relationships?

What's your investment in art and culture?

Where are you investing in those things that have value beyond your own life?

Reflections on the Palazzo

We've talked about the House of Relationship and looked at the connections that Cosimo nurtured and developed with his spouse, his children, his important guests, with people from the street as well as artists.

So let me ask you these questions.

What do your relationships look like? I know all kinds of entrepreneurs and business owners who have great relationships. But quite honestly, I also know some businessmen who have a graveyard full of relationships that went down the tubes.

You can earn a lot of money and not take care of your relationships. That may make you rich, but in my opinion, not successful.

So, do you have a pattern for developing positive relationships? Or do you have a pattern of developing your relationships in a bad way?

I like to call this the trust question. Do people trust you? Does your spouse trust you? Do your children trust you? Does your business partner trust you? Do your employees trust you?

I believe success is determined by what the people closest to me think of me. It's easy to impress people who are far away. But are we also impressing the people around us who truly know us, who see us on a daily basis?

I learned a big lesson in relationship management in my first business.

It was a school cafeteria. When I was 19 years old and had just started studying at Frankfurt University, I heard that a kitchen on campus was up for rent. I just raised my hand and said, hey, I can run a kitchen on the side of my studies. So I took over the kitchen and hired a woman to prepare the food so the students could eat at the cafeteria. I did the books and management.

For some time, I thought our startup business was doing

pretty well. I'm the manager, she's the employee, and everything is fine. But then I clearly remember, even to this day, one Tuesday when she had asked me as her boss to come in for a meeting in the afternoon. I showed up at the kitchen, and instead of seeing just her, there was another man sitting next to her. I was taken aback. I found out that she had brought her pastor along to have the conversation with me. I didn't even know whether I wanted to have a conversation with a third party involved. But as we started to talk, I found out that she felt too intimidated by me to speak openly.

In that moment, I had to make a decision. Do I kick back and reject her complaints? Or do I listen? Do I allow someone to speak into my life some truth and perhaps some important things that need to be communicated? I decided to become a listener to the people around me. She was my only employee and desperately needed someone to fill in when she was sick or on holiday. She wanted working clothes as a chef instead of using her normal wear.

I did my very best to accommodate her: I bought work clothing, hired a temp or gig worker when she needed time off, and improved her working conditions.

So let me conclude this House of Relationship with some keys.

Key #1

Have an open-door policy, whether for your wife, your children, or your employees.

We need to be approachable.

Key #2

Learn to listen.

I'm a speaker. I'm a communicator. I love to talk. I know how to talk. But you can't build good relationships if you are the only one talking. You need to shut up and listen.

Key #3

Don't treat people as a means to an end.

I've met too many businessmen and businesswoman who treat people like chess pieces on a game board. You just move them around strategically in order to achieve your goal.

If I study Cosimo correctly, he did not use his relationships just to move chess pieces. He was generally genuinely interested in people and invested himself in these relationships.

I think that's a good lesson for us as business people. How many marriages do you know where the business person is deeply involved in their work, but their spouse is falling behind? How many divorces do we know about where people have been too focused on their careers and neglected their core relationships? How many parents do you know who don't have good relationships with their kids because they failed to nurture them?

We want to learn and grow in the area of relationships.



The Signoria

Let's have a look together at the third house, the Signoria, the House of Influence. The name of the building later changed and we now call it the Palazzo Vecchio, but during Cosimo's time, it was called the Signoria.

Signoria means lordship. This was and is the town hall of the city of Florence in Italy. It was constructed in 1299 by Arnolfo di Cambio, the happy-looking dude you see pictured here.

The Signoria is a fascinating building that has developed over the years. If you visited today, it is a museum. It has many different rooms. We'll be focusing on three, but it is definitely worth a visit.

A special feature of the building is the Tower. The Tower was



28. Arnolfo di Cambio

called La Vacca—the “cow”—because it had chimes that rang like cowbells. It also contains small chambers where people were imprisoned. At one point Cosimo himself was imprisoned in the Tower. Why? There was a diabolical plot against him and his family; eventually he was exiled, sent outside of Florence. Later after Cosimo’s time, the Signoria became the official seat of the Grand Duke of Tuscany.

The building evolved; it was and still is the headquarters of political authority. So this is the house of influence and power.

As I’ve mentioned before, you need to get your house in order to be successful. And one of the houses to look at is how you manage your influence, the power that has been given to you or that you are exercising.

Cosimo was a master of influence. He had a way of influencing politics, people, and even armies, because the army of the Republic of Florence was controlled by the Signoria.

In 1428, Cosimo’s father Giovanni fell sick. On his deathbed, he summoned Cosimo and his brother Lorenzo to give them the following advice:

“Never hang around the Signoria as if it is the place where you do business. Only go there when you are summoned and only accept the offices which are

bestowed upon you. Never make a show before the people. But if this is unavoidable, let it be the least necessary. Keep out of the public gaze and never go against the will of the people unless they are advocating some disastrous project.”

“Little is wanting to Cosimo, but the actual scepter of government. Rather he has the scepter, but he hides it under his cloak... The people have chosen him as their Advocate and look up on him as a god.”

Rinaldo degli Albizzi

So Giovanni was aware that the Signoria was the place of power and influence in Florence and he wanted Cosimo to have influence and power, but not officially by title. Cosimo took this advice to heart; he became an expert in exercising power and influence behind the scenes.

His bitter rival Rinaldo is supposed to have said, “Little is wanting to Cosimo, but the actual scepter of government. Rather he has the scepter, but he hides it under his cloak...The people have chosen him as their Advocate and look up on him as a god.”

Cosimo knew how to wield influence, and we can learn a great many things from him. Let's have a look at three of the many rooms that we find in the Signoria that can teach us something important.

The first room is the Hall of the 500. The second one is the Audience Hall. And the third is the Old Chancellery.



— The Hall of the 500 —

House Rule #7

Unleash force multipliers

Though Cosimo never held official office in the Signoria, the ruling government of Florence, he built a tight network of 17 families who served as force multipliers and representatives of his interests. He intermixed business and family relationships to extend his power.

Florence in the 1400s was an extremely unusual place because it was a republic, and its citizens were proud of it. Milan was ruled by the Duke of Milan. The Papal State was ruled by the pope, of course. Naples was a kingdom ruled by the King of Naples. And then there is Florence in the middle of Italy, a republic ruled by the people, to an unusual extent for the times.

The Republic originated in 1115 when the Florentine people rebelled against the rule of the Margraves of Tuscany.



30. Florence, 1400's



31. *The Hall of 500*

They formed a parliament and a system of representation within the Signoria. They had no king; there was no prince or duke. The city was independent and had a process of electing their leadership every two months.

The parliament had 500 representatives who came together in the Hall of the 500 to discuss the matters of the city. They voted on the constitution. They discussed matters of taxes in this room. They discussed conflicts with neighboring cities.

In Italian, the Hall is called Salone dei Cinquecento. It's an imposing chamber, with a length of 52 meters (170 feet) by 23 meters (75 feet), and a height of 18 meters (59 feet). It's the largest hall in Italy by volume.

Citizens belonged to different guilds according to their craft or their workmanship. The guilds were secular corporations that controlled the arts and the trades in Florence from the 12th into the 16th century. Here's a map of the guilds, which included seven major guilds, five middle guilds, and nine minor guilds. The major guilds included lawyers, cloth merchants, wool merchants, silk merchants, bankers, and doctors. The middle guilds were composed of the butchers, bakers, armorers, tanners, and masons.



32. Map of Guilds

The rest of the population was called *popolo minuto*. These common people formed the majority of the Florentine population. About 75 percent of the population was not represented within the parliament, so we cannot speak of a democracy, but still, for being so early in the development of democracies and republics, Florence was quite a revolutionary place.

Cosimo exercised his influence in the parliament with representatives of the guilds, but it is also well recorded that Cosimo had a great heart for the 75 percent of the *popolo minuto* not represented within the room.

How did Cosimo influence this space, and what can we learn from that?

“Cosimo succeeded in identifying the honor of the Medici family with that of the community more completely than any citizen before him. He did this by making his friends and political supporters honorary extensions of this group, to be seen as dear fathers, brothers and sons in his affection and obligation.”

Dale Kent

#1

Cosimo linked the honor of his family with the honor of the Commune, or city-state.

This was a remarkable—and I would argue strategic—move in positioning. Cosimo openly expressed that he and his family were all about the business of the city. He would not have two distinct roles, one of building his family and another of building the city. He communicated to all that the interests of himself and his family were in the interest of the city. So that's how he communicated to the outside world.

“Cosimo succeeded in identifying the honor of the Medici family with that of the community more completely than any citizen before him. He did this by making his friends and political supporters honorary extensions of this group, to be seen as dear fathers, brothers and sons in his affection and obligation,” historian Dale Kent says.

And that leads us to the second point.

#2

Cosimo included other families in his sphere of influence.

He made other families part of his family. One way he did that was, of course, through intermarriage with important families, which was common at the time. He influenced who married whom.

The second way he did that was to make people of other families feel as if they were a part of his family. At one point more than 27 families within the city of Florence were directly linked to the Medici family.

When I read about Cosimo tying other families into his family, I could not help but think of *The Godfather*. Remember the movie with Marlon Brando and Al Pacino depicting the

Corleone family? This 1970s movie is a classic, and it's all about being connected, being favored by this family and behaving as part of the family.

A few years ago, I read the book behind the movies by Mario Puzo. It's a great read, and I told people that I was reading it because I'm raising my own German mafia. That's

“Be careful to conduct
thyself well at home and
abroad so as not to put
either me or thyself to
shame. Consort with our
friends according to usage;
make thyself acquainted
with what is going on.”

Cosimo writing to his son Piero in Venice

what I call my three boys Carlos, Alfonso, and Cedrik. A benevolent, law-abiding mafia, of course! But I could not help but think that the way Cosimo made his family a place for other families to belong sounded somewhat like the Mafia we know from the movies. Like Don Corleone, Cosimo used his family relationships as

force multipliers, extending the influence of his own family.

Years ago, I took a mission team to the Democratic Republic of the Congo for the first time. (I went later with my son.) Twenty people spent 10 days in Goma working on a school project, helping with construction, building benches, painting classrooms, getting a Wi-Fi system installed, and erecting two water tanks. It was a phenomenal trip and, of course, an experience like only Africa can provide. When we returned, exhilarated by how much we had learned and accomplished, we decided to take another team the following year so they could experience the same sense of purpose.

But instead of recruiting more people to my team, I recruited five leaders in order to lead five mission teams. And

that developed into a much broader scale than the year before, because every one of the leaders went out and started recruiting. The year after that, we had 10 leaders and 10 mission teams.

Within two years, we went from one team with about 20 people to 10 teams with more than 120 participants. It was an enormous success, and it was all because of the principle of force multipliers. Through leaders that you recruit, you can multiply your efforts in accomplishing worthwhile projects.

I could have never done this by myself or on my own, but through others who had influence. Since then, we've gone to Jordan, Lebanon, Romania, Thailand, Ethiopia, DR Congo again, and other places.

A couple of years ago, I read a book on the principle of "10 x"—a business principle meaning that instead of going for a percentage increase, you shoot for an exponential increase. For example, instead of saying I want to increase my business by 5 percent, 10 percent, or even 20 percent within the next year, I engage in the brainstorming exercise of trying to take my business to 10 times the size of what I have now.

Of course, most businesses won't achieve a 10 x growth from one year to the next, but I have seen it work with some of my own ventures and other business owners I've coached. The whole exercise of working on a 10 x multiplication of the business puts you in a completely different mindset. You have to think way outside the box. You have to involve people that you don't even know yet. You have to think of systems that you don't use yet. You have to perhaps enter countries and markets that you have no access to at the moment, but because you want to achieve such a growth rate, you are forced to think beyond your current system.

So I have been teaching this for a number of years—don't brainstorm around addition but around multiplication. This simple thought exercise in leadership, management, and strategy

meetings can totally change the conversation. It gets you away from troubleshooting the things that are difficult at the moment to discussing growth at a completely different level.

#3

Cosimo kept a close eye and tight reign on the activities of his family members.

Yes, he was the Godfather. Yes, he was the patriarch of the family. And he paid attention to the details. What's his family doing? Who's talking to whom? What are their affairs within the city? He tried to influence what was happening whenever appropriate.

Cosimo wrote to his son Piero, who was in Venice at that time: "Be careful to conduct thyself well at home and abroad so as not to put either me or thyself to shame. Consort with our friends according to usage; make thyself acquainted with what is going on."

Here you can see how he's using his son to maneuver some influence in the city of Venice even beyond Florence.

Reflection

What is your public interest?

And how are you making your public interest known?

How do you include others in your circle of influence?

How do you do business with your family and through your family?



— The Audience Hall —

House Rule #8

Pay your way

Cosimo did not come from nobility, but as a businessman he spent his money wisely to elevate his status. He financed the army of Florence to build political power; he donated to churches to build a relationship with the Vatican; and he gave lavishly to the lower classes to appease the people.

Every two months there was a complicated election process within the Signoria, where the different guilds assembled and voted on various matters. They drew lots, and then they elected nine members to serve as “priori.”



34. The Audience Hall today

One priori would serve as the Gonfaloniere of Justice, or the head of the republic state. The nine priori would move into the Palazzo della Signoria for two months and be sequestered in order to take care of the political responsibilities bestowed upon them. They were forced to concentrate. In this picture you see the Audience Hall. It's a small chamber where the nine priori would meet together in order to govern the city.

The big question: How did Cosimo exercise influence within this chamber without being part of the chamber? That's quite astonishing, because this was a secret meeting.

He always found his ways. Two ways Cosimo influenced the room: Number one, he positioned family members or people close to his family as priori. Number two, he used his money to influence the decisions of the priori.

The first one is quite obvious. If you've got family in the room, well, your family will make decisions that are good for your family and that go along with the will of the patriarch. But the second one is an interesting fact. Cosimo used his money to buy influence.

The books of the Medici Bank have been archived properly, and throughout the last century, numerous historians have dug into the files and unveiled how Cosimo used his money in order to control, lead, and influence the politics of Florence. Basically, there were two ways to use money to influence. Number one was to bribe or give a loan. We know what a bribe is. You pay someone cash to do something. And we know that Cosimo and the Medici family did bribe some people.

But the second thing is the loan structure itself. That's a more indirect way for a bank to influence what is happening within society. The Medici Bank gave loans to individuals, to families, to the Church, but also to the city and of course primarily to the city of Florence, since this was Cosimo's hometown and center of business.

If he's giving out loans to the city and sponsoring different projects, the priori know they've got some money coming in, and if the project is favored by Cosimo, that influences the decisions they are making within the room.

I don't know if you've ever applied for a loan, but I remember when I did it for the first time. I was in my 20s and wanted to buy a building that had 25 small apartments.

You have to get a lot of information and provide many documents in order to get a loan approved. And once you've handed in all your papers, then you have to wait and wait for a

favorable answer. It can be quite a tedious process.

Would it make a difference if you knew the manager of the bank—if you knew the CEO? Of course it would. Even today the kind of relationships you have within the bank make a difference.

Cosimo loaned tremendous amounts of money to the city of Florence. Next to tax income, his bank was the most important source of liquidity available to the city. The higher the amount of the loans, the higher the importance of making sure that he had favorable conditions. As the late historian Gene Brucker noted, “He [Cosimo] demonstrated a particular talent for working behind the scenes, achieving his goals by manipulating others. His instruments were the bonds of obligation by which he tied his supporters to himself.”

There is no question that Cosimo exercised this form of manipulation. But before we enter into a moral debate, we need to think for a moment about the difference between manipulation and influence. Volumes of books have been written about the subject and the distinction between those words.

Let me define them simply: Manipulation is only for the benefit of the one exercising it, while influence is for the benefit of all parties involved.

Cosimo was clear that yes, he was maneuvering the decisions being made, but since it was not just for his own interest, but for the interest of the common good of the city, he could justify using his money in this way. There are other figures in history who were great manipulators of the people as well as democratic processes. But when I studied Cosimo closer, I did not come away with the impression that he was a big manipulator just for his own purposes.

And I don’t think the people in his day saw him like that. They viewed him favorably, because he used his money for the good of the city.

Here's how Cosimo himself put it: "With no small pride, I affirm that none can say my ill-behavior ever caused a city to rebel or to be taken from you; on the contrary our money bought several; ask your soldiers how many times they were paid by me for the Commune with my own money, to be returned when convenient to the Commune."

**Money speaks...
What story are
you telling?**

Cosimo even used his own money to pay for the army because the parliament and the priori were making decisions on where to fight and what troops to maneuver in which direction. He put his money where his heart was.

So let's talk about money and its influence. What I've come to understand is that every expenditure of money sends a message. Money always is a statement. It states what is important to you. And how you spend it tells a story. Do you spend money for expensive clothes, cars, and houses? Well, that is a statement.

Do you spend money on education? Is that important to you? Well, then you're making a statement.

Do you spend money on helping children in Africa? Well, that also tells a story. Money speaks. So the question for businessmen and entrepreneurs is this: What story are you telling with your money?

As business owners and entrepreneurs, we don't just want to increase our business by 5 percent to 10 percent. We want to blow things up. And that takes risk, and that takes money.

Let me give you an example from one of my first businesses. I wanted to open a second coffee shop in Frankfurt. I found a beautiful location at the bottom of a skyscraper, just opposite the University of Applied Science. I had learned that the owner of an existing coffee shop there was willing to sell the business. But as is quite usual in the acquisition of restaurants and coffee

shops, he wanted the buyer to pay to take over the equipment, the coffee machine, and the furniture, plus a payment based on the revenue that he was presently generating.

The owner of this specific coffee shop wanted 50,000 Euros. I began discussing the sale with him late in the year, mid-December or so. He was eager to get things resolved and move quickly, but at the same time, he was negotiating with multiple people. In short, I made an offer out of the blue; I was willing to pay him 50,000 Euros in cash on Christmas Day. And I would come to his home or wherever he wanted to meet me and give him a Christmas present.

Now of course, I didn't want to do anything illegal or give him black money.

But I wanted to show him that I was willing to move and not wait for some bank transfer, which is always difficult. In December, the German banks are closed between Christmas and New Year's. Business is slow. So I wanted to show him that I was willing to make the extra effort to pay in cash.

When we closed the deal on Christmas Day, he and I shook hands. The seller had a big grin when I handed him the cash and he gave me a receipt for 50,000 Euros. The point: Too often when it comes to closing a deal, business owners fumble the ball and talk too much or overcomplicate things.

Once I get down to the actual transaction, my principle is to move quickly and to not over-negotiate or go back and forth. Be precise, be quick, and show that you want to do business. Don't keep things hanging in the air.

My grandfather is a great example of paying your way. Whenever we as a family go out for dinner, and no matter how large the group, he is always the first one to jump up and take care of the bill. Numerous times I witnessed my parents or their siblings try to pay some of the bill, but my grandfather always makes it a point that he is buying dinner. It is a way for him

to show that he values family. He values our time together. He values dinners and us coming together. And he wants to be sure we know that he is willing to pay for our time as a family.

I always feel like this proves that he puts his money where his mouth is. He says he loves us as a family and that he values us during our gatherings. He always has speeches prepared where he uplifts everyone in the room and says good things about each person at the table.

And he also shows that by picking up the bill and paying for it. So in relationships, I have come to see that it is special when we pay our way to make the relationship happen. Don't be cheap; pay for everything. That also creates strong relationships with the people you want to be with. It shows character, and it shows your priorities.

Reflection

**Which rooms do you influence
where you are not present yourself?**

**Where do you use money to
exercise influence?**

And what story do you want to tell?



— The Old Chancellery —

House Rule #9

Make bloody decisions

*One of Cosimo's core principles was to make the best decision for the people regardless of his own personal discomfort or preferences. Machiavelli commented on the strategies of the Medici reign in his book *The Prince*, which is considered revolutionary for its insight.*

The final room in the Signoria is called the Old Chancellery. We have looked at how Cosimo influenced the many in the Hall of the 500 and how he influenced the few, the priori, in the Audience Hall.

But how did he see the role of the one, the leader?

Let me show you this room in the Signoria called the Old Chancellery. This room features a man by the name of Machiavelli. It was his office when he was secretary of the Republic. This bust in the middle of the room is of Machiavelli.

So who is Machiavelli, and how is he linked to the Medici family?

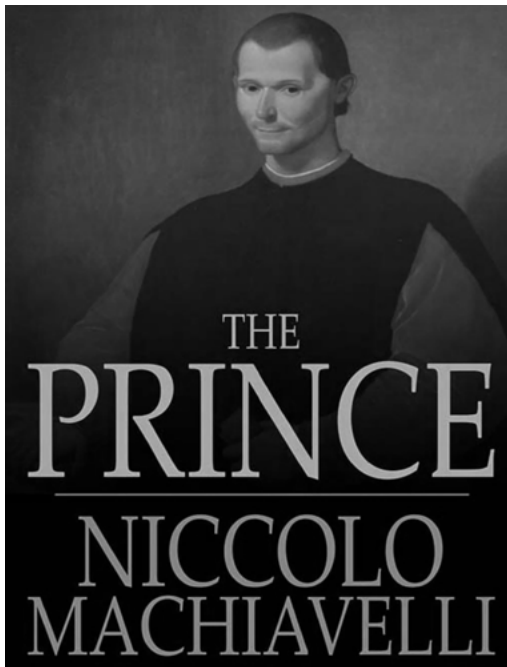


36. *The Bust of Macchiavelli*

Nicolò di Bernardo dei Machiavelli lived from 1469 to 1527. He was an Italian diplomat, author, philosopher, and historian, and he lived in the city of Florence, which was dominated by the Medici. He saw their rule firsthand.

From 1498 to 1512, he was employed by the government of the city while the Medici were in exile. And when they returned, the first thing they did was kick him out of the office because he was in bed with their enemies.

Machiavelli tried to win back the favor of the Medici by dedicating his most famous book, *The Prince*, to Lorenzo the Magnificent. His book is a famous political treatise written around 1513, but not published until 1532.



37 *Book cover*

Because of this book, Machiavelli has often been called the father of modern political philosophy and political science. Many believe that his book is an account of how the Medici after Cosimo—his sons and grandsons—would rule after his death.

The Prince is not an easy read that you pick up at a bookstand in the airport. It is quite harsh, even cruel, and packed with language that we are not used to when we talk about leadership and influence nowadays.

#1

The primary concern of a ruler should be the maintenance of power and the preservation of the state.

For Machiavelli, this was clear. A ruler should be willing to use any means necessary to achieve the end goal, which is maintaining power. For Machiavelli, it was totally OK to use deception to do that, even cruelty and violence.

So when we debate whether bribery is OK, and we think about how the Medici used their money to influence, remember Machiavelli saw no problem in that at all if it helped them to maintain power. A quote that I like from him is this: “He who wishes to be obeyed must know how to command.” I’ve met quite a few leaders who want to have followers but are not willing or able to give clear directions on where they are going.

“He who wishes to be obeyed must know how to command.”

Niccolo Machiavelli

I think one of the core principles of leadership is that we need to know what we stand for. We need to know what we want and then we need to say it clearly out loud.

#2

A ruler must be prepared to act decisively, and to make difficult and unpopular decisions.

Leadership is not a popularity test, according to Machiavelli. If you've gained power through the favor of the people, you should try to maintain it and seek to have good relationships with them. That's what he writes.

When the rubber meets the road, your job as a leader is not to be popular but to govern well and to keep the state in balance. And I would say the same is true for businessmen. Our job at the end of the day is not to be the most popular businessman in town, but to conduct our business well. I love the quote from Steve Jobs where he says, "If you want to make everyone happy, don't be a leader, sell ice cream."

Well, I'm a big fan of ice cream. I try to eat it as often as I can. So I think ice cream makes people happy, but I know leaders don't always make you happy, and that's OK.

Machiavelli even took it a little bit further. He said that it is better for a ruler to be feared than loved, because fear is a more reliable means of maintaining power. That's quite extreme, especially when you think about the fact that during those days in Florence, they would kill people who opposed the government.

Let me show you this painting of Savonarola, the famous friar who preached a message that was a little too unpopular for the government.

Savonarola was a Dominican from Ferrara who became known for his prophecies of civic glory, his advocacy of the destruction of secular art and culture, and his calls for Christian renewal. He denounced clerical corruption, despotic rule, and the exploitation of the poor. For his outspoken preaching, he was hanged and burned in front of the Signoria, a punishment

visible to everyone. That's what happened if you opposed the ruler or what was happening in the Signoria.

#3

A ruler must be willing to adapt to changing circumstances and be flexible in his approach to governance.

Machiavelli emphasized that a leader needs to read the political landscape and the motivations of the people around him. He needs to know what's going on. And if he has to change course, that's totally fine. Things are changing, times are changing, so he can change his way as well. That's OK, as long as he holds on to power.

Overall, *The Prince* presents a ruthless and pragmatic approach to politics. The goal for Machiavelli always justifies the means. His ideas over the centuries have been widely debated, criticized, and praised, but his influence on modern political thinking and political thought is undeniable.

I don't think Cosimo per se was purely Machiavellian, but some of his sons and grandsons definitely were. But this raises some interesting questions for us in the 21st century.





Reflection

Which means can be justified to reach a goal and achieve success?

Have you thought through what actions you can take in order to be successful? What is OK, and where do you draw the line?

What heart decisions have you taken in the past or are you taking at the moment?

Reflections on the Signoria

How are you exercising influence and power in order to be successful?

I had a conversation with a good friend at a tough time. He's a tech entrepreneur who has created a number of companies but was forced to sell them because of a downturn in the venture capital market. As we sat down for coffee, he told me he had just fired about 40 people from his immediate team. I was shocked. These were 40 individuals, but each one represents a household. And we all know that letting people go, specifically when it is not related to poor performance but because of impersonal financial tides, is really difficult.

I've always dreaded firing people. Of course, I've had to do it on numerous occasions over the years. But I asked him, how did you fire 40 people? Did you just send out an email to everyone, make it brutal and bad but quick?

He said that he knew they needed to receive written notice, but as a leader, he wanted to talk with each of them. So he literally engaged in 40 one-on-one conversations.

Wow. I was surprised. I felt like that really portrayed his character. And at the same time, I knew that these were bloody decisions. He stood up with his integrity and looked them in the eye as he told them the bad news.

I believe that about 90 percent of everything we do as business executives is pretty much the same. We all have to attend strategic meetings. We have to account for budgets. We have to hire and fire. We have to manage expectations of customers. We have to design products. Ninety percent of all the jobs we do is pretty much the same. But the last 10 percent is the difference between a good and an excellent employer/leader/business owner.

It is that extra 10 percent, the extra hour of the day, the extra conversation one is willing to have, the extra hard decision one takes.

I've always followed this rule. When it comes to firing people, the question you need to ask yourself is, would I hire that person again? If your answer is yes, you need to keep them. If your answer is no, you need to let them go. If your answer is maybe, then you should wait three months and ask yourself the same question. If you're still unsure after three months, then you should let them go.

We've learned how Cosimo used his relationship skills, his family ties, even his money to get what he wanted in the Signoria.

We've studied how during the Renaissance political thinking was shaped by strong rulers, and Machiavelli gave us an outline on a ruthless way of influencing.

But we need to find a way to transport this insight into our times.

I was reminded of *The 360 Degree Leader*, a book by John Maxwell, as I studied Cosimo and his influence in the Signoria. The premise of the book is that wherever you are in an organization, you can exercise influence. You don't need the title. You don't need the position. You just need to use the tools of influence, and you can do that from anywhere in the organization. As Maxwell writes: "Leadership is more disposition than position; influence others from wherever you are." So here are the keys that I took away from my study of Cosimo.

Key #1:

There is no success without the willingness to exercise influence.

You need to get comfortable with persuading people. Don't be shy. People want to be led. People like clear direction. Now there are different ways to lead, but there's no way around exercising power if you truly want to be successful.

My favorite way of influencing has always been vision casting and asking for a strong commitment. Years ago, we tried to get many people from Germany to go into various countries around the world in order to help with mission projects such as schools, orphanages, and churches. We wanted to mobilize people. So the best thing we could think of was to hire a big movie theater in downtown Frankfurt. On the big screen, we portrayed positive images and shared stories about what was happening in the world and how they could help those less fortunate.

After casting the vision we would talk about commitment. We'd invite people to come up with a big sacrifice, like giving up their holiday, paying a lot of money for flight tickets, being willing to eat strange foods, and sleep on funny mattresses. Vision casting and then asking for strong commitment has been my strategy, but you need to find your own methods of influence.

Key #2:

**Successful people do things that
unsuccessful people are unwilling to do.**

Early in my leadership tenure, I would put difficult conversations on hold and postpone them as long as possible. I had some pretty bad blow-ups because I was not willing to address the situation. But here's what I've come to believe. Your success as a leader is determined by the number of difficult and unpleasant conversations you're willing to have.

Here's the reality: Things don't get better over time. That's where I'm not an evolutionist. In my experience, whenever there are matters or issues within your company that are not addressed, they don't get better over time. They degenerate. Matters get worse if not managed and dealt with.

Key #3:

Controlling the process controls the outcome.

I firmly believe that Cosimo had a clear goal in front of him about what he wanted to achieve. He didn't hope and wish for it to happen; he controlled the process. And I believe if we want to be successful as business people, we also can't be hoping and wishing all day. We have to step in and take charge of the process.

Often we only want to talk about our goals, visions, and dreams, the things we want to accomplish. But we're not willing to make the effort to control the process. But that's exactly what Cosimo did in the Signoria. He worked himself into the process and influenced the process.

One area I often see neglected is marketing. Many businessmen and entrepreneurs hope and wish that clients show up in their store or find their website. It's a wishful thinking marketing strategy. That's not how we get customers. That's not how we achieve our goals. If you're still in the hoping and wishing mode, well say goodnight to success! Successful people, owners of businesses, design a process that leads to results.



The Bank

Let me introduce you to the fourth and final house that Cosimo put in order: The Bank—the House of Business. In many ways, this was the foundation of everything that the Medici were able to accomplish. It was a solid business they had created. Without a good flow of money, you cannot finance art and architecture, or buy palazzos and villas. You need a solid business to take your ventures into other fields.

Cosimo de' Medici firmly believed that “trade brings all mankind together and casts glory on those who enter into it.” He was proud to be a businessman. His father Giovanni di Bicci de' Medici is the one who founded the bank in 1397. But it was Cosimo who built the bank into an empire, the strong

fortress it became all over Europe. He took over in 1434, and that's when the grand expansion started.

We'll have a look at exactly how he did it. We'll be talking about a framework of "before, during, and after" for taking care of clients.

I've come to understand how they managed and operated their business. They had a way of getting clients, a way of managing their existing clients, and a way of keeping them for the long run.

"Trade brings all mankind together and casts glory on those who enter into it."

Cosimo de' Medici

I've divided that up into three different rooms that we'll be talking about. These are the Foyer, the Counter, and the Back Room.

But before we do that, I want to explain the foundation of the banking business. When reading the story of how the Medici Bank got started, I was just amazed that it was launched during the hardest of circumstances. I have heard many business people complain about the difficult circumstances they are in at the moment. There's a recession, these are bad times, and sometimes that can be an excuse not to venture out and start a new business. But the Medici Bank got started during tough times. I'll give you two reasons why I believe that was the case.

The first one is called the Black Death. One third of the European population was wiped out during the Black Death of 1349. This caused all leading banking families to struggle for decades. The population of Florence where Cosimo lived dropped from 95,000 in 1338 to 40,000 by 1427.

Well, that's an amazing number of clients that you suddenly lose. Powerful Florentine bankers went out of business, like the Bardi family, the Peruzzi family. They were wiped away, and

that's when Cosimo and the Medici family moved in to start their business.

The second tough condition for banking and enterprise was the prohibition of usury. Now the Catholic Church at the time prohibited the lending of money for profit. Why? Because making money from time, not with your hands, was a sin because time belongs to God and not to men.

It was an understanding that developed from the Judeo-Christian Old Testament, which contains statements that usury was bad, and that idea was adopted widely throughout society. In fact, the famous writer Dante, who wrote *The Divine Comedy*, reserved the seventh circle of hell for everyone practicing usury. How do you set up a banking business if usury is a sin? The Medici had to be creative to make a profit.

Here are three ways that they addressed these problems.

#1

The Medici Bank fixed the problem of usury by inventing the letter of credit.

Now, picture an Englishman in London who is buying art in Florence. He puts down pounds in London in order to pay for the art purchase and receives a letter of credit. On the Florentine bank side, they produce a letter of credit for the artist who goes out and starts working on the art. He gets paid in the Florentine money. Now you have an exchange of art, but basically you've got a currency exchange, and through that they made money.

#2

They mixed the lending of money with the buying of merchant goods.

Remember the Medici family was not originally a banking family. They were a merchant family. They imported goods and





sold them, but that transfer needed to be financed, and that's where they made their profit.

#3

They created insurance policies.

Now that was also a clever way of making money. You had ships going all over the Mediterranean Sea loaded with goods to be transported. They needed to be insured, because there could be a storm, there could be a wreck. There could be pirates who plundered the ships. There were all kinds of ways you could lose your goods and money.

So they created insurance policies, which is basically money paid for nothing over time, which creates a nice profit. So in many ways the Medici Bank combined different aspects of business in order to operate as a bank.

I love what Cosimo told his son Giovanni in 1457. Giovanni was in Milan, and Cosimo wrote: "I don't make the same calculations as everyone else does." Isn't that a cool statement? Don't we expect that of a good banker, that they have their way of calculating? Well, that's what Cosimo did. Let's have a closer look at the different rooms within the bank.

40. *Black Death*, Luigi Sabatelli, p.149

41. *Two tax collectors*, Marinus van Reyerswaele, p.151





— The Foyer —

House Rule #10

Master the art of selling

Cosimo kept the core business the core business. The Medici Bank and its expansion was his main focus. He constantly sold people on doing business with him and his family, with an eye for the long term.

The first room at the bank is the Foyer. It's the entry door, and just like any business, you need to ask yourself the question: What do I need to do to get people in the door, attracted to my business? What can I do to promote? What can I do in terms of marketing? What can I do in terms of networking? What offer do I need to create to be interesting for customers?

These are all questions that we as entrepreneurs and businessmen are thinking about. And you will see this has everything to do with how the Medici thought about positioning themselves and their bank. So here are the keys:

The person on top is responsible for the sale.

The person on top is responsible for the sale. It's not the sales team, it's the person responsible for the company.

I've seen too many business owners hide behind a weak sales team or a weak sales process. They'd rather focus on other tasks within the business, tasks like internal systems, restructuring administration, or leadership development. But I am firmly convinced that if the top guy, the owner of the business, is not taking care of the sales, the top line of the business, then there is no business. We are ultimately responsible for the top line and the cash flow.

When my grandfather first moved to South Africa to assume the role of mission director in the continent of Africa, he heard that one of his key leaders had been admitted to a mental clinic because of a burnout. After a short time on the job, he wanted to visit this leader in the clinic.

He drove out to the institution just outside of Johannesburg. As he got onto the property, which was a nice facility, he saw a big pile of sand. And some men with wheelbarrows were carrying the sand from one side of the property to another side a couple hundred yards away. After watching them for a while,

he asked one of the doctors what the men were building on the property. The doctor told him they weren't building anything: They were just moving sand. Once they were finished, they'd move all the sand back.

My grandfather said that the moral of the story is that you can move a lot of stuff without building anything. And I've always felt like this is a perfect illustration of how people can keep themselves busy all day long, with lots of to-dos and tasks and internal management. But it doesn't mean you're building something. This is true for any business owner who is not taking care of the sale. There is no business without selling products or selling services.

I believe in taking care of the top line. Your cost structure is important, but without a top line of sales revenue, there is no bottom line.

My son, Carlos, has already mastered the art of selling. He recently called me and sold me on him getting a boating license.

**“Trade brings all
mankind together and
casts glory on those
who enter into it.”**

Cosimo de' Medici

His argument was simple: If I paid for his boating license, we wouldn't have to pay a skipper when we go out on a boat.

Well, the math made sense, but I hadn't thought about it that way. And if he hadn't sold me on the idea, I

would've probably told him it was unreasonable for me to pay for his boating license. But that is sales: presenting your case, your product, your service in a way that your customer sees it in a new light.

One of my favorite sales principles of all time is called the irresistible offer, which basically says that you need to make an offer that is so good that anyone right in his mind must accept it.

A few years ago, I wanted to sell a house for the price of 3 million Euros, even though the market value was about 2.4 million. I asked myself how I could get more money than the current market price. How could I make this big jump? My idea was simple. I would organize great financing for the buyer upfront. Normally it is the job of the buyer to get the financing in order to buy a house. They have to talk to banks, develop the spread sheets, sell the project to the money lenders. But if I actually did this homework for the buyer upfront, I might be able to ask for a much higher price. I figured if the buyer only needed to make a down payment of 500,000 Euros in order to buy my 3-million-Euro home, he would not see the price difference as the problem. He would only be investing 500,000 instead of 3 million. He would get the 2.5 million from the bank.

I had what I considered an irresistible offer. I would be selling a house worth 3 million, but all the buyer needed was 500,000 Euros.

At the end of the day, I found a buyer who did not need the financing that I had organized, but it sure helped me in the sales process, and I got the 3 million for the house.

Let me give you three ways by which Cosimo and his father Giovanni expanded their business:

#1

To get new business, Cosimo invested in relationships that paid off over time.

The most famous relationship that the Medici invested in was, of course, to find a way to attract the Catholic Church as a client. Who wouldn't want the Catholic Church as a client? The Church ruled the Holy Roman Empire all over Europe. So to be the banker for the Church would result in the most prominent and profitable business.

It was difficult for Cosimo's father to broker any relationship with the existing pope. So what did he do? He started thinking about who was going to be the next pope. Who could he could sponsor in a campaign to become the head of the church?

This is a funny story, because of all the people he could find, he sponsored a pirate from Naples. This is a picture of Baldassarre Cossa.

He was born on an island within the kingdom of Naples around 1370. Baldassarre came from a family that originally had some noble background but had hit difficult times. And so Baldassarre and his brothers ventured out with their ships in order to be pirates, ransacking other ships. That's how they kept their family prospering.

Well, guess who became pope? This guy. Baldassarre. Guess who sponsored him eight years before he ever became pope? Well, it was the Medici family. They invested in relationships long before they could do business together.

In fact, there are all kinds of astonishing reports of how people were saying the Medici were crazy to give that much money away, but that's exactly how they built their banking empire, investing beforehand into relationships.

#2

They made clients of wool into clients of banking.

The Medici were a merchant family. And they were used to doing business importing and exporting wool and clothing and merchant goods.

If you want to start a bank, what is the best client base you can jump off of? Your existing client base. In a sense, they started their banking empire on the basis of their merchant empire. That's a good way of cross-sectioning your client base.

Bapst Johannes der drey vñzweintzigst.



43. Baldassarre Cossa, Ulrich of Richenthal

#3

They opened up markets in foreign cities.

The Medici Bank was, of course, based in the city of Florence, a banking and merchant center. A lot of people from all over Europe traveled through Florence.

Let me show you a map illustrating how the Medici ventured out of Florence.

They set up all these branches in Rome and in Naples and in Milan and in Venice, but even up to London, Geneva, and Bruges—all over. They didn't wait for their clients to come to them. They ventured out in order to find clients. I love this, because I've met too many business people who sit in their office and wait for clients to come to them.

The Medici flipped this around; they found their clients all over Europe.



44. Map of Medici expansion

Refletion

Which networks are you investing in strategically?

Where could you in your business cross-leverage?

Where are you branching out?



— The Counter —

House Rule #11

Feed the need

Throughout his life, Cosimo was known to love his customers more than his products. When the Medici Bank took over the alum mines from the Papal State, it was to please their powerful client rather than remain narrowly focused on immediate profits.

Let's talk about the Counter of the bank. During this period, a bank usually consisted of a single room, where in the middle there was il banco, the counter. And that was where the business was happening.

There were seats for the clerks and bookkeepers. And that's where the clients came to do business.

But Cosimo's bank had very few employees. In fact, it is noted that only a dozen employees were employed by the Medici Bank throughout various cities. In 1402 there's a record of the bank being present in all these different cities, but they had only five people at the head office in Florence. The others were dispersed into the other cities. Just think of that, if you're running a lean business. I call five employees in a bank office a lean business.

Let me share some secrets on how they conducted business at the Counter. My information comes out of a book called the Libro Segreto, the "secret book"—called that because it was hidden for centuries in Italian archives and no one knew about it. Only recently has this book been discovered, and researchers have delved into it to find out exactly how Cosimo ran his bank.

#1

The first secret of doing business at the Counter was that Cosimo went way beyond the contract to please his clients.

Let's just think about the big Cattedrale di Santa Maria del Fiore (Cathedral of Saint Mary of the Flower). It's a magnificent building in the center of Florence that took about 150 years to build. It was a nightmare to complete it, because no one had ever closed up such a large space in the past. The architect Filippo Brunelleschi designed the cupola, and Cosimo paid for that.

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simile	— f' 12 n° 1 di n°	1581	mdo	B	2	11	5

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47. Cathedral of Saint Mary of the Flower



The second picture that I want to show you is a picture of the Basilica of San Lorenzo. It is the home church that the Medici attended. It's a few blocks away from the cathedral, and if you're ever in Florence, you need to check out this church. It is one of my favorite churches in the world, designed again by Brunelleschi. But Michelangelo and Donatello also worked on it.

So Cosimo paid for this and other churches to be renovated. There was no obligation for him to do that. There was nothing in his client contracts that said, "Cosimo, you need to pay for church renovations," but that's what Cosimo did to please his clients. He went way beyond the contract, way beyond the law, so to speak, to make his clients happy.



48. *The Basilica of San Lorenzo*

#2

The second thing that Cosimo did was solve his clients problems.

One day the Church found out that within their Papal State, they had some valuable alum mines in the city of Tolfa. And they wanted to turn the mines into a profitable venture.

They gave the contract to Giovanni de Castro, the son of a lawyer from Padua. He started off, but after a few years the business foundered. The Church did not know how to promote its mines.

Cosimo heard of their struggle. He raised his hand and said, “Hey, if it’s your problem, let me take it on myself, and I’ll make it my problem.” Cosimo signed a contract and took over the mines and cut a profit-sharing deal with them. It’s a simple principle that he was applying. If you solve your client’s problems, guess what—they solve your problems.

If you solve your client’s problems, guess what—they solve your problems.

#3

The third key to Cosimo’s success with his bank was that he gave away minority shares of his business.

Cosimo, in a sense, perfected his father Giovanni’s practice of putting minority partners in charge of different branches.

Let me show you a picture of the holding structure that they created.

This structure may be common nowadays, but let me assure you that more than 500 years ago, it wasn’t common at all. But that was the key to their success in doing business with their

clients; they put good banking managers in charge of their branches.

Cosimo was known for choosing the right business partners for his franchise businesses. Historian Raymond de Roover researched Cosimo like no one else did, and he wrote in *The Rise and Decline of the Medici Bank*: “With Cosimo at the helm, the Medici Bank became the largest banking house of its time. Cosimo did not try to manage everything. On the contrary, instead of becoming submerged in detail, he understood how to delegate power while holding the reins of his team with a firm hand. Throughout his career, it was he who laid down the law, formulated policies, and saw to it that his instructions were obeyed to the letter.”

Cosimo took great care to choose the right partners for his branches. The diversification was important because, remember, his big business was with the Catholic Church, with the pope, but he did not want to rely solely on the Church’s business. Let me show you a table of profits where you can see that the bank under his reign only took 30 percent of the profits.

The rest of the profits were spread out to some to the other branches and to the other cities.

Today we say the worst number in business is one. One client, one product, one stream of income, one branch, one bank. Cosimo understood that, so he diversified. He expanded and involved minority partners in order to take care of business. That was genius.

When I first entered the property market, I looked for a product that the market was demanding but was in short supply. After some research, I learned that in the city of Frankfurt, there was a lack of furnished apartments. I found out that many business people came to Frankfurt to work on a project for three to six months. Hotels were springing up all over town, but the only other option was signing a long-term lease on an

Table I
Profits of the Medici Bank -- 1435 to 1450 ⁴⁸

Branch	Profits			Percentage of
	<i>florins</i>	<i>soldi</i>	<i>deniers</i>	Total
Ancona	5,116	0	0	1.8%
Avignon	8,948	14	6	3.1%
Basel	5,065	0	6	1.7%
Bruges and London	17,788	12	8	6.1%
Florence	24,568	5	7	8.4%
Geneva	46,975	15	10	16.2%
Pisa	1,000	0	0	0.3%
Rome	88,511	14	11	30.4%
Venice	63,319	16	11	21.8%
Banking Subtotal	261,292	22	11	89.9%
Woolshop I	4,917	3	6	1.7%
Woolshop II	5,455	15	7	1.9%
Silkshop	19,125	17	10	6.6%
Clothworks Subtotal	29,498	7	11	10.1%
Total	290,791	1	10	100%

50. *Profits of Medici Bank*

unfurnished apartment.

So, I entered the business of intermediate-lease furnished apartments. This proved to be much more of a hassle, because you have to furnish the apartment, and you have much more turnover. The property always needs to be in top-notch condition. With international platforms like Airbnb, you get rated on a continual basis as a landlord. But it was exactly what the market wanted and what the customer needed. The business has turned out to be successful.

For years now, I've been speaking on the topics of success, significance, and legacy at business, leadership, real estate, and mission conferences all over the world. One of the things that I learned early on is that every event organizer has a specific agenda, something that they want to accomplish as they put the conference together. And at the same time, it is easy for speakers to come in and just do their thing regardless of what conference they're at. I've witnessed quite a few speakers go "off topic" while delivering a great talk. Their speech was not in line with the conference organizers' objective, however.

I have made it a principle since then to learn how I can contribute to their goal. Years ago I spoke at an international conference in Manila. I had tried my best to find out exactly who the audience was, and I had crafted my message. But after arriving in Manila and attending one and a half days of the conference, I felt my presentation wasn't appropriate. The audience consisted of about a thousand attendees from Asia Pacific countries who I felt would find little of interest in what I had to say.

I totally rearranged my talk, and after 20 minutes of speaking, I paused and went into a question-and-answer discussion live from the platform with a group of a thousand people. By the end, I felt like I had connected with the group, but it was only because I was willing to completely change my material and address the questions of those in the audience.

Reflection

Where are you delivering to your clients above and beyond what the contract is saying?

Where are you offering not just a product but a profit share?

How do you create goodwill with your customers and clients?



— The Backroom —

House Rule #12

Systematize for the long run

Cosimo's investments in art and architecture reveal the legacy he wanted to create, one that would thrive long after his lifetime. In the same way, he structured his business operations by building on strong partnerships and sustainable systems.

The Back Room of the bank focused on establishing enduring business systems designed to provide long-term success. It's one thing to open up a business and be successful. It's a whole other thing to be in business for the long run. That doesn't happen by accident. It only happens once you've built trust and people come back over and over to do business with you.

Cosimo was acutely aware of the need to establish his business in a manner that would ensure its longevity beyond his own lifetime. As the business continued to expand, he limited his involvement to crucial decision-making and the establishment of guidelines for his subsidiary partnership managers to implement. De Roover writes: "Even though Cosimo de' Medici was a man full of energy and endowed with unusual managerial ability, he could not possibly manage and supervise everything. Of necessity, he had to delegate power and to rely upon his subordinates."

Historical records depict Cosimo as exceedingly strict in his insistence that his directives be followed meticulously. He recognized that the establishment of robust business systems was the key to ensuring excellence in execution. Given his influential stature as the grand patriarch, nobody dared to disregard his orders. However, Cosimo harbored doubts about whether the succeeding generations would maintain the same unwavering commitment. His suspicions proved well-founded.

Piero and Lorenzo, following in Cosimo's footsteps, gradually loosened their grip over the branch managers, granting them significantly more autonomy than during Cosimo's lifetime. Ultimately, the Medici Bank's existence spanned a mere century, from 1397 to 1499. Branch managers in Lyon, London, and Bruges made similar errors by extending loans to secular rulers. In the end, it was Lorenzo the Magnificent's son, Piero, who would be remembered as "Piero the Unfortunate" for closing the business.

Cosimo developed his business so that whenever people interacted with the Medici Bank, they felt like they were banking with him.

I would accredit it to the foresight of Cosimo about the business that had him branch out into other spheres of society that would mark the legacy of the Medici family. The strategic

investments into politics, art and architecture as well as religion guaranteed a legacy that was not solely dependent on cash or a thriving business. While the business itself endured for just a century (a significant achievement in the 15th century), the Medici family's rule extended over Florence and Tuscany for an impressive 300 years. In 1737, when Anna Maria Luisa de' Medici, who

had no children, and her two brothers, who also had no heirs, enacted a document known as the "patto di familia," they bestowed the Medici family's wealth upon the city of Florence and Tuscany, ensuring their enduring impact would continue to benefit the region.

Years ago when I started my first banking relationship, I applied for a loan in order to buy a big building of 25 apartments in the heart of Frankfurt. I needed a good bank, and back then the best one I could find was the Deutsche Bank.

Frankfurt is known as a banking city. We've got lots of banks to choose from, but the Deutsche Bank was positioned to do good business with me. Well, that's what I thought. After months of paperwork, I signed a loan agreement and started a good banking relationship with a wonderful lady who made sure I was happy. But after a few years and some more loans and more buildings, all of a sudden my banking relationship went down the pipe. What happened? The bank restructured; they

decided to swap their accounts around, and I was assigned to some new person I'd never met before.

I wrote an email and asked for an appointment. Can you believe it, it took more than three months just to set up a simple appointment!

I tried to go in positive and charming because a banking relationship is important. I asked the new manager to do two minor things on my accounts so we could start the new relationship. Well, I hate to tell you this, but it took him another two months to change those two small things on my accounts. Can you imagine how frustrated I was as a client with that bank? How my good relationship had turned sour because they had restructured internally, and I was left to fall through the cracks?

The banker probably got handed too much work and didn't know what he was thrown into, but of course, I as a client was unhappy, and that was the day I decided I never want to do business with just with one bank. So I shopped around. Now I split my most of my business among four major German banks.

The second thing I decided was that in my own business, I will always make sure that the relationships are not jeopardized. If I have to restructure something, if there's a change of personnel, I need to take care of my clients, and they cannot suffer because of my rearrangements. Trust in business is developed through quality of product, quality of service, and quality of relationship. And sometimes we lack the quality of relationship. And trust built over years can be lost within moments.

Cosimo ruled the banks successfully throughout his lifetime because he managed the key relationships himself. Cosimo developed his business so that whenever people interacted with the Medici Bank, they felt like they were banking with him.

I love this painting by Sandro Botticelli.

The name of it is *Portrait of a Man with a Medal of Cosimo the Elder*. It was painted in 1475, and the painting features a medal stamped with a likeness of Cosimo on the money.

The painting is now on display in the Uffizi Galleries in Florence. I love this painting, because you can see how Cosimo made the business of money lending something personal, connected with his image and his brand. His face was on the money. He created a trust link between the banking and his personality. That was brilliant.

When it comes to organizing or systematizing for the long run, I have to apply an extra portion of discipline. By nature, I'm more of an innovator than a systematizer, and that's one reason why I love working with my brother Philip. He has a doctorate in organizational leadership and management, and he loves to develop business systems. He approaches business strategically more than I do, and I have to be consciously aware that my weakness should not become the weakness of the organization. Who am I working with? Who am I partnering with? Who am I employing so my business prospers in the long run?

I've seen this in property management. Every problem you can encounter—managing tenants, proper accounting, taking care of the facility, doing renovations—can be viewed as a unique problem. Or every individual problem can be seen as a larger issue that you need to systematize for, because it probably won't be the last time the issue occurs.

So part of systematizing is the tedious job of thinking, what is the problem behind the problem? What is the issue behind the issue? What needs to be addressed on a larger scale?



As I mentioned, I hire people whose strength it is to systematize. There is this leadership principle that compares leadership to a bus ride. Your first responsibility is to decide where exactly you want to go. No point in driving if you don't know where you are going. But then it is very important who you invite onto the bus to take the journey with you. Who are your team members? What qualifications and personalities do you need in your team? If you take the wrong people with you, you may end up with more quarrels and struggles than actually developing your business. Which business owner has not pulled out his hair over the difficult employees?

But then sometimes it is not just about getting the right people to join your team but actually getting them in the right seat on the bus. Unclear job and role descriptions can make the best people ineffective. And it is the job of the leader to not just onboard, but assign the right positions. You need to decide who is on your bus and which seat they take as you begin your business journey. Do I need this person on my team to benefit the journey? For which spot are they best suited?

Reflection

What do you do to keep your clients?

What do you do if a client is unhappy?

How do you win clients back?

Reflections on the Bank

So how are you conducting your business, winning clients, leveraging your clients with relationships, and building trust in the long run? Let me give you some keys.

Key #1

Keep the main thing the main thing.

Within the banking business Cosimo diversified; there's no question about that. But as we have seen, Cosimo had other interests and projects at all times: the Platonic Academy, building villas, buying books, managing politics, mentoring artists, doing benevolence in the city, and beyond. He was a busy man, but he never, ever neglected his main business.

No matter what he was doing, he was always first and foremost a cautious and highly astute banker. I think that's a brilliant lesson for us. Some business people have too many plates in the air, too many balls spinning, and then when one drops, all of them drop. That doesn't happen if you keep the main thing the main thing.

Key #2

Be other-person focused.

When people start being successful, sometimes it goes to their head and they start getting arrogant. One of the things that surprised me as I read about Cosimo is that he didn't get a big ego. He kept himself in check, and he was other-people focused.

Let me show you a fresco in the chapel of the Palazzo Medici Riccardi painted by artist Benozzo di Lese di Sandro Gozzoli.

It portrays Cosimo on a donkey. You can see everyone else is riding a horse into town. And Cosimo is nicely dressed, no question about that. But he's on a donkey. Now, if you know



53. *Part of the Fresco in Medici Chapel*

what a donkey stands for in the Bible, it is always connected to humility, and that was important to Cosimo. He did not want to come across as the richest man in Europe. He wanted to portray himself as humble, and he did that by staying other-people focused.

Key #3

There's no alternative to high-level relationship-building.

I know this is the bank we're talking about, but I cannot walk away without thinking to myself that the key to his success was how he conducted his business relationships.

He focused on his clients. The archives in Florence are full of letters that Cosimo exchanged with dukes, princes, kings, and popes, not to mention his managers all over Europe. There was never a break in communication, astonishing at a time when there was no post office, not to mention internet or email. He kept communication with his clients and his customers front and center, and that's how he built high-level relationships.

Epilogue

I imagine after reading this book that you are as fascinated about the person and character of Cosimo de' Medici as I am. His life truly demonstrates you can develop different spheres of influence and be successful not just in one area of your life. He put his house in order and left us with some principles how we can put our house in order.

There is this wonderful parable in the Sermon on the Mount where Jesus teaches about the construction of a house. He contrasts building on a solid rock foundation and building on sandy foundation. Whenever the rain falls heavily, or whenever floods come, or when there is strong wind, the foundation of the house really matters. The house built on rock stands firm; the house built on sand easily collapses.

I shared at the beginning of the book how the pandemic really altered my own life. This was a disruption that I had not anticipated, and it took me off guard.

Another one that I recently experienced was the start of the war in Ukraine. I was in a hotel room in Miami when I saw the breaking news that there was war in Europe. Honestly, I

had never expected with our history of the first and second World Wars that we would see another conflict so close to where we live. This war has been devastating for the Ukrainian and Russian people and has affected many people here in Europe. Because of the military conflict there has also been an economic shift. Since I'm heavily involved in the real estate business, it has been an alarming experience to see interest rates climb from 1% to 5% in a year's time.

Life has its way of creating circumstances similar to storms that can shake the foundations of our lives, of our businesses and our families. We've had some nice plans and we had good setup, but then there's this disruption.

A financial crisis comes because there's an unexpected loss of customers or a shift in the market. Tragic external incidents like war or a virus or a crisis can shake the foundation of who you are and what you're doing. On a personal level, there can be death of a loved one, a sudden diagnosis of a serious illness, or tragic life-changing events like divorce and or breakup that shatters who we are.

Or there can also be inner shifts of mission, vision, and passion. Perhaps we used to be full of motivation and zeal for a business or a project, but over time our passion has shifted and now we feel led in a new direction.

All the storms and winds and floods that sweep through our lives actually affirm that we need to get our house in order and build it on a solid foundation.

I have developed a passion of investing myself into entrepreneurs and business owners who want to get this right. I want to help you create a beautiful life and develop your personal life, your relationships, your influence, and your business.

With this book, I've tried to give you some basic information on how we can live out these principles. But information is not enough. We need to have application. In fact, that's where

the parable of the house built on sand and rocks leads. Only the person is called wise who does not just listen to words, but actually puts them into practice.

In the same way I can testify that as a speaker and communicator, I've delivered a lot of information to people in conferences, in workshops, in private conversations. In fact, I've spoken in front of thousands of people, have inspired them, have educated them, but only those that committed to an ongoing process of application have actually experienced life transformation. That's why I would like to invite you to go beyond just reading this book on a purely informational basis. I want to invite you into a community of entrepreneurs and business owners who want to live out principles of success, significance, and legacy.


For more information, please visit our website at www.medicilegacy.com to learn more about the community as well as the different membership options.

You will see that on a regular basis, I take entrepreneurs and business owners with me to Florence. If you're interested to join me on any one of these trips, please do get in touch at support@medicilegacy.com and we will get all the current dates and offers to you.

Florence is this wonderful museum, a city built out solidly and and as one of my friends always says, it's like walking through the Magic Kingdom. It's like Disneyland for adults. It's another world. A testimony of the past of the Renaissance that has stood its test of time and we can experience it together.

Thank you for taking the time to read this book. May it help you to get your house in order and be successful in all areas of your life.

House Rule #1:

	<p>The Medici Success Framework®</p>		
			
	<p>House Rules</p>		
			
<ol style="list-style-type: none"> 1. Water your garden 2. Hunt for books 3. Debate ideas 4. Don't jeopardize your family 5. Befriend kings and popes 6. Choose your Donatello 		<ol style="list-style-type: none"> 7. Unleash force multipliers 8. Pay your way 9. Make bloody decisions 10. Master the art of selling 11. Feed the need 12. Systematize for the long run 	

Water your garden

Cosimo de' Medici regularly spent time at his countryside Villa di Careggi in order to take care of himself. Though he employed many people at his various properties in Italy, at the Villa he watered his own garden. This was his way of calming down, relaxing, and recharging.

House Rule #2:

Hunt for books

In an age before the printing press was invented, Cosimo de' Medici had to hunt for books and manuscripts all over Europe. He searched for ancient texts on philosophy, theology, and wisdom, finding books in monasteries, convents, and castles. A voracious reader, he built one of the greatest libraries in the known world.

House Rule #3:

Debate ideas

The Platonic Academy was reborn in Cosimo's home because he wanted to discuss philosophy with intellectuals and scholars of his day. Eleanor Roosevelt said that small minds discuss people, average minds discuss events, and great minds discuss ideas.

House Rule #4:

Don't jeopardize your family

Cosimo's inner family circle was at the core of his identity and life's mission. He would shun visitors, even important business contacts, if those closest to him needed his attention.

House Rule #5:

Befriend kings and popes

Cosimo strategically built a network with the influencers and power brokers of his time. He convened private gatherings at his palazzo in Florence for salon conversations and spent lavishly on guests. At one point he hosted more than 1,500 people from different countries in order to bridge the religious gap between the East and the West.

House Rule #6:

Choose your Donatello

Cosimo de' Medici invested in architects, painters, and sculptors, even inviting them to live in his homes. Every day he would meet with the artist and discuss the progress of his work. Cosimo had an eye for talent and paid generously for the greatest art of the Renaissance.

House Rule #7:

Unleash force multipliers

Though Cosimo never held official office in the Signoria, the ruling government of Florence, he built a tight network of 17 families who served as force multipliers and representatives of his interests. He intermixed business and family relationships to extend his power.

House Rule #8:

Pay your way

Cosimo did not come from nobility, but as a businessman he spent his money wisely to elevate his status. He financed the army of Florence to build political power; he donated to churches to build a relationship with the Vatican; and he gave generously to the lower classes to appease the people.

House Rule #9:

Make bloody decisions

One of Cosimo's core principles was to make the best decision for the people regardless of his own personal discomfort or preferences. Machiavelli commented on the strategies of the Medici reign in his book *The Prince*, which is revolutionary for its insight.

House Rule #10:

Master the art of selling

Cosimo kept the core business the core business. The Medici Bank and its expansion was his main focus. He constantly sold people on doing business with him and his family, with an eye for the long term.

House Rule #11:

Feed the need

Throughout his life, Cosimo was known to love his customers more than his products. When the Medici Bank took over the alum mines from the Papal State, it was to please their powerful client rather than focus narrowly on immediate profits.

House Rule #12:

Systematize for the long run

Cosimo's investments in art and architecture reveal the legacy he wanted to create, one that would endure long after his lifetime. In the same way, he structured his business operations by building on strong partnerships and sustainable systems.

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