**RedZone Podcast Episode 48: The Importance of a Big WHY – with Chuck Blakeman**

Bill: Do you believe that there's such a thing as a work life balance?

Chuck: No, I don't. I think that's a goofy thing that we've created in a reaction to the factory system that suck the life out of us 6 days a week and we carry that on into our own businesses. A good man works hard and it's one of those badges of honors that we carry with us. If you own your own business, or you're a senior leader, you just work yourself to death. It's just part of the deal.  
[00:01:00] Then we have to talk about having balance. A lot of senior leaders in organizations I talk to, they constantly talk about this thing called margins. We want to have time in the margin. That, by itself, speaks volume. You've got the content, which is business, and in the margins you might get a little time on the edges for yourself. Nonsense. First of all, I would suggest we talk about an integrated life. Whatever you're doing, you should be completely sold out to. If you're on vacation, you should be completely sold out to it. If you're at your kid's soccer game, you're sold out to that. If you're at work, you're sold out to that. There's no balance in any of that. It's actually integration.

Secondly, there will be times where one of those things can take over everything else. All you have to do is ask yourself, give me an example of one great leader, any person in humanity, that has ever made a giant impact on the world around them, that lived a balanced life. From Mahatma Gandhi to Jesus to Margaret Thatcher to you name it, none of these people lived balanced lives. Get over it.

[00:02:00] The difference would be that there's a time for every season. I got offered to run a company and own a piece of it. They were just going to give me a piece of this company and a big fat salary in the 90s. There was no way I could do it because I was completely out of balance in raising kids. There was no way that I had the time and energy to take that on. Today, I'm completely out of balance in a way of work. My kids are 35 and 30, my wife works in the business. Don't think about balance think about impact and seasons of life and an integrated life.

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Bill: [00:06:00] I want to welcome you to the show today.

Chuck: Thank you. It's great to be with you, Bill.

Bill: I have got to ask you a couple questions regarding ... I'm reading some of your blog posts and I know that you have owned and operated, is it five or eight, I've seen different numbers, or ten businesses in your career?

Chuck: It depends on who you ask. The story we like to tell that we think is true is ten businesses in seven industries on three continents.

Bill: Now, did you always know that you were going to be an entrepreneur?

Chuck: No, but I did know that I was always going to be unemployable. Right out of high school I thought if there were 525 kids in my graduating class and if there were 524 jobs, I'd be the last man standing. I didn't have any kind of view of what I'd be able to do. It never dawned on me that I would be working for myself or building companies. It certainly was, at the same time, daunting to me to think about why anyone would ever hire me.

[00:07:00]  
Bill:  
Why do you feel that you were unemployable? I share that same view about myself. What was an indicator for you that that was true?

Chuck: Well, one indicator for me was that I did so badly in school, that on the day of graduation, not the last day of school, three or four days later on the day of graduation, they had me in the Principal's Office discussing whether they would let me graduate or not. That's how bad my grades were. I think they finally decided they would let me graduate because they realized if they didn't they'd have to have me for a whole other year so they wanted to get me out of there.

[00:08:00] I just didn't do well. I'm left handed. I'm right brained. I probably have one of those strings of letters like ADHD or DMX or ABC or whatever it is. I wasn't diagnosed for any of that stuff. The only thing I was diagnosed for was left handedness. I think I've always had a different view of the world. I'm musical, I went to music school. I just had an artsy-fartsy right brained view of the world and school completely escaped me. I had no idea what I was doing there. Based on the fact that you're supposed to have reasonable grades and at least get a long, I assumed that I was a complete failure and I didn't have anything going for me.

Bill: Did you have any indicators like maybe a lemonade stand or lawn mowing business or something like that that maybe were early clues?

Chuck: Nope. Never have a business, didn't do well in sports, didn't play sports after 8th grade. The only thing going for me was that I played clarinet in the orchestra. I didn't like bands, so I played clarinet in the orchestra. I really only started playing in my sophomore year and in my senior year I won a competition to play a concerto with the Toledo Symphony. I was like, "Well, maybe I can do music." That's why I went to music school because I knew I couldn't do anything else so I thought I'd at least try that.  
[00:09:00] Then it was just a series of things over the years, as I did stuff. I surprised myself that I could actually pull it off and I gained confidence but that was a 10 or 15 year thing. I started my own business in my mid to late 20's but even then I was pretty sure it was going to be a failure. It was really just working really hard and just years of incremental success that got me to where I'd say by the time I was 40 or 45, I was pretty damn arrogant, at that point. I could do just about anything. I had to get beat up and chewed up and spit out and come to the end of myself to get over that. I've seen both ends of the spectrum and neither of them are pretty.

Bill: Just before you started your business, you had worked through your 20's. Some of our listeners are currently employed by others and they're thinking about starting a business or are in that time frame. What did you do? What were you doing at that point? Then what was the spark that got your entrepreneurship started?

Chuck: [00:10:00] Sure. Well actually, it was so bad that I went into the Army, because again, I was pretty sure no one else would hire me. I just assumed that the bottom of the barrel, if somebody will take me, it'll be the army. Sure enough, they did. I went into the army band to play. We called it Military Welfare. It was a pretty cushy existence playing in the military band, in the Army Band, for presidents and that kind of stuff, but that's what I did for six years. I didn't even finish college. I just went through two years of college and went into the ban, and 19 years later I finally managed to eke out a degree.  
[00:11:00] I was working in the army and while I was in the army I began to gain some confidence and the job was so easy and it was so boring. We only worked three hours a day and not even five days a week. I just got other things that I got involved in and I ended up doing, of all things, this is really ironic, considering where I was coming from, I was doing leadership development and helping other people with how to become leaders in my 20's. I'm pretty sure I didn't hurt anybody permanently but I'm guessing I did some. It's one of those things where you don't know you can't do something so I evolved into that. I was doing some other things. I had a little landscaping business I was mucking around in. I just started to experiment because I was bored and I began to see that the seeds I think right then. I started my first business in my last couple years in the army and took that with me and went from there.

Bill: [00:12:00] That's interesting. What I love is that there's this cottage industry of people trying to help business owners and trying to help people within businesses and they really don't have a track record. It's just really their first time, yet they come across as an expert. It seems to me ... I always kind of look behind the covers just to see where people have come from and then what kind of lens they're looking at the world from. I think you and I have talked a year ago and I was lead to you through some really interesting leadership books that were sort of non-traditional in how one can build a company that really takes the whole picture into mind. It's not just pushing money. You come at it from three pieces: money, time and significance. I thought that maybe you could spend some time talking about how should some one approach their current business as if they re-frame it, or when they're starting, about this money, time and significance. Maybe you can explain that a little bit.

Chuck: [00:13:00] You bet. The formula for freedom is T plus M equals S. It's not just for freedom. I would say for success. For a redefined way of viewing success. T plus M equals S. In traditional world, success is M, money. He who dies with the most toys wins is a bumper sticker from the 80s. In the 90s we got to try that and found it wanting by itself. Then other people thought, "Well, freedom means time." It's the T part. You read the four hour work week by guys like Tim Ferriss. The problem with chasing time and money is they're nothing but resources. Some people chase money thinking that money will make them happy. Well, it's just a resource. Then they get to where they've got enough money they're always, "Well, that didn't make me happy. Let me see if I can make more money in less time and it'll be about having a lot of time and being on a beach."  
[00:14:00] Well, that doesn't make them happy either because the problem is they haven't answered the question why. Why do I want money and why do I want time? That's the S. That's the significance part and until you answer the S, the T and the M don't really mean anything. You're chasing rainbows. You're chasing something even if you catch it you won't be satisfied because, again, they're just resources. We have to know why do we want the resources? We were asking the why stuff for the last 15 plus years. It's great to see other's doing it now because back then it was like, "What are you doing asking 'Why?' in business? Nobody asks 'Why?' Are you in business or why do we do that?" It's just one of those unanswerable, mystical questions and to us it is the most important, least asked question in business. Why? Why am I in business? Why am I in life? Why am I doing this?

That's the significance part and until you get that piece nailed, it's going to be really hard to grow your business. Just very quickly, that's why we named the book "Making Money is Killing Your Business". The people who chase money rarely make a lot of it. The people who have a reason to make money tend to make a lot more of it.

Bill: You spend a lot more time, in this world obviously, because you work with a lot of different types of business owners. Do you find that people don't spend enough time on the why? I find that kind of stunning but then again I do spend a lot of time asking why.

Chuck: [00:15:00] Yeah. I would say that's an easy answer. Not only do they not spend a lot of time, most business owners, the overwhelming majority of business owners, don't spend any. Zero. Duck's egg. Nada. No time on why. They're in 30 years of survival mode. I quit my job or I got fired and I started a business because I had to and I have to pay my mortgage so I'm in survival mode. Even when I get the end of my mortgage, where it's comfortable and I can pay it every month, I'm bored. Instead of asking why, I just get a bigger house. Now I have a bigger mortgage and I have to make more money and then I do that again and then I get a helicopter and then I get an airplane and et cetera. We're always living in survival mode and we're living in self imposed poverty as a result of that.

I wrote a blog post, Ink Magazine, I posted it a couple weeks ago and the title was basically yesterday I met a rich self made hostage.

Bill: Are you becoming one?

Chuck: [00:16:00] Yeah, and are you becoming one? The guy, it was really sad, he just assumed that money would make him happy. He was rich, which is money, but he wasn't wealthy, which is T+M=S. That's wealth. I've got time, I've got money and I know what to do with them in a way that will add meaning to me and to the world around me. It's amazing, Bill, how few business owners ask that question.

Bill: [00:17:00] I just find it, maybe a part of it is because of the pace. I think a lot of people complain about the pace of life but if you look back to old writing from the early 20th century, people were complaining then about the pace too. It's funny. I know the acceleration is more now. Maybe it just numbs people to their life and they just sort of get stuck on the treadmill. What I find from your writing is interesting and I wanted to ask you about. Some of your blog posts and your writing is geared for the entrepreneur business owner, which of course I love, but I also love the parts where you're talking about employees and sort of the vision of the ideal company. Because I find that that's not only compelling to the business owner but I find it compelling to the employees. That they have a vision for themselves as well. Are you intentionally doing that?

Chuck: [00:18:00] Yeah. I don't like business buzzwords and disruptive is one those business buzzwords so I don't use it much but we call ourselves disorienting. I believe that adults don't learn unless we're disoriented. What that means is that if I think I know something, if you start talking about a topic and I think I already know that, I tune you out. If you come at it from a way that I'm learning something new or you're presenting it in a way that maybe I don't know anything about it, then I'm open and I'm willing to learn and listen. One of the rules of life that I learned probably in my 20s, maybe in my 30s, but I really cemented it in my 40s, is that most of what we accept as true it should be regularly challenged because there's at least a piece of it, if not the whole piece of it, that isn't true. I could give you everything from seeing the moon on the horizon and why it's bigger to business principles. There's so much of what we just accept and are numbed by that is not necessarily the way things have to be.

The way people work is one of those. The emerging work world is going to radically change. Two hundred years worth of industrialization that we think is normal, when in fact it's a pimple on the face of business and we need some Clearasil to fix it.

Bill: In your book you talked about the difference between learning and education and then you just kind of built upon that with we don't learn ... You say, "Adults don't learn unless they're disoriented or stale." Does that mean that the discontent and the confusion has to be so deep that then the human being will then say it's now time to learn?

Chuck: [00:19:00] Yeah. It's a way of, I call it, coming to the end of myself. I can do that on a very simple, little topic. I thought the moon was bigger on the horizon, the fact is it's not, and that's disorienting. That's coming to the end of myself realizing that I had something nailed and it turned out to be not true or at least not the only truth. Then there's much grander ways of coming to the end of ourselves and being exhausted because we create our own pace of life and we created a bad one. All of that is disorienting to us.

Bill: I think part of the question for entrepreneurs is do they have an issue with when someone says, "I want freedom." Do they know how to articulate what that means? Because freedom for you could mean having a couple weeks off but then going investing some time in Africa helping build businesses. That might be freedom. Do you think people just aren't in touch with what they're definition of freedom is?

Chuck: [00:20:00] Yeah. I think what they're not in touch with is their big why. Until they figure out their big why, they don't know what freedom means. Each of us have a big why and I think we develop it from our early years. We get kicks out of doing certain things with and for people that charge us up and get us going. We are taught not to ask why and we're taught to stuff all that and by the time we're five or ten or fifteen or twenty years old we've developed an inoculation against why. I think it's even stronger the older we are in today's world. If you're an industrial aged baby, if you were born in the 40s, 50s, and maybe even into the 60s and early 70s, asking why was something you were taught not to do. You were rebelling against authority.

A big why, having a personal big why as to why I exist, is really hard for people to grasp. My experience has been the younger people, guys who are millennials and the more distance you have from the industrial age, the more likely you are to question that stuff and to ask yourself about making meaning instead of just making money. All of that is a disorientation. You have to be a learning in order to continue to make meaning. Otherwise, you do grow stale repeating the same comfortable thing which you've always done.

[00:21:00]  
Bill: As far as what you're referring to regarding the tyranny of the urgent and sort of the treadmill of life, maybe you can explain for the audience what you mean by the tyranny of urgency in their day to day life.

Chuck: [00:22:00] You mentioned, Bill, earlier that maybe the pace of life has gotten faster. Bull roar. It appears that way and I would have agreed with that for decades but the reality of it is I create my own pace of life. The tyranny of the urgent is something that I allow to happen to me. Let's break that down very quickly. A tyrant is a king that you don't want. You didn't ask for this guy. He showed up at your door, knocked and said, "I own you. I'm not asking." Urgent things in our lives are almost always tyrannical. The tyrannical things are almost all urgent. I got to pay my mortgage. I've got to do my payroll. It's survive, survive, survive, day to day, week to week, month to month. Tyranny of the urgent stuff takes over our lives and we let it. We allow it.

In many cases we even encourage it because in fact the tyranny of the urgent stuff is what pays our bills. I have a lease I have to pay. I have to make a chair. I have to sell the chair. I have to collect for the chair. Now I can pay my lease. Then I do that all over again next month. That's just tyrannical urgent treadmill stuff.

[00:23:00] On the other side of that is the important stuff. We call it the priority of the important versus the tyranny of the urgent. The important things are the higher priority but the problem is important stuff is almost never urgent. Figuring out how to build a business that makes money when I'm not around. Figuring out how to train people. Putting processes together. Asking myself where should we be next year? I don't have time for that. I'm too busy surviving, I'm too busy fending off the tyranny of the urgent that comes at me everything. The problem is that the tyranny of the urgent is much easier to respond to because you can check it off your list. You can finish 15 things in one day, feel very satisfied, go home thinking you actually made progress, when in reality is all you did was fight off the beast and you're right where you were the day before. When you come back the next day you're going to have 15 more things to knock off and you're never making progress because you're just dealing with the tyranny of the urgent.

It is the number one, in my opinion, tactical, on the ground, problem in life and certainly in business. How do I stop reacting to the tyranny of the urgent and how do I proactively go figure out what is actually important and do that? Because the important stuff solves the urgent stuff.

Bill: [00:24:00] In your example that I took from the book was on building processes. Building processes for my business, which is 15 years old, has been like pulling teeth. It's been likely slowly pulling my finger nails off. It's interesting because I've had to come back to the why many, many times because for me it's been so painful of a process because I'm just not a process person. I'm not wired that way. I'm more impulse and I'm more chasing the shiny objects. That's just my natural wiring. What's interesting is the building of processes is one part you made a point of prioritizing versus the tyranny of the urgency. Do you find that business owners have a difficult time with that as one example?

Chuck: [00:25:00] Huge. Yeah, absolutely, because there's nothing urgent about building a process. I'm too busy doing a process to actually build one so I do it differently every time because it's not an actual process. I'm just reacting to the tyranny of the urgent. I need to build a chair and the client needs it this way and I'm going to go and I need a nail and I need some glue. You're just doing. You're reproducing, you're reinventing, the process every time you do it because you haven't bothered to actually sit down and say to yourself, "What's the best way to actually do this on average?" Then write it down and do that. But I don't have time to write it down because I'm too busy doing it. Let's say I actually do have a good process, I'm very proud of myself, but it's all in my head. I don't have time to write it down to give it to somebody else to run because I'm too busy doing it. Take it another step. I'm actually really good at it and I've written it down but I don't have time to train somebody so I'll just keep doing it myself.  
[00:26:00] Most business owners never get it out of their heads and that's why we call it freedom mapping. Freedom mapping is getting the stuff out of your head, through your heart, out your hands, onto a piece of paper so that you can hire maxi me, not mini me, and you can find people who are better than you are and they can run your process. Ostensibly, you are there even while you are gone because the process is running the way you want it to go. Can't tell you how many business owners we've saved with that process. Getting them to the point where they actually wrote down what it is they're doing. It is where the rubber meets the road. If you want to get off the treadmill, if you want to build a real business and stop being an income producer and be a real business owner and have the business make money when you're not around, then you have to figure out what are the three or four or five big processes that are really important to my business and get other people to help you write them down and get other people doing them.

Bill: That's called freedom mapping, right?

Chuck: Yeah. We use process mapping as a tool but the point of it is not to make the process run faster but to make the human being more free. We do that obviously the process runs faster and better but we're interested in the impact on the person. There's ironically, sadly, every other process mapping organization we've ever run across never even mentions the human being. There's nothing in it about it, it's all about making the process go better. We want the human being to go better because if the human being goes better the process will be better.

[00:27:00]  
Bill: From the entrepreneur's point of view, we just covered that. Many leaders are listening in, or senior leaders reporting to the founder or the CEO. Do you think they have as much culpability in this tyranny of the urgent versus the prioritization of the important?

Chuck: Absolutely. This is pandemic to life and everybody gets it. The minute you get out of bed, no matter what you're occupation or what you're doing, the minute you get out of bed you're faced with those two opposing forces. The tyranny of the urgent yelling and screaming and kicking at you and trying to take over your life or the priority of the important which sits quietly in the corner and says, "Hey, when you got a minute talk to me and I can help you solve all that crap." It doesn't matter whether you're pushing a broom or you're pushing the board to get you to do something as the CEO, we're all faced with the same thing and we're all culpable because we surrender to the tyranny of the urgent and then we act like somebody did something to us.  
[00:28:00] We have a training center here in Denver. Across the front of it in giant letters it says, "Make your own business rules." Who makes the rules wins. We let the tyranny of the urgent, our clients, the business market, the product, our employees, there's all kinds of things that will come at us and attempt to take over our lives and unless we know exactly what we want out of business and how we want to get there, those things are going to rule us. We have to realize that in order to get where we want to go we have to make the rules. Everybody at every level of business should be playing the business owners game and that's where you figure out how to make more money in less time at every level. You freedom map your way out of things that are not the highest and best use of your time. You get other people doing them who would be good at those things and the whole company runs better.  
[00:29:00] It's one of the biggest problems with senior and middle management leadership is that they think that they add value by taking everything on themselves and knocking off the 15 or 20 or 30 tyranny of the urgent things every day. Look how much I accomplished. When in fact they're killing themselves and the organization around them. They should be distributing all those decisions to others who will feel great about making them and feeling more human as a result. That's really the difference between management and leadership. Managers solve and decide and leaders train other people to solve and decide and they get out of the way. Tyranny of the urgent is all management. Priority of the important is leadership.

Bill: [00:30:00] I think that that's great to make that distinction, Chuck, because there's a significant senior leadership group that's listening to this show. I think people lose. I was just having a conversation with a long term senior IT leader who reports very high up in the organization and he was getting very frustrated because he felt like his vacation was being compromised, that everybody was bringing laptops on vacations and he felt like an oppressive culture. Part of it probably was but he was very frustrated but it's almost like as soon as I spent some time reminding him, and I wasn't trying to be his therapist, but I certainly could see he was losing hope. He does have power to reframe, because he is in a senior position, he does have a power to change things in his own way or with his own direct reports. Do you find that often happens within companies?

Chuck: [00:31:00] Absolutely. They take their cue from the top and the top is the CEOs driving themselves crazy so they think that they have to drive themselves crazy. No, you don't have to do it that way. You can make your own business rules especially if you have any level of autonomy and in senior leadership in a business you're going to have some level of autonomy that allows you to report results and to make deals. I would do this. The two times I worked for somebody else I said, "Let's agree on the results we need." This is how to solve this problem if you're a senior leader or any kind of leader in a business. Agree with the leader that you report to on the result required. Daily, weekly, monthly, annually, whatever it is. Here's the results. We all agree together. Yup. This is what we want from your department, division, people, team, whatever it is.  
We agree on that result and then the next question is, "Okay, if I get you that result within that time frame, do you care how I do it as long as it's legal, ethical and moral?" Then the response from a good leader is, "I'm not going to get involved in your process. I'm concerned about your result and until you fail on the result, I have no business getting involved in your process." Managers focus on process, leaders focus on result. Get your leaders to focus on agreeing on a result and then create the kind of environment around you that will give you and the people around you the freedom to actually get that result without being driven crazy.

Bill: [00:32:00] Thanks for clarifying that because I was reading your article on Divita. You called it a 65 thousand person corporate village and the name of the company is Divita. There was an interesting quote you put in there from David. I guess he was the chief wisdom officer. I love that. The art of leadership is to know how few decisions to make.

Chuck: That's actually something we taught him.

Bill: That's great.

Chuck: [00:33:00] That's a statement that came to us years ago that we almost require that leaders memorize. The art of leadership is to know how few decisions a leader needs to make. We don't have time to get into this today but the industrial age conflated management with leadership and they're radically different things. Managers assume that their best value is to make as many decisions as possible and the more decisions that go through me, the more I demonstrate how indispensable I am to this company and I should be worth more money. I would fire someone like that. I would look for someone who says, "I'm absolutely dispensable. My best value in this business is to train others to make decisions and then get the blankity blank out of the way. The more freedom I have to ask questions and think about our future, the more valuable I am to this company. The more decisions I'm making, the lest valuable I am to this company."

Bill: I love that. That's a great vision to have. Do you believe there's such a thing as a work life balance?

Chuck: No, I don't. I think that's a goofy thing that we've created in a reaction to the factory system that suck the life out of us six days a week and we carry that on into our own businesses. A good man works hard and it's one of those badges of honors that we carry with us. If you own your own business, or you're a senior leader, you just work yourself to death. It's just part of the deal. Then we have to talk about having balance. A lot of senior leaders in organizations I talk to, they constantly talk about this thing called margins. We want to have time in the margin. That, by itself, speaks volume. You've got the content, which is business, and in the margins you might get a little time on the edges for yourself. Nonsense.

[00:34:00] First of all, I would suggest we talk about an integrated life. Whatever you're doing, you should be completely sold out to. If you're on vacation, you should be completely sold out to it. If you're at your kid's soccer game, you're sold out to that. If you're at work, you're sold out to that. There's no balance in any of that. It's actually integration.

Secondly, there will be times where one of those things can take over everything else. All you have to do is ask yourself, give me an example of one great leader, any person in humanity, that has ever made a giant impact on the world around them, that lived a balanced life. From Mahatma Gandhi to Jesus to Margaret Thatcher to you name it, none of these people lived balanced lives. Get over it.  
[00:35:00] The difference would be that there's a time for every season. I got offered to run a company and own a piece of it. They were just going to give me a piece of this company and a big fat salary in the 90s. There was no way I could do it because I was completely out of balance in raising kids. There was no way that I had the time and energy to take that on. Today, I'm completely out of balance in a way of work. My kids are 35 and 30, my wife works in the business. Don't think about balance think about impact and seasons of life and an integrated life.

Bill: I would agree with you, Chuck. I think it's incredibly stressful that marketing pitch of a balanced life. I don't know where it started or how it started but for high performance individuals which is most of the people whom will be listening, whether they're senior leaders or whether they're entrepreneurs, it doesn't exist. You're absolutely right. Integration with life values and I think also the reasons why, back to your original point, can help out a lot as people kind of look at this and reframe it differently. What value do you think mentors ... I want to talk a little bit about mentorship and groups and finding people to model for business owners in particular, but certainly if you see if that also being applicable for senior leaders I'd like to get your opinions on that. Do you believe in mentors in groups as a way to learn and fill in gaps and knowledge?

[00:36:00]  
Chuck:  
Over years of working with business owners and senior leaders in companies we developed, not by research or by trying to come up with something cute or clever, but simply by listening and reacting to leaders over years and years and years, we found that there's really four building blocks to a business. We don't have time to get involved in all four of those today but the fourth one is outside eyes. Outside eyes I wish I would have learned this earlier myself, I don't have any regrets but I'm glad I learned it, but I would have loved to learn earlier that having other people who have no dog in the hunt taking a look at my business and my life and being able to speak to it would have put me forward in ways that I would have never imagined otherwise. Ever since, I've always had people that can speak to my life on a regular basis, people who I respect. They don't have to be smarter than me, they don't have to be bigger than me, they just have to be not me and be willing to speak to my life.

[00:37:00] Mentoring, business advisory, small groups, huge, huge thing. Anybody who joins a small group of individuals as a business owner or as a senior leader, you see exponential growth because we're mammals. We're made to live in community. Business is the only goofy thing in life where we basically run like rugged individuals. It's really a dumb idea.

Bill: Yeah, that's interesting. I just, believe it or not after 15 years, got involved with an outside advisory group and it's made a huge impact in the short five months. I know you've built a group called 3to5 ... It's called 3to5 Group, correct?

Chuck: 3to5 Club.

Bill: Yeah, 3to5 Club. Can you just go through a process? If I were walking into a 3to5 Club meeting, what would Bill Murphy experience in a typical meeting?

Chuck: [00:38:00] There's three things that you would get out of 3to5 Club. You'd get community, number one. That's the biggest one. We ask people, "Where do you go to say the three magic words?" There's only one place we know of and that's your business community where you can safely say three magic words. Those three magic words are I don't know or I am scared or a number of other things like that that you could never say to your vendors, to you employees, your stakeholders, anybody else, even your spouse because now there's two of you not sleeping. Where do you go to do that? Getting that community, that closeness, where you can be transparent with others. I can't tell you the number of stories of people that their businesses have been saved by getting into 3to5 clubs and other business communities like that. Community is number one.  
[00:39:00] Secondly is training. We have a 15 month, it just happened to be 15 sections syllabus and it goes over 15 months and then we repeat it because it's the basics. We have people who have been in 3to5 Club five or six years who have heard this stuff 3 or 4 times but every time they hear it it's a year and a half later. They've changed, their business has changed, it's an opportunity to sharpen the saw on that focus. They'll get training on every aspect of how to run a business and how to work with people.

Then the third thing they'll get out of it is a network. We're not a networking community. We're not focused on networking but as a result of being close to people you end up with a really strong, small network of powerful, strategic alliances where you're business gets built very strongly. It's much better than being in a networking group where you actually focus on trading business cards and trying to sell each other stuff.

[00:40:00] Those are the three things you would get out of the 3to5 Club. We started this about six years ago, seven years ago. I guess we looked at it nine years ago because people were saying you can't help small business owners, there's no money there. We researched how to do it for three years and launched 3to5 Club in 2010. For the last six years we've run it. We've got 15 of them here in Denver, a few others scattered here and there around the US, three of them in Ireland and a scattering of them in central Africa, of all places. Those are basically been people who have come to us and said, "We need this. We want to do this. Help us."

For the last four or five years we've reacted to that but this is the first year where we really feel comfortable. We've got six years under our belt. This is stuff is magic. It's transformative. This is the first year where we're really pushing hard to begin to open up other places around the US and the world. We're going to be the McDonald's of peer advisory. We think every city with more than 20, 30, 40, 50 thousand people in it ought to have one to 200 3to5 Clubs in it.

Bill: [00:41:00] I'm going to put in the show notes, which I put in every one of the podcasts, I put extensive show notes and I'll put a link, to any of the listeners that want to review the 3to5 Club a little more closely and communicate with you directly, I'll put a link to that. Just a quick story, I went up for my last ... I'm not involved with 3to5 Club as you know, but the group that I was involved with, I was traveling to Philadelphia. This was four weeks ago. I was in a bad space which of course entrepreneurs run into. It was just issues with hiring. I forget exactly what it was but it was just your typical stuff that is day to day with running a business.

I never questioned going there. I knew I was going to get my butt to the meeting but it was really interesting going in, as low as I was, from a confidence point of view. I learned so much in there from unexpected ways. Not only the curriculum but just interesting feedback from the other group members about different issues and I left really much more feeling empowered. It's really interesting the power of groups and sort of getting out of your own funk and getting out of your own way.

Back to the point you had about education and learning. Those things that I thought I knew, or I knew that I didn't know, I didn't have a clue and I knew I didn't have a clue. It was good to have a different perspective.

[00:42:00]  
Chuck: That's always the case when you get outside eyes. When I started taking golf lessons I figured I knew maybe 20 percent of what I needed to be a good golfer. After two years of gold lessons, I figured I knew about 2 percent. It went down. The more I learned about golf the more I realized I didn't know. That outside eyes, that building community, it really impacts that really well. Keeps us disoriented.

Bill: [00:43:00] One of the pieces that you wrote about recently was do you want to exponentially better production, focus on people instead. What was interesting, some of the statistics you had in this blog post, but also because ironically I just listened to Gary Vaynerchuk talk, he has a podcast and he runs media agency of about 600 people or so. He said that he's always had a focus on his employees but he used the words ... He said, "I can go faster, we're more productive as a company the more I focus on my people." Literally he says he's in charge of HR. From the CEO saying that. Then of course I'm reading your article. Traditional business training focuses the leaders on production but research shows focusing on people instead is more likely to help your production. Maybe you can just give us a synthesis of what you're attempting to accomplish with this article.

Chuck: I think the factory model, factory system, was built around machines. Machines aren't human but machines need humans to run them but the perfect human to run a machine is one that doesn't have a brain because all the questions were answered in the building of the machine. The only thing left to do now is run the machine. People became extensions of machines very quickly. That's why "Why?" and any other question became assimilated with being a rebel and rebelling against authority. Just come to work, run the machine, and leave the humanity at home. We don't need that part.

[00:44:00] The research relentlessly over the last 125 years shows every time that when you pay attention to the people the machines run better. We're gradually getting there. It's going to take another 10 to 50 years of solid research on it. The factory system did not come to an eight hour, five day work week in order to take care of people. They came to it because the research showed if you gave people more breaks they were more productive so instead of having two 12 hour shifts six days a week, have three eight hour shifts six days a weeks and you'll get more done. They were nicer to people because they had to and they find out when they were nicer to people, production went up and on and on and on. Until the last hundred years we just keep seeing the same research over and over again, more refined. When you pay attention to the people they figure it out.

[00:45:00] We would never go in and try and fix somebody's assembly line or anything like that because those are just symptoms of how people are being treated. If the assembly line is broken it's because the humanity is broken. Fix the humanity and the assembly line will get fixed and it happens every time. We go into help someone with their production problem and the first thing we do is look at how the people are relating and sure enough there's a problem with the way the people are relating. We help them learn how to relate to each other. We learn how to make the place more human and then they figure out how to run the assembly line in a much better way. Focus on the people and the production gets fixed.

[00:46:00] I agree with Gary. The whole concept of HR is a bogus thing. That came from the idea that leaders, good factory people, focus on machines. The research is showing somebody has to pay attention to these people but I'm not going to be that person. I'm focused on production so let's create a department of people and some department can take care of the people. I think in going forward in the emergent work world of the participation age the number one leadership talent and ability that people will be hiring for is emotional intelligence. HR will become a function where they take care of the legal stuff and they help people find people to hire and they do other things like that. HR, human resource ... Taking care of the humans will be the number one focus of leaders at every level of a company.

Bill: Is that EQ?

Chuck: Yeah. It's emotional quotient. EQ, emotional intelligence. That's really the ... There's companies that are already doing that. In fact, there's a company here in Denver, a software company. They've got a few thousand people scattered around the US and around the world and their number one hiring thing is for empathy. These are programmers and they're hiring empathy and if they don't have empathy they won't even look at them. It's a human world and you take care of the people and the machines run better.

Bill: How do you measure empathy, Chuck? I'm just curious. Is there a way to measure emotional intelligence? This is the second time that we've dived into this with someone on emotional intelligence. I was curious if there's a way to measure it.

[00:47:00]  
Chuck:  
Sure, there's a number of psychobabble tests around emotional intelligence and other ways to do that but the best way to measure emotional intelligence is to survey the people who are impacted by your existence. There's a lot of companies doing that. We're doing that now every month on a scale of one to ten how helpful is John to me? How helpful is John to our team? How much do I want to be around John? That's emotional intelligence. Getting the feedback from the world around you. That the world around you receives you, finds you helpful, and wants you as a support mechanism in their life. That's the best feedback is simply the other people saying ... By the way, that's the difference between management and leadership.

[00:48:00] A manager calls a meeting and people come to the meeting because the manager has a gun. He can fire you. That's the only reason they come to the meeting. A leader calls a meeting and in many of these companies we work with they've given away the ability to hire and fire to the teams. They're not able to hire or fire anybody and people show up at their meetings because they have something to say and something that will actually contribute to my life. I want to go to that meeting because it will make my life and my job easier because that dude or that woman has it figured out. That's emotional intelligence. I will connect with them whether they have a gun or not.

Bill: Your supposition, though, is that those type of companies actually outperform the average [inaudible 00:48:23] growth rate. It's not just a wishy washy, kind of warm, huggy feely ...

Chuck:

[00:49:00] No. That's the fun part about this, Bill. All of the data, all of the hardcore date is on the side of self managed human beings. Re-humanizing the work place by giving everybody their brains back. Emotional intelligence. Taking care of the people versus taking care of the production. All of the data, all of it, is on the side of that when you do that, production is better. The companies that do that are the ones that are relentlessly listed on the best places to work, fastest growing, highest productivity, the lowest employee turnover. You just look for the data and anytime you see great data, with rare exceptions, it's because there's a company really working and focusing on emotional intelligence. The data is the best offense that we have against hardcore industrialists who just want to run the machines and think people are dispensable.

I'll give you a very quick example of that. There's a company in Brazil that makes washing machines and they don't have an assembly line. They have ten people who make a washing machine and then other people ... They have 50 or so teams that make washing machines and they make washing machines faster with higher productivity at a lower cost than anybody else in South America running an assembly line. Henry Ford was wrong. It's not about the machine, it's about the people.

Bill: Is that Ricardo Semler?

Chuck: Yup. Semco.

Bill: Semco, yeah. That's actually how I found you, through reading two of his books. Do you call that a certain type of business? Is it the Chuck Blakeman style business?

Chuck:  
[00:50:00] We call it a participation age business. I didn't coin that. I didn't want to coin it. I looked out there in the ethos for another term that people were using that was inclusive enough that would make sense. There's a lot of things out there people are calling this age but the participation age is ... Even two cycles ago presidential candidates were using that. The hallmarks of the participation age are simply participating and sharing. I want to participate with you. I don't want to be a victim of your information. I want to participate in building a great company and I want to share in the results and I want to share with you. Sharing back and forth, two way communications, and participating meaningfully is where we're going. Web 2.0 was the beginning of that. Where for the first time you could actually engage in two directions on the internet. That's why this is now the participation age. That's why you have companies like Uber where you can participate in ways where you couldn't imagine before in the economy.

Bill:  
[00:51:00] Chuck, I only have two questions for you to wrap up and they're two simple questions but I'm curious. What is the most gifted book you've given in your life so far?

Chuck: That's a very good question. I would say probably The Power of Full Engagement.

Bill: The Power of Full Engagement.

Chuck: Yeah. We talked about balance before. They talked about full engagement. That working 12 hours a day for your whole life does not make you more productive. You need to take care of your body, your mind, all that stuff. It sounds like balance when reality is, again, when you're at work be fully at work, when you're at home be fully at home, be fully engaged. When you break yourself up that way and you break up your world and your life into different pieces like that, you're much more likely to be more productive and have a more meaningful life. I like that book. The Power of Full Engagement.

Bill: Okay, excellent. It almost sounds like presence. Just being present. Whatever your particular moment ...

Chuck: Yup. That's a piece of it.

[00:52:00]  
Bill:  
What about if you had to give ... As you look back, let's say you started from your 30 year old self, what advice would you give your 30 year old self. If you could sit down with your 30 year old self, what advice would you give him today?

Chuck:

[00:53:00] Two things. Number one, spend more energy getting a clearer focus, as clear a picture as I could, of why I exist. What am I doing here? Write your obituary when you're 28 and say here's what I want people to say about me. Then, live that out. The second piece of that would be take more risks. What do you got to lose? Losing your house, so what? You'll get another one. You lose your company, so what? You'll get another one. Life didn't end. I'm writing a book now that is filled with people who were bankrupt and failures multiple times and no one has any idea. Thomas Jefferson was the equivalent of bankrupt three times. Abe Lincoln went bankrupt after he was president. We have like eight different presidents who went bankrupt before and after. Milton Hersey went bankrupt making chocolate. Henry Ford went bankrupt making a car before he actually became successful.

Take risks. You're not going to die and your family's not going to die and the earlier that you take them, the less you have on the line. If it's just you and you're 30 years old figure out what you want to do with your life and then jump in.

Bill: Chuck, that's great. I love the obituary suggestion and the taking more risk. I want to thank you for what you do and the help you give business owners and leaders. I'm going to link up on our show notes for people that are interested in the 3to5 Club and also in ways to buy your book Making Money is Killing Your Business. Is that right?

Chuck: Yeah and if people want to be facilitators for 3to5 Club, as we begin to aggressively grow those outside of Denver, they can go to 3to5Club.com. You'll give them that link. We're looking for people who want to be transformational and missional in the lives of small business owners.

Bill: These would be people that could run and help?

[00:54:00]  
Chuck:  
Yeah, they can make a great business out of building 3to5 Clubs in their own area.

Bill: Excellent. I'm going to link that up on our show notes and I appreciate you for your time and your commitment. Thank you very much. I look forward to our round three at some point in the future.

Chuck: Thanks Bill. This was fun.

Bill: Thanks Chuck. Bye.

Chuck: Bye.