"Act or be Acted On"

Steve Sanduski:	Hey, everybody. Welcome to another episode of On Your Mark, Get Set, Grow. This is the podcast of CEO Coaching International where we talk to the world's leading entrepreneurs, CEOs, and coaches who are looking to make big happen. I'm your host Steve Sanduski, and our guest today is Allan Young. Allen is an entrepreneur, and executive leader, and the CEO of ShelfGenie. Hey, Allan. Welcome to the show.
Allan Young:	Thanks Steve. How's it going?
Steve Sanduski:	It's going fantastic. Great to have you here on the show. Looking forward to having our conversation with you here today. And I know you've started a number of businesses, you've got a number of brands under your parent company, and I want to start with this idea of disruption. And how do you, as an entrepreneur of multiple companies, how do you think about disruption as you're going about building business and thinking about markets that you should be entering?
Allan Young:	Yeah. That's a good question. I've always been a disruptor, and I've always been an entrepreneur, so growing up in the '70s and '80s I can tell you that that was not a cool thing. Even the word entrepreneur, which is a lighter version of disruption ... Not every entrepreneur is a disruptor, but all disruptors I think end up being ... have an entrepreneur approach to things. But even the word entrepreneur was not a positive thing back in the '70s and '80s. I was always the weird uncle that lost all of his money at least three times. And I remember that not being a positive, but I'd started, I think, 14 businesses by the time I was in high school. So I was always starting things, and I was also disruptive from a traditional sense. So that was also not another positive thing as being a disruptor.

I remember my teachers would call me disruptive. And that was never a good thing, and never ended well. It was never a positive. So it's interesting now, and |

I think it has a lot to do with where we're at with our society, and because of all the changes going on with the information age. And new we're going into really more of an augmented age, and machine learning, and the beginnings of AI, and huge changes in what's going on. And I think that's what led to ... With the information age, and these ages keep getting smaller and shorter. If you think about the agricultural age, how long that lasted. Quite a while. And then the industrial age lasted a while, and the information age is now kind of ending and we're moving into a new one. So it's getting a lot more rapid.

So I think disruption is becoming something that's really necessary, and that's where there's some early disruptors that everybody points to whether it's Steve Jobs, or more recently Elon Musk, and there's all the names we know that disrupted their industry, and it's because the industries were so new. And there's a lot of room for disruption. So I think there's going to be more room later on, so I think it's a skill set that you need to really embrace and have, especially if you're going to be a leader in the business community. And disruptions no longer really going to be an option. And one of my favorite sayings we say a lot at work is act or be acted on, because I think that really is what happens in business. Either you're moving or you're being ... Enacting, or you're being acted on. So I think disruption is sort of similar going into the next couple decades. If you're leading a business, you're either going to be disrupting, or you're going to be disrupted. So that's really the meaning of the whole book, and getting people to understand that it's really a new paradigm that's emerging.

Steve Sanduski: Well, let me just push back a little bit on that. Now should every entrepreneur, every leader, should they wake up in the morning and say, "Hey, who can I disrupt? What industry can I disrupt today?" And if the whole thinking is about being disruptive, I mean, who's going to be there to actually run the day to day business and have some amount of consistency? Now I understand with accelerating technology that things are moving rapidly, so we always have to be scanning the horizon and figuring out what the next move is, and thinking maybe two, three moves ahead. Almost like a chess board. So how do you balance this idea of, "Hey, I want to be disruptive in my industry," with, "Yeah, but I also got to build a business in the meantime that has some level of consistency." I mean, how do you walk that fine line?

Allan Young: Yeah. I don't think disruption ... Certainly, there's disruption the moment, and that's really just change. Change management was a big thing for the last couple decades. I think that's what it looks like in the moment, but I don't think disruption is something like, "How do I disrupt something today?" It's still never a positive. When I end up doing that, it never works out well. It's really, "How do I come up with a goal and a vision, or something that is going to be disruptive. Something that's going to be new." So it's a much longer term way of thinking about it. Then of course, the daily management of it does not always look ... It's the smaller pieces that you come up with that are not totally disruptive. It's those goals that you have that are going to be moving towards that vision, but I

think that vision ultimately has to be disruptive. If you're looking three, five, seven years out, I think Blockbusters, the classic example, there's lots of them, but it's turned into a verb. Don't be blockbustered, because they were the top of their industry.

To a certain extent, they disrupted their whole ... It created an industry, which is a form of disruption, and then they sat back and there's not too many people now that are going to a video store and renting videos. They do exist in very small communities. I've seen a couple of them around. But that's not something that's ... Things have changed. So I think you really got to balance that out, which is really I think your point. And I think you've got ... There's two roles that a CEO, especially an entrepreneurial CEO can play, and two roles that need to be played. There's the visionary role, and then there's the integrator role. The making it happen. And I've chosen my organization to really be the visionary. I've played the integrator role at different times in our business, but typically visionaries. And big fan of the book Traction with Gino Wickman where he takes a number of really good principles from good to great, right people, right seats.

Steven Covey's The Rock Transformed. He put it into an operating system for entrepreneurs that he calls the entrepreneurial operating system. And my favorite part of that book, and what really got me attracted to that way of thinking is that there's a visionary and an integrator. And there's lots of good examples of that. When you look at Walt Disney, he had a great integrator and he was the visionary. One of the classic ... One of my favorite visionaries out there where he painted a great picture of where to go, and stories along with it to get people to go there. But typically, really good visionaries don't make great integrators. I can be a great integrator for about 90 days, and then I get really bored. So knowing that, but there's plenty of good examples of people who can hold down the fort on both of those. Being a visionary and seeing out, and also integrating and getting the daily things done, and pointing in the right direction to move towards that vision.

Steve Sanduski: Well, I want to talk about this idea of vision. You touched on long term thinking as well, and then we've got disruption. So it's almost like these things are diametrically opposed to each other, because we talk about how the business world is changing so quickly, yet we still want to have this longer term vision, we still want to do some amount of longer term thinking. So what is your process for longer term thinking? Do you do strategic planning? If you do, how do you define strategic planning? What is your process for being a visionary? What's the practical application of, you mentioned you've got the visionary role, the integrator role. What's the practical application of the visionary role?

Allan Young: Well, I think as a visionary, you're looking out and you're trying to see where to go. I think you've got to really embrace the fact, and I think all entrepreneurs have a very healthy dose of fear, uncertainty, doubt, or you could just ... I think uncertainty and doubt are kind of outcomes of fear. But we're all faced with that, so I think it's a matter of recognizing that, and realizing that, and turning it

to your advantage. So what do you do with your fear? It can either kind of cause you to shut down, it can cause you to circle the wagons, be very protective of what you have. Or use it as a fuel source to look out and I like to look at things ... Whenever there's a challenge, or we're looking further out, especially from disruptive stages, look at what's going on today, and I always just immediately go to the opposite. What if we did the opposite?

And that's not always the outcome of the vision, but it's a great place to start. To start looking at things differently and flipping things around because just culturally, we get very comfortable in what we're doing, and that's the anti-disruptions, the anti-innovation. And I think innovation is a big outcome of disruption. It's the nicer version of disruption. And disruption doesn't always mean, and it really shouldn't mean, causing pain and suffering. And like the disruption I did when I was in school, especially grade school. That was not a positive form of disruption. I think it really means looking at things differently, how things can be different in the future. And really painting a very vivid picture and an image of what that new paradigm will look like, and why that's going to benefit everyone. And I think that's what a really good disruptive vision needs to have is how does this create a bigger pie, instead of trying to get a larger slice of the existing pie.

Steve Sanduski: Now, in your particular situation, how do you actually, or do you make time to just sit and think? Do you go to different industry or non-industry events, do you do a lot of reading that is on a variety of different topics, do you allocate specific time like once a week, I take an afternoon off and I just walk in the part with a notebook and I think about things? Or how do you take the time to think about the vision, and formulate the vision?

Allan Young: Yeah, I think that's really our number one job as a visionary if you're in that role. If you're a visionary integrator, you've got to really compartmentalize that. But I look at my full-time job as thinking. And that's a very difficult thing. When I was in the military and I was a young lieutenant, I remember my first company commander really told me ... Because my number one job is to think. And that's a very difficult job, and I've got to plan and think, and that's what most people try to avoid. They just try to live in the moment and do daily things. And it is a difficult task, and you've got to allot a significant amount of your time, as much as possible to that. Especially if you're a full time visionary and you've got a great integrator that can make that happen.

So the way that looks, certainly reading books, going to events. I'm in Young Presidents Organization involving CEO coaching, they have a great annual conference connecting with as many leaders as I can to share stories. I think story telling is the number one way to understand and also get ideas from other people. But I'm always out there outside of our organization as much as possible looking at what's going on, and thinking about what to do. We have a cabin in north Georgia I like to go to as much as possible for a day or two just by myself to think. So I think all those things are really critical to looking out.

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There's two things that really scare the heck out of my office, and they've gotten used to it is when I come in the office and I say, "I just sat next to somebody on a plane," or "I just read a new book." Those two statements usually follow with a new idea. And I think also a big part of being a visionary, you have to really embrace the fact that it's not always going to be your ideas that make it. I'd say probably one out of 10 of my ideas actually make it to full fruition, and so I think you really have to embrace the idea that you want to surround yourself with people that are going to kill as many of your ideas as possible. Tell me why this isn't going to work? And I think that's what we try to do in our organization is really reward people for really beating the heck out of some of these ideas and say, "This is why it's not going to work."

And it's very different than just being negative about things. But real, actionable reasons why this isn't going to work, and then let's see if we can mitigate around them. Let's see if we can move around them, mitigate the risk, and still get the reward for it. But I think that's a big part of these ideas is ... And that's a challenge when you hire people if you're CEO in any size company, but small to medium sizes, people come with sort of a corporate culture where they're told, "Agree with the boss. Agree with the ... The number one thing you don't want to do is tell your boss his idea is a bad idea." And I think that's one of the things we focus on is having radical candor.

Candor is one of our values. I think really pushing on that, making sure that we value people who disagree, that's one of the things you've got to have. Otherwise, you end up going off a cliff because a lot of these ideas should never see the light of day. But you've got to have that balance, and I think that's one of the toughest things to maintain because corporate culture is where most people come from. It's, "Don't disagree. Go along with things." And I know that most of my ideas are not going to make it, but I want to see which ones do and I want to surround myself with people that are going to really test.

So we do a lot of technology and software, and that's one of the things that kills us when we don't test, and we don't try to break things. So I think you have to have a breaking mentality, a hacking mentality to say, "Let's see why this is not going to work," and then either fix it, it's not just let's not do it, let's see if we can fix it and mitigate around it, or change and alter the course of that to something that's even better. And that's where a lot of the great ideas that we have come from is not the original idea, but that process that we go through.

Steve Sanduski: Yeah, I think that's a great takeaway here that you don't want to surround yourself with a bunch of yes men and yes women who will take directive from the boss, and do what the boss wants, because you mentioned maybe one out of 10 of your ideas actually go to full fruition, and it's through that interchange, that give and take with other professionals who are going to challenge your idea, who are going to bring different perspectives and different experiences to the equation that might see an angle that you as the leader don't see. And it's

through that collaboration, that conversation, that mixing of ideas there that you're going to come up with something better.

And not a lot of great things, I think, are generated in isolation, but it's this mingling of different people, different experiences, different ideas that create something better. So a good takeaway there just encouraging folks to encourage this conversation, this disagreement in a professional way, and I think you're going to get to a better idea. And I think a lot of folks listening are familiar with Ray Dalio at Bridgewater. And his company is very famous for this radical candor. You mentioned candor as one of your core values of your organization, and just being willing to challenge, whether they're your boss or not, I think that's a great takeaway there.

Allan Young: And entrepreneurial thinking is also one of our core values, and a big part of that is embracing failure. And one of the things I learned is that's not something people, not only in corporate culture, but really through our entire education system, people are taught not to fail. And we embrace failure, but what I learned was it's a very difficult concept for people to grasp because they think as failure as, "Here's a really big project. It's something we're doing," and three, six, nine months down the road it doesn't work. It fails. And I think it's breaking that down to the mistakes that we celebrate, and the failure we celebrate is really, really the micro steps. Micro failures. Not the whole big project falling on its face. It's, "Hey, we tried this thing and failing fast." So I think that's a big part of it is failing fast.

But it's taken a long time for us to get that ingrained in our culture because failure is really something that people don't want to embrace. And the best advice I got from Kat Cole, who's a good friend of mine. She's the COO of FOCUS Brands. And she came and talked to her group, and I spent a lot of time talking to her about how do you embrace failure? How do you get an organization to do that? I embraced it, but how do I get my entire team to do it? And the best advice she gave me that works really well is to get people to embrace failure, question success more than you question failure.

So what that looks like is something goes great ... I remember a time where we had, our digital team, had doubled the website visits in a matter of just a couple of months. And there was lots of high fives going around, and I just asked the question, which is I think the number one job what tactically things look like is just asking questions. And I asked the question of, "Why? Why did we do really well?" And there was just a lot of sort of RCA dog looks going around. And the answer was no one knew why we were successful. And when you question success, often times you'll find that no one really knows why we're successful. They're just jumping towards the success, which if you don't know why you're successful, then there's no real cause to celebrate. And if you've made a mistake, and especially if you fail fast, if you can wrap your arms around why and adjust, we're going to celebrate that more than we are going to celebrate a success that no one is exactly sure why that happened.

Steve Sanduski:	Yeah. I think that's a good point. Just a couple things I'd add to that is in terms of failing fast is just conceptually thinking about you want to have more and more failures because that gives you more opportunities to test things, but as you have more failures, you want to figure out how can I fail in half the time, and at half the cost of my last failure? So as things continue to speed up, we're going to try new things, but we want to cut our failure time in half to know whether this is going to work or now, and maybe at half the cost. And then a second thought is I know some firms actually have a failure budget. So they literally will have a line item that's essentially failure. And that's another way to let the folks in the organization know that, "Hey, we expect we're going to have some failure because if we're not failing, then we're limiting the growth of the organization."
Allan Young:	Yeah. I like that.
Steve Sanduski:	Excellent. Now a lot of the things we've been talking about here, I think, maybe can be wrapped up in a larger bubble called mindset. So how do you think of the concept of mindsets, and what do you think your mindset is as an entrepreneur and a CEO?
Allan Young:	Yeah. That's actually one of my favorite books. Carole Dweck wrote Mindset. She's got a really good TED Talk. But that book, when I read it, one of the reasons why it's my favorite book is I just see that everywhere, and it's a great way to frame up how people are thinking. And in her book, she talks about there's really two mindsets. A growth mindset and a fixed mindset. And a fixed mindset is really, it's the avoidance of failure. Don't want to make mistakes, don't want to fail, don't want to look stupid. Don't want to look like I'm not the smartest person around. And that really affects everyone. So if you're the smartest kid in the class, and you don't understand something, are you going to want to raise your hand and ask the question? The answer is typically no. If you're perceived as the least intelligent, or one of the less intelligent people in the room, are you going to want to raise your hand and confirm that you don't know what's going on. The answer is no.

So that idea of fixed mindset, not wanting to make mistakes. And she did a lot of studies with younger kids, and one of the ways that she could tell if a younger child had a growth mindset, she would give them all very difficult puzzles that were really very hard to solve. In fact, most people couldn't solve them. And then they would go back when these kids couldn't solve a puzzle and say, "Would you like a harder one, or would you like an easier one?" And the ones with the growth mindset said, "I love a challenge. I love to push myself. I want a harder one," even though they couldn't solve that puzzle that was in front of them. That's a growth mindset. The ones that people say, "Give me an easier one," that's more of the fixed mindset. So constantly pushing yourself, and wanting to continually get better, and getting uncomfortable being comfortable, I think, is a big, big part of that. |

Steve Sanduski:	Now are people born with a growth or fixed mindset? Is that something that they learn at a younger age? And is that something that as adults, that we can actually change if, say we have a fixed mindset and we want to have more of growth mindset? Is that something that we can consciously work on and change?
Allan Young:	That's the really good news, and I think that's what empowering, especially as a leader is mindset is a belief. So no. No one's born with it. In fact, none of us are born with beliefs. And that's the good news is we can look at our beliefs, we can challenge them, we can come up with new beliefs. So that's one of the ways that we sell in our organization is through a really strong belief system. We don't have a really strong sales system that says, "When you get this, overcome these objections this way," it's having a really strong belief system.
	And that's why Noble Brands has its name, is having ... We sell with a noble purpose. We have a strong belief system around that. So I think the idea of your belief system now, someone gave it to you, and you can constantly challenge your beliefs and your biases. And I think that's one of the big things is everybody's got biases. And if you are aware as you can be on your biases, you can constantly challenge them, and change them, and your belief system should be under constant checking. And you should be constantly looking at it and saying, "Can I change the way I think about this?"
Steve Sanduski:	Can you give me an example of a belief that you used to hold that you've now changed?
Allan Young:	Well, there's a lot of them. We're in franchising, so there's a lot of things that I've done over the years that I believed. One of them, for example, was our franchisees would come in and they would start out as the for sales person. And they would build a sales team. And I used to believe that, and they believe this as well, that no one can be as good of a salesperson ... Our ShelfGenie franchisees have designers. It was a very commonly held belief that I perpetuated for years because that's what the data was showing us, was no one can be better than the owner because the owner has got that extra push, that extra passion for the business because it's their business. And then all of a sudden that belief system started eroding over time because every now and then, there would be a designer that was better than the owner.
	And we just thought that was an anomaly until it started happening more and more. And it was a classic case of our belief system was validating, and the fact is in our franchisees territories, there's literally millions of people, and in most cases that they can recruit these designers and out of that large sample size, there are people that are better than the owner. Which is the great news for the owner. You don't have to be the best person out there, and you shouldn't be, and you should be out recruiting talent that's better that you. But that's just one example of many that I held a belief, and had the pleasure ... It gives me pleasure to say, "Hey, I was wrong about this because ... " The good news is the

right answer, which I didn't believe in before, empowers us to grow and get better, and we're not held back by you're the best person organization to sell and that's it. Period.

Steve Sanduski: I know another thing that you've talked about in the past is this idea of sustainable profitability. What do you mean by that?

Allan Young: All right. So this is probably one of the things you're going to have to edit out and give me a quick frame up on how I've talked about that in the past.

Steve Sanduski: Well, if that's not an angle you want to go on, no problem. We can scratch that if there's-

Allan Young: Where did you get that from, by the way?

Steve Sanduski: I think it was from one of your websites.

Allan Young: Okay.

Steve Sanduski: It said sustainable profitability through long term win win partnerships.

Allan Young: Yeah. I mean, I can't go too deeply into that. That's probably more of a marketing person thing.

Steve Sanduski: Okay. No problem.

Allan Young: Directly from me.

Steve Sanduski: Yeah, no problem.

Allan Young: I don't disagree with the idea of it, but I don't have a lot to talk about.

Steve Sanduski: All right. Well, why don't I ... How about if I go into talking about some of the core values, and how you use core values within the organization, and as part of the culture?

Allan Young: Sure.

Steve Sanduski: Okay. Well Allan, let's talk about the importance of core values. And I think oftentimes, when someone brings up the idea of values, you'll hear people or see people just roll their eyes like, "Yeah, sure. I've got my core values. I've got them on a plaque on the wall. Blah, blah, blah." But I think in your case, this idea of values is really intrinsic to who you are, and who your organization is. How do you think of values, and how do values play a role in the culture of your organization?

Allan Young: That's a great question because it really leads to the previous one we were talking about as far as beliefs. I used to believe that as a young entrepreneur and you start out with employee number one, and employee number 3, and employee number 10. And you're really kind of running things like a family business, even though you're not directly related to your team. That's sort of the culture that you have. And I saw value to something that big companies had, and they had the five or six more things on there, and they just didn't really move the needles. Just checked the box. Just kind of like having a business plan.

So a couple things that really changed my belief on that ... Number one, I got a coach who started talking to me about culture, and values being the foundation of your culture. And I wasn't a big believer in culture. I thought I had to have one, and I could still a culture with a small time, but as the organization got bigger, and people started getting further out, it became more and more of a necessity. And I would just say if I could go back, it's not only needed when you have a larger team, but having a clearly defined ... First of all, clearly defined vision, and I think that your vision for the company really needs to set the framework for what your values are going to be, and what your culture is.

And I think it's got to be specifically designed to be able to enact and achieve that target, and that ... So if you have a very big vision, your values and your culture really has to wrap around that. And that's what we've done. Our first crack at having values, I think, went horribly wrong, and it's a great example of failure. I think it was ... We failed fast, and in a sense, that implementing a culture is not a one day, or one week, or even a couple month kind of a thing. But our first values we came up with, I don't remember a lot of them, but we did spend time ... I took the seven people who reported to me and a couple other key people in our organization. We got together with my coaches, four painful hours of coming up with what our values were.

But we finally did it, and it was a group effort to come up with these values. And then when we started implementing the entrepreneurial operating system, one of the things that you do really for any employee, any team member is really two things. Here's their seat, and here's how you measure their success. So it's not subjective. It's very objective. Are you doing your job, and are you doing it well? So everybody knows where they sit on that continuum. And the second part is culture. And we actually started measuring for culture, and you get it ... On our five values, you get a plus, a plus minus, or a minus every quarter on the values. And that's part of your job, and you can be doing your job really well, but if you're not a culture fit, we're going to let you go.

So moving and shifting to hiring and firing based on culture, and measuring people on that was a big shift for us. And the aha moment for me was we sat around ... First thing you do is set the bar. So some of your values in your organization, especially if they're relatively new, the bar may not be a plus. It may be a plus minus. And the way you come up with the bar is you get all your key leadership together, and you openly go around and say, "Okay, on this

value, what does everybody think about Bill and Sally?" And you just go around the room and grade everybody on how they're living that value, and you're defining what that value really means with sub bullets.

And so you go around and do that, and I got a minus on two of our seven values that we had at the time. And my first reaction was, "Wow. I've got to really work hard. I've got to go and be really good at these values." But then I started thinking about it, and one of the benefits of being an entrepreneur and starting an organization is you shouldn't have to work hard at fitting into your culture. You shouldn't have to work hard at all. The culture really should be, to a large extent, an extension of you. So I looked at our values, and that's when I sent to my cabin and spend 120 hours writing a culture document that ultimately ended up with our five values and all that we're doing today. But it really came out of the fact that I wasn't a culture fit.

And the reason I wasn't a culture fit, and I think this is really important, if you do not have core values that everybody's living, and breathing, and hiring, and firing on, and that's not really strong, then the good news is you have a culture. The bad news is your culture sucks. And it's all over the place. And that's where we were. And those nine people that we got in a room to come up with our values, four of them did not end up being a culture fit. But they were part of the discussion about coming up with our original values.

So I think that's the toughest thing of implementing a culture, I think, as a leader, especially as an entrepreneur you've got to set the pace for that. And the values that we have really are designed specifically to achieve really big growth, a really big vision of growth. And if you changed our vision, changed our trajectory, what we're going after, our culture wouldn't be needed. It wouldn't be needed at the level we have it. So I think your culture's really got to be designed around that, and you've got to look really hard at who you are, and you should not have to try very hard at all to be a culture fit in your own organization if you're the leader.

Steve Sanduski: Well, that's a fascinating story. So if I heard you correctly, you were saying that you had a group of people together, you came up with your values, and then over time when you got rated, you were not firing, you were misfiring on a couple of the values and you realized, "Well hey. I shouldn't have to try hard to live my company's values. I mean, I started this company." And so you retooled and decided we're going to build the companies values around what is core to you, and how many values do you have now as a company, and what are those values?

Allan Young: We have five values. So candor, as we talked about before is one. And there's a really good book, and that's really where I got candor from, was ... It's a book about Pixar, and really what ... Pixar uses candor, and there's a reason why they've never come up with a bad movie. I think they just had their first non-blockbuster very, very recently. But they use candor quite a bit. And so candor is

one of them. Courage is one of them. And we frame up courage. Courage is not the Braveheart, put on the face paints and wield a sword kind of courage. And being from the military, I know that courage really, you cannot have courage without fear. It's really what you do with that. And the courage ... We frame it up as the courage to be vulnerable. And that's how you build trust in an organization is saying, "I don't know this," or "I need help."

So having the courage to be vulnerable, having the courage to say, "I have some fear in this. I don't know what to do," and really working with the team on that. So courage, candor, entrepreneurial thinking. We define that quite a bit, as we talked about before, as embracing failure the way that entrepreneurs think. You don't have to be an entrepreneur to think like an entrepreneur. So again, that was one of the ways that I think, and the way I wanted to have my culture was I want everybody on the team to think like an entrepreneur. Whether they become one later on or not, it's a way of thinking that I want people to embrace. One team is another one of our values, and that's the idea ... We have a lot of different teams that do a lot of different things. And you get that side effect where it's one team versus the other. We have a number of different brands. Within those brands, we have a lot of different teams of branches. Each have their teams. We have the home office teams that support them.

And the idea of one team is the ultimate team, which is typically our franchise brands, or Noble Brands, is the most important team. So whatever team you're working on ... And it really came out of having these meetings with what we use to call departments, and we don't call them departments anymore because it's that sort of corporate culture where the marketing director comes in and is defending their team against the sales team, or the operations team. And everybody is defending their team. And they view that as part of their role. The one team coming ... When everybody's coming together, it's a higher-level team is always what is put above the interest of the team that you're leading. And if everybody thinks that way, it's a much more productive organization.

And the fifth value we have is leading with a servant's heart. So the idea of servant leadership and putting others before yourself, and putting the client first. And all that wraps up into leading with a servant's heart. So those are our five values that we live every day, we hire and fire on them, if you get interviewed in our company, we're going to be talking a lot about values and tell me about a time where you were really candid with your boss, or somebody in a work environment. Tell me about a time that you failed, and you failed really quickly, and that was celebrated, or you celebrated it because you really learned from it and adjusted.

Steve Sanduski: Yeah. I think that's a great explanation. And I've had lots of conversations with entrepreneurs and CEOs over the years, and a couple consistent themes that I hear. Number one, get the right people on the team. Have the absolute best possible people on your team. Going to make your life a lot easier, going to make your business grow a lot faster. And second, just the importance of

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culture. And within culture, the values of your culture. The values of your organization. I just hear people say that over and over again. So I think there's a lot of great thinking here in what you're saying and how we just need to get the right people, and we also need to get that culture the way that you want to build it, and values are certainly a key component of that.

Allan Young: I think it's really important to not be judgmental about your culture and people that don't fit in it. And that's one of the things we talk about a lot is if you end up not being a culture fit, either through ... And we find that out in the hiring process, we don't hire you because we don't think you're a culture fit, or you come in very early on and you're not a culture fit. This is not high school, this is not fitting into a group and saying, "You're not one of the cool kids. You're not one of us." It's just a thing. So if we let someone go because they're not a culture fit, or we're counseling someone because we don't believe they're a culture fit. We're very specific about what our culture is.

And the analogy I use, I think, the team sport, team culture ... I use the sports analogy, so I think we're a lot like a rugby team. So our culture is very hard hitting. We're not physically hitting anyone, and we're not physically ... We're not hitting against anyone, but it's a contact sport. And it's a pretty rough contact sport because our values and being candid is a difficult thing to do. All of our values are very hard to kind of live out, but not being a culture fit is not a judgment. And the example I use all the time is my wife would not be a culture fit in our company.

I love her dearly, and she's amazing, the most amazing person I know, but she would not be a culture fit in our company. And that's not a judgment, it's not a bad thing. So not being a culture fit, I think you've got to be really careful to not use that as a judgment towards others because it's not a right or wrong, it's just this is what we're looking to do. This is what we're looking for to get this done. And you either are or you aren't, but when we let people go if they're not a culture fit, they go on, in most cases if not all, to find a better culture where they can thrive, and keeping them in a culture that they're not a good fit for is really not the right thing to do.

Steve Sanduski: Yeah. And I'm really glad that you made that distinction there, because in this era of culture wars, it's really easy to go into a direction that we really don't want to go here. And I think the key is A, you said we're not making judgment, and B also said that these people tend to thrive when they go elsewhere. So this idea of the right cultural fit, maybe another way to phrase that is we want to make sure that you are set up to succeed here. That you are going to be in an environment that will enable you to thrive. And if our culture doesn't enable you to thrive, then hey, we want to help you, or we want you to find some other organization that does have a culture that is well suited to what will make you thrive.

Allan Young: Yup. And people push back on that, that it's not something that if they're not a culture fit typically where people come from ... And I say corporate culture. It's really just in general people have their job, and they want to do everything they can to keep that job because again, it goes back to failure. They view losing their job, or getting let go from their job as a failure and they're trying to do everything they can to avoid that, often not in the interest of themselves and their long-term interest. So I think just being very open about that and pointing to examples, and I think the best thing you can do for your team is if they're not a culture fit, or they're not a good fit for their seat, then the best thing to do is either coach them up, or if they can't get there to let them go to go do other things.

And the way you let people go ... Oftentimes when you let someone go, we're very open about that, they're usually doing a good job. There's very few cases where we have people that are doing a bad job, but they can't be great. So that gives us the bandwidth to be pretty open about that process, and also giving people time to go find another job and even working with them. Because it's not like the walls are falling down, it's just this is not a good long term fit for you. So it gives you a lot more bandwidth to work with people, to help them find a new place. And if you start working with them to help them either fit into the culture, do a great job, or find a better place to do that, I think that's good for the organization. It's also good for the individuals and allows leaders to make those tough decisions. And it really makes those tough decisions a lot less difficult.

Steve Sanduski: Yeah. Well thanks for sharing that, Allan. Well hey, as we wrap up here, I just want to finish with a few rapid-fire questions. So Allan, what is your strangest daily habit?

Allan Young: So Steve, you and I were at a CEO coaching conference back in the spring, and one of the other CEO coaching CEOs talked about the Wim Hof Method, which it was a fascinating presentation, and I took that down, went back and researched. So that's one of the things that I do on a regular basis. And really, the Wim Hof Method, if you look at it, it's hyperventilating in the morning. So breathing exercises are pretty extreme, but it'll lead to a lot of energy throughout the day, and also taking very cold showers. So those are two things that I do on a regular basis. I basically hyperventilate in the morning, and take a cold shower, which puts a ton of oxygen into your blood, gives you a lot of energy, and it's also got a meditative approach to it on the breathing part. It's not so meditative when you're taking a cold shower, I can tell you that. But it's a big benefit.

Steve Sanduski: Yeah. That'll wake you up for sure. How about when it comes to setting goals? Do you like to set outrageous goals, or do you prefer to set goals where maybe you have a 70 to 80% chance of achieving them?

Allan Young: Yeah. I think both, and it goes back to the visionary thing. I think my visions for success and where we're going with the organization, and those longer-term goals are pretty outrageous, but then the path to get there, the strategies and tactics to get there all need to be attainable. So we use the S.M.A.R.T. system. Specific, measurable, attainable, realistic, and time bound to measure all of our strategies and tactics to get there. But the vision of where we're going, what we're going to be doing, I think, needs to be outrageous is the word we're using in this context, but I think that's also pairs very well with disruptive.

Steve Sanduski: And how would you finish this sentence? What I know to be true is …

Allan Young: I think there's very few things that I know to be true because I'm very aware of my biases and I have a lot of them like everybody. So I'd say the only thing I really know to be true is that I love my family and they love me. And that's about it. Everything else is constantly under challenge and attack from ourselves.

Steve Sanduski: Yeah. Well, Allan, I think that's a great way to wrap up this episode. So I really appreciate you taking time to be on the show. You shared some great ideas and thoughts, and I think you'll definitely stretch our thinking. So thank you for being on the program.

Allan Young: Thanks, Steve.

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