

A close-up portrait of a man with a full, dark beard and mustache, and short brown hair. He is looking directly at the camera with a slight smile. The background is a soft, out-of-focus landscape, possibly a beach or coastal area, with a warm, golden light suggesting sunset or sunrise. The man is wearing a dark-colored t-shirt.

JAMES **SCHRAMKO**

Are You a Manager or a Leader? With Lloyd Thompson

The roles of managers and leaders often seem interchangeable, but are they? James and VirtualDOO's Lloyd Thompson share their takes on the topic.



Lloyd Thompson

James: James Schramko here. Welcome back to my podcast. This is episode 1040. Today, we answer the big question that I know is on your mind, what is the difference between a manager and a leader? There is some subtle differences. I've brought along our leadership, our integrator expert, [Lloyd Thompson](#) from [VirtualDOO.com](#). Hello, Lloyd, good to see you.

Lloyd: Hey, James, thanks for having me.

James: [A regular guest on the show](#). Of course, you're good with [people and systems](#), and you're helping all these visionaries get their visions implemented, so that they get the results thereafter. I've been sending lots of people your way, they always come back and say, Fantastic, thank you, this was the missing piece of the puzzle, etc., etc.

Now let's talk about management and leadership. I remember years back, I mean, there's all these books on there, when I became a sales manager, this was probably bit round about 1999, I went down to the Australian Institute of Management bookstore, I bought six or seven books on management. And it talks about the difference between a manager and a leader. That managers are just managing things and leaders are more coaching their team, etc.

I'm just wondering if any of that's changed, or is it similar a couple of decades later? What's your point of view? Because I'm sure you came through different tracks. And should we be one or the other? Do we need to know the difference at all? Or will it be all replaced with AI?

Manager versus leader: the difference

Let's start with, how are they different? Like, what do you define a manager versus a leader in the first place?

Lloyd: Yeah, so I think managers are still more about command and control. So I think what you've just said is still current, there's nothing that's changed there. It's just that when I'm looking in the conversations that are taking place on say, social media, there's more talk now about manager and leader than I've seen before. So I think, oh, let's talk about that.

So, yeah, manager, more command and control, we're thinking about someone who's putting in systems and processes and then making sure that the team adheres and complies to this. They're going to be someone who's like a reactive problem solver, someone who looks at data and then decides, you know, what are we going to do next?



Whereas a leader, when I think of a leader, I think of someone who rallies everyone together to move towards a goal or a vision. And a good leader, in my opinion, is someone who's going to also create new leaders, like what you just said earlier about having a coach, like someone who's going to move them in that direction. So really focusing on enabling and bringing up others.

And so, I think they are different. One hand, it's that compliance, these are the things that need to get done and by when, and making sure that control mechanism is there and pushing that down. Whereas I think leadership is more of like a pull, it's like bringing those people towards you, showing them the direction we want to go, and getting everyone on board. And there's a relationship aspect to this.

So I tend to find that leaders are more empathetic, they have a higher EQ. And I think that's when I've seen a transition for people. Some people might be, they might have come out of say, a technical role, and they might have eventually moved into a management position. And their first instinctive move is to say, Okay, these are the things to be done. This is a description of how it's done. Let's make sure the whole system is running, and that's fine.

But the later piece about, okay, how are we going to change things, the soft skills, that's a different skill entirely. And that's a harder thing to teach. So that's what I would say the differences are.

A product of the great resignation?

James: Do you think the conversation is happening on social media more now because of the great resignation? Because post pandemic, it's been harder for companies to actually capture their employees in a command and conquer way, like have them come into the office? I mean, you're a great example of that. You used to go into the office before I met you. And then I met you, and now you don't go into the office, right? You just travel around wherever you feel like it. And you've got some leverage in life.

But also, I noticed generationally, the people who are in the earlier phases of the workforce, I anecdotally hear a lot of them telling me like, they've never actually had a corporate job or whatever. Like, it's easier to be a freelancer or a social media influencer, or to work from anywhere. That's become a thing that wasn't around in my generation. So do you think people would be resistant to that management command-and-control type leadership?

Lloyd: Yeah, I think that's a really good point about the great resignation, because that certainly, I was a part of that. And I think, I mean, personally, for me, I know I prefer to be led than managed. And I think that people are really assessing their options. And in a place where we can now work freely and remotely, these old command-and-control mechanisms might not be as effective as they were before.

Like, I can think of people who were used to clock-watching, you know, they're going to say, Okay, my team is in it this time, and they're out at this time. And they're not necessarily looking at the outputs of their work, they're instead really just, they're not focused on exactly how it's going to work. Like, where they're going, they're just literally looking at, oh, they came in at nine, they left at six, okay, great, job done. And that's not really going to work.

Whereas I think, for me, how I'm hiring people, I like to think of myself as an artist. I'm proud of my work, I treat it like art. And then similarly, when I'm hiring people, I don't want to be someone who's a micromanager for them. I want to set them goals, I want to inspire them to do, you know, this is the direction I'd like you to move in.

And I can think about, when you talked about the great resignation, actually before, I'd spent most of my career in financial institutions and a good 10 years of that in an investment bank. And what I noticed there is that all of the people that I'd reported to over time, they were all very good at getting stuff done. They were all very intelligent people, all very good at making sure that the team are going to comply.

Two very different characters

But what was different is how they did it. And how they did it made all the difference. And so, I can think about, I had this one manager, I'm going to call him Albert.

James: Not his real name, to protect the real character.

Lloyd: Albert was very much a politician, managed upwards, blamed downwards. When things didn't go well, there'd be a public beheading and off with someone's head, then out they went. And he'd get in new people all the time, he wouldn't develop his own team. And it was, I mean, for me working for him, it felt like I was a mercenary, you know, sort of executing the deeds of some evil oversight.

And it was just a matter of time for him, because the way he worked is it was like you're with him, or you're against him. And I did wonder how long that was going to last. And I'm still not quite sure to this day whether this person, he was made redundant, whether it was because public figure staff feedback - they have these things in corporate world, they call them 360s, everyone provides feedback - whether it was something like that, or it was the kind of natural thing that you get in corporate world where there's this team, and there's that team, and then at some point, there's a merger and one overtakes the other. So that's an example of one kind of character that I've come across. And I would say he was very much a manager and nothing else. He was missing this other component of leadership.

And so, I think that you need to have both. You need to have that mechanism of control. And it's not about manipulating people to get stuff done with fear. It's about also being able to galvanize people and bring them on board. And so, the good news in this story is that later on, I did get another manager, and I'm going to call him Pete, his name was Pete. And the difference was amazing. Like, the first day that he came in was actually the day before I went on leave. And I was going off on holiday.

And he said, Hey, look, I know it's 4:30 in the afternoon, you're just meeting me now. But I just want to tell you before you go on holiday, I want you to just think about what you want to do when you come back, like where do you want to grow? What would you like to contribute? What's your strengths and witness? Just have a really think about, like, what you really enjoy in your role, what you don't enjoy, and where you want to go? Because when you come back, we'll have a chat about that and work out what's best for you. And if this is the hat you want to stay in, or you want to move somewhere else.

And that was a really strong impression. So I'm thinking, is this guy for real? Is this going to be how it's going to be? And so, when I came back from a holiday, true to his word, you know, we sat down, we talked about it, and this person was a leader creator, so he was a leader. He was also someone who could make sure that things were enforced as well. You know, he did have that manager aspect as well. But he was much more of a leader.

And, you know, I remember the first big challenge I had, I had to estimate this absolute monster project. And I was used to estimating projects. But this thing, there was a few things. I'm thinking, how on earth am I going to do this? And so, I went to him and I said, Hey, look, this is what I've done so far. This is where the gaps are, I wouldn't mind if we can just bounce a few ideas around.

And rather than him just saying, Well, do this, do this, do this, he just played it out like a coach. Well, he obviously had an idea in his mind as where he thought how he would address it. And he spoke to me, and he said, Look, I'm just going to ask you some questions. Let's play it out. Basically, he coached me through how to getting this done. And so, you know, coming away from that, I actually learned something so that I could use that again and again and again.

So the difference there was very much a leader, as opposed to just a manager who's going to make sure that there's compliance. And also, another difference I noticed over the time of working through him is that the retention in the team was much higher. Just having those simple conversations about, you know, where do you want to go, what do you want to do, and spending time with people to make sure that they're moving in that direction, it makes a huge difference.

Do managers still have a place?

James: That's very interesting. So do you think there is a place for managers? Or is it a completely dinosaur role?

Lloyd: Well, I think there's definitely a place for them. I would say, you know, if I look at what I call situational leadership, if you've got a grad coming in, it's very hard to just coach a grad from the get-go, because they don't even know what they're doing. So when they come in, you're going to say, Okay...

James: Is this a university graduate?

Lloyd: Yeah, university graduate.

James: I bet they think they know all about how they're doing.

Lloyd: Sure they do, but they come in, they're pumped, they've got lots of energy.

James: They've got four- or five-years' worth of theory ready to roll.

Lloyd: Well, there's a thing behind that, because there's kind of two dimensions to how you should really work with someone. There's that coaching style, and there's that management style. And you do see when a grad comes in, they're full of energy, they're pumped under their own steam. So you don't actually need to give them much energetic support and coaching in the beginning, because they've already got all of that energy.

But what you do need to say is, This is what you're actually going to do. So that's where the manager side is really important. These are the steps. This is what needs to be done by when. Come back to me if we need to go through this again, that's very much the command control, how to do your job and by when.

But later on, as they get good at something that needs to change. Because if you're constantly managing, managing, managing, and they don't need it, they've grown those skills, then that's where you're going to move into a coach, like, Hey, where do you want to go next? What do you want to do? What's the next skill that you're going to learn?

And perhaps when they start that next skill, that's when it goes back to the beginning. That's when you might need to switch more back to that management style and guide them again. So I think there is a place. It's not manager or leader, I think it's both. I just think it generally starts with someone coming out of management and moving into more of a leadership role. But they still need to keep those management skills.

James: So it sounds like a good leader is able to manage people and also lead them.

Lloyd: Absolutely. I think it's like, it's like bamboo. You've got to be sort of flexible and be able to move and adaptable.

James: But firm.

Lloyd: But also, when you need to be firm, like, Hey, look, there was a breach here. Or someone's not following policies, you can't just go, Yeah, hey, look, I'll support you and guide you and make sure everything's okay. No, no, you need to be able to say, Look, actually, there needs to be a consequence here. You know, if I'm seeing repeat failure after what I've talked you through, then we need to do something about this, and we need to call them out and say, Look, this isn't aligned with our values, or this is clearly not what we've talked about.

James: Bamboo is strong. My next-door neighbor removed the bamboo along our fence line. And my whole fence line and side of the house pathway collapsed into his block. [laughs] It goes down deep and it's strong. Thankfully, it was all resolved, and there's a very nice sturdy wall replaced there. But I learned how strong bamboo is when you take it out. It's got a lot of strength.

I like that, and thanks for explaining the graduate thing. I was not a university graduate, and we didn't attract many that were prepared to work Sundays in a car dealership. We were pretty much the wild west of all the scraps of people who couldn't get proper jobs. It was like a rough environment.

Lloyd: I mean, I should rewind a little bit on that when I say graduate, I just used that as an example of someone who's starting fresh.

James: So you're thinking an intern.

Lloyd: An intern or...

James: A new person.

Lloyd: Someone who's just coming fresh into your workplace, and they're coming to work for you. It could be anyone who's perhaps not got the experience doing what you're doing before.

James: An apprentice.

Lloyd: An apprentice, yeah, it's their first day on, you're going to train them up and get them going.

An assortment of past bosses

James: Not in the car dealership, that doesn't happen. It's like, there's your desk, good luck. That was my entire onboarding. And then they all got in a car and drove home the first day. It was fascinating.

I really, I had a mixed bag of bosses, I'd say a lot of them would categorize as the manager type. And there was a couple of leaders in there. I had my worst boss, my best boss, and all for different reasons. So I've put some real world time into this. Have you ever seen the movie Star Wars?

Lloyd: Of course.

James: You remember that character Darth Vader?

Lloyd: Of course.

James: Well, that was like my worst boss. And I was a bit like Luke Skywalker, you know, like he was like a father figure. But there was a bit of conflict at the end there, you know, where he's basically trying to stab me with a steak knife, is the last interaction we had before I moved on to the next posting. But it was just incredibly stressful and difficult. But he was a blend of manager and leader in a way.

He insisted that I watch the Patton movie, many, many times. And General Patton was an interesting guy, because he really would fit the command-and-conquer style. But he was able to achieve more in battlefields than a lot of his competitors. He could move much faster and mobilize. But also, he had minimum standards and was quite assertive, shall we say? And he ended up getting in trouble for slapping someone and calling him a coward.

So the parallels between my Darth Vader boss and General Patton were very similar. I think he must have modeled himself somewhat around that character. So it was like learning the playbook. Which is ironic in itself, because in the Patton movie, Patton studies Rommel's playbook to defeat him in a tank war. And then after he wipes him out, using Rommel's tank strategy guide, he's like, Rommel, you fabulous bastard. Like, he printed the playbook.

But I tell you what, it's really interesting to hear this. And I think more so than ever, people aren't going to put up with a bad boss. And we see this through our recruitment business, we have a little agency, VisionFind.com, my wife and I, and you can tell when an employer is more the manager type, because they seem to have trouble through the interview process.

It's almost like they're pickier and less able to be bamboo when it comes to the candidates. Yet the candidates don't last as long with them as they would somewhere else, like in my business where the people last forever, basically, unless they steal from me. And if they're reasonably good, they're going to be there forever. There's no situation where they're not working with me, because we've got such a good leadership style.

I want to coach and nurture and grow them and give them scope, like Ricardo Semler does, the Brazilian billionaire with his self-organized managements. But that sort of leads me to the next topic.

The trouble with the term "A-player"

I like self-organization; I like giving massive amount of independence to my team members. And they're really capable without a whole lot of instruction.

And I would say they operate at a high level. But how much of this is going to be, I mean, it's not the case for most people, when they're starting out with someone, you have to be involved, you have to have limits and scrutiny and stuff. How much of the success of a leader is down to being able to get the right players on board and to manage those players effectively?

Lloyd: You said the word players. I'm so pleased you didn't say A-player.

James: A-player is bullsh*t. Can we just put that out there right now. It's a furphy. There's this myth of an A-player. It's not true. And I've seen endless studies about this, and I won't link to them in the notes or any because I can't be bothered looking it up. But I mean, it just makes sense when you think about it, right?



**“WE CAN BE A-PLAYERS AT SOME THINGS
AND C- AND D-PLAYERS AT OTHER THINGS.”**

- James Schramko

We can be A-players at some things and C- and D-players at other things, like on the surface, right? So I might be an A-player as a mentor. And I might be a - it turns out from this morning's practice that I'm probably a C-player with the washing machine. Because you have to read the labels on things, you have to separate different temperature washable things, you have to separate colors, you have to select the right temperature and the delicate wash and all this, and you have to spray stain stuff on things that have marks.

Lloyd: What you're saying, you've got a tie-dyed shirt that you weren't expecting now.

James: I'm 52, and I just got a full education on proper washing technique today. Right? So this is my point. I'm an A-player at mentor, and I'm a C-player at washing. Even though I've been doing my own washing for a long time, I haven't been doing it correctly, I'm not an A-player washing machine operator.

So at the first phase, we're not an A-player at everything. And that's probably true of most people in our team. We can't expect them to be A-players at every task. So that would automatically mean that you have to have them in the right task. And the second thing is, and this also makes sense, is that we might not be an A-player all the time, even in the same task.

For example, podcast, right, let's take this real-life example, right? Let's say this is a great discussion we're having, Lloyd. We love it, we hang up at the end, we say, That was amazing. It felt good. I think our people are going to love listening to this, we talked about some really bang on points. And then there are other podcasts where we might hang up and think, Yeah, I guess that was all right. But I don't know if it even meets the threshold to publish, you know? I felt like we got bogged down in this area, or it didn't really address the key topic, or it didn't have good flow or whatever.

So even though we're the exact same two people doing the exact same thing, but it might be at a different time of the day, different time of the week, a different part of our schedule, we might have other things going on in life that overlap or whatever, there could be a number of reasons why it might be categorized A, B, C, or D, or not even make the cut, when all the things are the same.

So I think it just makes sense that even an A-player won't always be an A-player. So therefore, I think A-player is a myth. I just think it's more about matching people up to the right tasks, and then having a framework to be able to recognize when they're on or off. And that's why I really like a seasonal approach of there's going to be a time to plant the seeds, and there'll be a time to harvest the seeds.

And I see this play out in nature. There's a time when I can surf. And there's a time when I can't. I see it in my body. There's a time where I feel well rested and energized. And then, you know, if I just got off two flights in a row to a foreign country, and I had only 20 minutes sleep in 48 hours, I feel like dogsh*t, and I'm not going to be very resourceful.

I remember actually, when you and I last hung out, I just had been a long-haul flight, had very little sleep. And we had to make a decision. And I said, Can we just pause on that decision for two days while I catch up on my energy levels so that I make a good decision. And that just seemed like a good idea. So there you go, that's my rant on A-player, I'd love to hear your perspective on this, Lloyd.

People who talk about A-players

Lloyd: Well, when I hear the term A-player, I normally cringe. I'm glad you didn't say the word A-player. And it's the perception of A-player, I think's important. So when I hear it and someone's talking about, say management positions, unfortunately, in the context that I'm hearing A-player, the perception of the person that's normally saying A-player seems to be some kind of boss or dictator. A dictator, that's what I'm hearing, like someone who puts fear into someone to, like, motivate them to get something done.

And I think that's not a long-lasting strategy. That's similar to that story of Albert, if we were talking about bamboos and things like that, it's a tree that's going to stay strong for a while until the wind really blows and then that big oak tree is going to go down, and it's going to be a disaster. So I really don't like that perception of - or this point about talking about an A-player as like a boss or a dictator who puts fear in people.

James: Is that like, tell me you don't really know about leadership without telling me you don't know about leadership? We're just too A-player centric?

Lloyd: [laughs] That's what it is. Straight off. I mean, that's a key word. That's a dead giveaway there.

James: That's like when I hear, "closer," that tells me a lot about what I need to know about this person's approach to selling. I watched a young influencer's video about closing the other day. And he said, Selling is so easy, people overcomplicate this. It's finding out what people want and then telling them that your product or service does that. That's all selling is, according to this guy.

And I'm like, are you f*cking kidding me? That is really very over simplistic and very inauthentic, that approach to selling. That's to assume that your product or service always solves every problem that the customer is having, is very short sighted, like that is a hardcore closer with no values.

Lloyd: I mean, if we're talking about leadership, then I think it's completely the opposite to that dictator. It's that empathy. It's the EQ, it's the relationships. And to back this up, I was having a glance over Good to Great again by Jim Collins, and it's a book I go back to again and again, because it's such a good one. And for those that haven't read it - I'm sure many people have - but he looks at a huge number of companies. And he looks at the ones that he thought were great, because in all types of conditions, recession or otherwise, they always performed. And he was like, what are the key things that always make these great companies work? And one of those things is what he called the level five leader. And he talks about the attributes of those people. And it couldn't be more opposite to this kind of dictator.

It's someone with humility and persistence, and thinking about what the company needs overall, rather than the individual team or personal department, it's like what's best for the company. And then they build a culture such that when that person leaves, that culture continues, whereas a trademark of some kind of egocentric driver is that when they leave, it collapses behind them. And so, that's, you know, that's a big difference. And then they take personal responsibility.

So like that character, Albert, who I talked about earlier, who managed upwards and blamed downwards, it's pretty much the opposite, that a real level five leader would do. There's someone who's going to - when there's a problem, they're going to blame themselves. And when something goes well, they're going to celebrate others.

So it's quite often someone who's like a real behind-the-scenes, not so much of an out there ego, a quiet leader, quite often those level five leaders. So that's the first thing I'd say about this perception of the A-player. And then the other thing, if I go back to corporate again, at one point, I inherited this software, this dev team, and they weren't performing at their best.

And like, I was, what is this, you know, what's going on here? And they had an expert in every type. This is banking, again, there's an expert on this type of payment system, this type of database. These people, they're all absolute guns, like they really are top experts in their area. But the output and the teamwork, it just sucked. It really did.

And so, the problem here was that they were all these smart people with huge egos, but they didn't share. They weren't collaborating. And the problem is, if someone goes on holiday, like one of those experts go, How are you going to have this thing maintained? What are you going to do about it?

And so, this was actually something that took me a while to do, but eventually I reshaped the team. What I did is, instead of trying to hire the best technical expert going forward, what I'd do is I'd find someone who was a good team player, a good learner, someone who's not such this egocentric, like I have to win, my code has to be the best. They're not the person building all the complexity. Just good team players who are willing to learn, willing to collaborate.

And by doing that, and building up a team - they're not necessarily the strongest technicians - that's when the team were really performing well. And so, I wouldn't have said that, going out there, people are saying you're hiring A-players. I am hiring a different type of A-player. I'm hiring someone who's got empathy and relationship skills and doesn't care about their particular code being the best, they care about building a solution that works well with the team that everyone else can maintain. So a very different perception.

The Moneyball recruitment approach

James: Well, you've just described the Moneyball approach.

Lloyd: You're going to have to tell me about that.

James: So there's a movie called the Moneyball. And it's Brad Pitt. And he's basically, instead of hiring the A-players, like the baseball players, the people with the best swinging or the best batting average, or whatever, they actually plot the statistics and look for the things that they need to have a well-rounded team. And then they hire the people who aren't the obvious hires. And they just basically, they started winning.

Now, there was a guy in Australia, called John Buchanan, he was the Australian cricket coach. And he took that same concept to cricket. They would start training people to bat left and right-handed and ball left and right-handed, and they actually rolled up the pitch into three columns, and then they had some different stages, and then they would teach the batter where to place the ball, and they could strategically work out the weakness of each bats person, and then place the ball in the right grid to exploit that.

Anyway, they brought this guy to Mercedes-Benz to teach us, the leaders, about this concept. And this is when we were basically tracking, we would track the salespeople's leads, their valuations, their introduction to finance, the introduction to the manager, the follow-up, test-driven, all this sort of stuff. We actually tracked all of it in a spreadsheet.

And we had our own Moneyball system. And we could identify, I mean, the largest team I built had 21 salespeople, and I could look at that spreadsheet. And I could say who's got the best closing ratio and look for the correlations, like who's doing the most test drives? Who's having the most valuations?

And I would also, just like you're talking about, I would specifically not hire car salespeople to sell cars. I hired pilots, I hired concierges from hotels, I hired a guy who was doing the night shift in a hotel who was this lovely Turkish guy, and he was of the Muslim culture. And he said to me, You know, it was about six months into my hotel night job service when I realized that the bacon lettuce tomato sandwich, you're supposed to cook the bacon, he said, Because I'm Muslim, and we don't eat pork.

So he said, Never, ever order food after midnight in a hotel, because it's going to be the concierge that's preparing the meal. It was quite funny.

So anyway, these people were highly trainable. They had good service attitudes, and I could teach them how to actually look after the clients. And then using this strategic approach, I could match the right salespeople to the prospects and make sure that all their stats were benchmarked. That's how we went from last to first in sales.

When you're single-player dependent...

Lloyd: It reminds me of - I've watched recently The Last Dance with Michael Jordan, have you seen that one, or the documentary about the Chicago Bulls?

James: Yes. And he was very A-player-y, and didn't want to share when they were trying the new triangle technique, and eventually, they realized that they have to work together to win, and it changed everything, right?

Lloyd: Well, I can't remember which team it was, I think it was the other - I can't remember the other Chicago team. But I think they worked out, you know what, they give the ball to Jordan, and then Jordan does most of the stuff. So they just said, Right. Let's just close this one guy down, like allocate more players to Michael Jordan, what are you going to do?

And it destroyed the Bulls, and they had to go, Well, okay, we can't be dependent on him anymore. So they had to start working as a team, otherwise, they weren't going to survive. And then a similar thing happened when Scottie Pippen left the Bulls, and they had to stop relying on other team players like Dennis Rodman. Anyway, I can go on.

James: Well, it's also, that theme replicates in the popular TV series Ted Lasso. In the latest series, he uses a similar technique. This is basically the Moneyball approach is repeated across various different sports. But the concept here is, instead of trying to find that highly paid, super fragile, A-player who's going to command a premium, and probably leave you quickly, and poach your best clients and team members, maybe it's worth aiming for having a leadership style that allows people to be coached to success even off a lower base.

This is the exact approach I've always taken with my VAs. I took in people who came from call centers, they never knew about building websites or online stuff. And now most of them are doing support, editing, content stuff. And it's been a long and wonderful ride with my team to build this magical team, a dream team, over time.

And this is really topical because we just did our team retreat. But we all focus on the areas of the business that we enjoy and are good at. If we don't love it, then I encourage them to learn something else within the team and move. Don't get stale, don't get bored. Don't be overloaded. Don't be feeling like you have an unequal workload.



I'm not talking about communism here. But I'm saying, don't get out of balance, because if you can maintain balance - and this is another one of those myths - people always say high-performers aren't balanced, there's no balance to being a high performer, etc., etc. Well, it turns out, I believe you can have a balance, because if you can get in balance, then things can last a long time. Things that are out of balance burn out quickly.

So the A-players, often, they want to skew management, they often upsell to the owner of the business too. Have you found this that the A-player is making special demands, they want a different treatment, they want to stack the odds in their favor within the business? If the owner is weak, then they're going to cave into this and then absolutely erode the culture from the inside out.

Lloyd: I've seen it quite a few times where the A-player is quite often, actually, or what I call them the A-player I say, someone who's got that good performance in a narrow band that the company's now become reliant on and not done anything about. And now they come back to the owner and start making special demands. Yes, I've seen that.

James: Single-source dependency, I call it star syndrome.

Lloyd: Star syndrome.

James: Yup.

Lloyd: Yeah. They're not really a star. In fact, it's bad apple. They're normally a bad apple, who if you leave them unchecked, they just cause rot. Like people are going, Why is this person getting away with that? You know, maybe I should do that, too. You've got to deal with it, you've got to start training other people. And it might be something that looks like, Oh okay, well, right now, my campaign is running well because that person is doing a good job.

James: It's always that, it's called compromise, Lloyd. It's like, ah, but this person is such a good closer, or this person, you know, if they left, it would really dent our revenue or whatever. But if they stay, it's also going to cost you later. It's whether you pay now or pay later, is often the case.

Needing someone else to be the bad guy

Lloyd: Yeah. These business owners often know it, like, when we'd come in to do audit...

James: Of course, they know it. That's why you're there, because they weren't able to act on it. Or maybe they didn't know it. But maybe they know it, and they need an external person to be the bad guy.

Lloyd: Well, that's one. When we've come and done external audits or assessments before, I get a very strong feeling the business owner knows, they just want someone else to see it. Like, they need someone else to have that validation. And it's normally very obvious to us, like you have got a huge dependency on this character. You know, why aren't you training more people? And I think there's a problem here. And I just feel like they need someone else to say it to them. Sometimes they're like, okay, someone else is seeing this, and then, you know, then we can do something about it, we can be the bad cop.

Perhaps they've built a good relationship with that person, and they've been with them since the beginning or for whatever reason. And now what, that's why there's that special relationship and dependency, and it's turning toxic. And they don't want to be the person that gets rid of them. And so, they need someone else to do it. And so, yes, that's one of the things we've seen quite a few times, and that we ended up helping people helping business owners.

James: That's why I have a personal trainer now, because I want someone else to be the bad guy to make me lift those weights. And it works. You know, I finally get it, what it's like for my clients to have me, for me to have my personal trainer, it's just great to have someone else focused on just me, helping me to do the things I know I need to do. And just to encourage me to do it in a very positive, thoughtful, coach-y way. But if you ever say, I'm a bit sore, or whatever, he'll just say, You're welcome.

How Lloyd feels about servant leadership

So what about servant leadership? This is another popular term that we've heard. I'll let you speak first. And then I'll tell you my immediate reaction to that word.

Lloyd: So this is a term I've heard more and more recently, but when I looked it up, it's been around for a very long time. It's been around since the 70s, or even longer. But I do like it. So I am a big fan of servant leadership. So this is about what environment is needed to make that person thrive? You know, what do they need?

Kind of that story of my manager Pete, who came in, or leader Pete, who came in and said, Where do you want to go? What do you want to grow? What support do you need? And then he coached me through dealing with a really complex project, a beast that I never dealt with. So that was a good example of servant leadership. And so, I really do like that style.

And I do think that also, when you understand the needs and interests of a person, you can get the best out of them. So when you were talking about balance in your team and how they perform, I think it's important to understand that, their interests, because sometimes you can find types of work for them that they weren't doing before that they really excel at.

And one example in my team is I used to do my own creative stuff for the videos. And I must admit, it was pretty wacky, I got a little bit carried away with the special effects. And it turned out that one of my team members was really into this space. You know, in his spare time, he does quite a bit of stuff on Instagram. And he said, Yeah, I really like this stuff. And I think he was just too polite to tell me that I wasn't so good at this stuff.

James: I don't think I was polite.

Lloyd: No, you were like, Lloyd, what the hell is this?

James: I'm like, anybody will approach this. And I say this because it's true for me. I'm not the best editor in my team. If we have seven people in my business, including me, then I'm the seventh best editor in my team, hands down.

Lloyd: Yeah, that's where I've ended up. I mean, my team member who's doing this stuff, he's brilliant. And, you know, he's trained others. And it's not completely, this person does exactly this and nothing else. Like he's not just the video editor guy. Other people can do the video editing too. It's just that that's the area he really enjoys the most, so he'll do more of the share of that.

So anyway, back to servant leadership, understanding what people need and want in their environment and coaching and supporting them. Yes, huge fan. However, it's got to be a balance, like what it's not, right? It means that if there's a problem, like if there is someone who's playing up, it doesn't mean you're just going to roll over and let it fly. Like, there needs to be consequence management.

And I can think of an example, actually fairly recently, we went into a business, and they had someone who had become a new ops manager. And he was very much a supportive character, is a supportive character. And he had worked with his team before he became the ops manager. And so, they were treating him very much like a, Hey, bro, you know, do we have to do this now, you know?

The other side of being a servant leader

And while he was trying to support them doing their work and put frameworks in place, as that servant leader, the other side of it, where he needs to be a little bit tough on them, and say, Actually, no, this needs to be here by then, and then have consequences where he was slipping up. And so, that's an example where I think you do need to have that other side.

So just, what we did for him, by the way, is say, Look, let sunlight be the best disinfectant. So let's get all the metrics from your team and make them visible. And when they're not providing their metrics, that is a consequence. That needs to have a consequence. And when the metrics are underperforming, and they're not seeking help, and that's what you're there for, then that needs to have a consequence too.

And it just took one consequence for one team member. And this isn't a public execution, it's just saying there is actually going to be a consequence, something needs to be done, there needs to be a feedback, there will be a consequence, then that started to change the behavior in the team. So that's still happening now, it's in progress. But that is a servant leadership. Yes, absolutely love it, but I think there needs to be balance as well. Again, like that bamboo, you know, strong and flexible, but you know, it's also strong.

James: I imagine there's ways to handle that consequence where it doesn't seem command-y or conquer-y, like the [Nils Vinje feedback](#), one that he shared with us before was, I've observed this, here's the impact that's having, can you let me know what's going on from your point of view? You know, so you have that thing.

And it comes up a lot, we hear of people saying, Oh, my VA doesn't do their end-of-day report, like I've asked them to do it, they just keep missing it or forgetting it. For me, that's a non-negotiable. It's like, you're not asking them to do that much. When you ask them if they could spend five or 10 minutes for their primary place of employment is asking them to do this one thing that makes a big difference in the business, if they can't do that, it means they may not be able to meet the minimum standard of being able to be employed by this business. It's as simple as that.

And at one stage when I had 65 people, I used to say, Look, the end-of-day report is optional. And we use that to determine which days you work so that we can calculate the pay based upon it. And so, that was enough of an implication. They're like, you don't do the end-of-the-day report, then that's pretty much a signal to us that you didn't work that day, so it doesn't get paid. And that was enough to make that happen, across that many people.

So if you're listening to this, and you have someone in your team who won't do an end-of-day report, that's bullsh*t, and it needs to stop. But you can address it in a way that gets the result you need. And I wouldn't actually continue to employ someone who can't do that multiple times, because that's a minimum requirement. It's about setting the minimum requirement of what needs to happen for someone to be able to be in the team. And if they can't meet that, it's not going to work.

And then people say, Oh, but it's hard to have that conversation. And I feel so mean and bad or whatever. I say, Well, actually, it's not you deciding whether they stay or not. It's them deciding whether they stay or not via their behavior. And if you focus on the behavior, and if their behavior can't meet the minimum standard, they are voting to leave the island. They're saying, I want off. This isn't for me. By their actions they're voting to ask you to free them up so they can go on to their next journey. And hopefully, they'll get a growth lesson from it.

This is very important framing. When you let someone go because their behavior has voted themselves off the island, you're freeing them up to go off into where they're going to be suited better. And you're also gifting them an amazing experience that they can learn from. If you deny them that growth experience by hiding or shielding or compromising it, you're just delaying the inevitable. It doesn't help them if you enable them for a bad habit.

And I also say this to my team members, one of our core values is communication. And they would need to let us know if someone is coasting or letting another team member fill in for them. This can culturally happen sometimes in the Philippines, because they're quite pride-driven. And especially if someone's referred someone else in the team, they wouldn't want necessarily everyone to know that this person is not meeting the standard, because it might reflect badly on them, cause them loss of face.

But I made it okay for them to let us know, because I don't expect them to do the work of two, or one and a half. They should be doing the work of what's reasonable and fair for one. And if someone can't meet that standard, we should let them move on to wherever they're best suited, and it's not with us. Of course, there's education and training, and maybe they're suited to a different role.

James's take on the term

Just on that servant leadership, I don't mind the concept of it. And at our team retreat, I loved making the whole team coffees and stuff, and I liked serving them and letting them know that I'm not more special than they are, that I'm one of them. We're a team. I just don't like the name, servant.

I was reading my daughter Wizard of Oz each night. It's a very gory book, by the way, I think I might have an original version, because the Tin Woodman is always beheading animals and stuff, and it's like, having to explain that is quite tricky. And then there was, one of the Wicked Witch of the West has enslaved this whole bunch of people. And my daughter's asking, What's a slave?

For me, servant, it's kind of just, I don't know, too closely related to things like slave, like, you know, are we working for them? Or are they working for us? That's where it sort of gets to where it's a little bit, you know, I guess, as a business owner, you think, gosh, I put everything on the line for this, I take all the risks, I pay all the money out, I'm never guaranteed a wage. And now I have to serve these people? You know?

But I'm totally on board with, I'll coach and support and nurture. But it's just the word that I don't love. And to be fair, the people who push it the hardest, I've found, are generally, there's often an association with religious aspects of it in the North American culture. So again, for me, that's too much. But anyway, I get the whole idea of not being a bossy badass, ordering people to do this and threatening to kill them with steak knives, or using fear as the big stick is a very, very common one.

The fear thing, I imagine it comes from the way they were brought up. We have to let go of that one. It's not the best lever to pull. And you shared a good book that you like. And I don't know if you've ever looked up what happened to those businesses from Good to Great, but that's also an interesting Google search.

But the book that I like, and I was reminded about this from one of our guests from the Maldives trip, John Blake, but he reminded me about Nonviolent Communication. And I purchased it in 2016, or sometime around then, and read it, but I reread it on a plane trip. So I had a lot of plane trips lately. And it's great, such a good book on communication. And that's a very EQ way of communicating that is non-threatening, and non-emotional, and non-ego based, and non-fragile.

It's just a more neutral communication codec for being able to come in. And it's good with - if you're a parent, it's good if you're married, or in a relationship, and it's also great with your team, a way to have non-inflammatory, non-disruptive communications. I highly recommend that book. It's a bit academic-y, and a bit, you know, sort of clinically written, so it's like, I've had to bite at it in a few goes.

Updating your leadership software

But what I do like, they have little exercises at the end of each chapter where you can test if you're actually absorbing the understanding of this, but it has changed the way that I communicate recently, because it's just topped me up with some new software. And I just want to emphasize this. Lloyd, you've had real-world, in-the-trenches experience with massive banks doing huge projects. You've been trained by the best. You've been doing this for years.

I've read a bunch of books. I've worked in real businesses for many, many years. And we're still learning and updating our software with new information. So I believe if we're a leader, we have a responsibility to be the very best communicator we can. And we're still working on it.



Lloyd: And I think moving from a manager to a leader, a large part of that is constantly learning and getting feedback from people, and getting feedback from other leaders, and bouncing ideas off them as how you would have dealt with that. I'm always learning. And when I talk to my team members, my Director of Operations, I act as like a coach for them, but it doesn't always mean my solution is better than theirs. They'll raise with me: so I've had this people situation, this is what I'm thinking of how I'm going to handle it. What do you think? And then I'll bounce my ideas. And quite often, I learn from their approach. I think, Oh, actually, that's a really good approach. I like that style.

So I think it's really important for someone who's going to be that leader, to constantly look to improve, go on courses, get feedback, look within your network. Super important. And also, about that book, I haven't read that. John mentioned that one to me on the Maldives trip. And it's made it into my audible playlist, so it will be getting through that soon.

And I think a large part of being a leader is being able to communicate, like just as you said what Nils says, about how to provide feedback, is a very similar formula. A large part of that is just exactly how you're going to put your message across, you know, in a way that's getting the facts across, but it's not going to just, it's not going to trigger them, you know, it's not about you, it's about this behavior.

And so, books like that are really good, as you say, software to help leaders improve, because it is quite a change from being a manager; from being a manager who's been command and control, now moving into something where you're now looking at relationships, how people work, what's important for the team, it's a different skill. So, one takeaway I've got from this podcast, I'll be straight on to that book after this.

James: Love it. If someone's listening to this, and they think, oh, gee, maybe I'm a bit command-y conquer-y, or maybe I'm not fully up to speed with the available awareness of what's going on in my team, can they have you come in and have a look and see what's going on and coach them through making things better in their organization?

Lloyd: Yeah, of course. Yeah, we offer an assessment. And if they want to talk to me, just find out if we are the right fit about what they're wanting to do, then just reach out to me, VirtualDOO.com.

James: VirtualDOO.com, I've been chatting with [Lloyd Thompson](#). This is episode 1040. And I always love our chats, Lloyd, we're bringing up some fantastic memories. Wow! It just reminds me; I've just been through so much when I had actual jobs. And to be this calm and relaxed now, it's really a - I'll put it to surfing. Surfing has been a good outlet. And having people like you around in my sphere, helping these busy visionaries has been a godsend, because I can say, Have a chat to Lloyd, see if he can help you out there.

Lloyd: Thanks, James.

James: And yeah, putting out those fires and helping people learn not to start them. It's such a great skill. That's the difference between a manager and a leader. We now know more about A-players or not. And we've talked about servant leadership, a mixed bag, but a lot of fun. Thanks so much. I'll catch up with you again in another episode.

A high-angle, top-down photograph of a man with a beard and glasses, wearing a black t-shirt and a headset, sitting at a wooden desk. He is focused on a silver laptop in front of him, with his right hand on the trackpad. The desk is cluttered with various items: a smartphone, a pair of glasses, a white mug, and a small bag of snacks. The lighting is warm and natural, creating a professional yet relaxed atmosphere.

JAMES SCHRAMKO

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