



JAMES SCHRAMKO

## **Buy Back Your Time and Live like a Royal with Dan Martell**

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Buying support in your business and personal life can give you a lifestyle many people don't know is possible. James and guest Dan Martell discuss.



**Dan Martell**

**James:** James Schramko here. Welcome back to my podcast. This is episode 986 with Dan Martell, welcome Dan.

**Dan:** Dude, 900 episodes, what an honor. That's crazy. I love it.

**James:** Yeah, it is. I'm just chipping away at it. And, you know, soon we'll be at our 1000th episode.

**Dan:** Do you have a guest in mind for 1000?

**James:** Haven't. I have briefed the team, and I've said, Hey, listen, we're getting close to that 1000. Can we start having a look at the highlights, you know, which episodes have been impactful, what sort of lessons have we learned. But one thing I had in mind is I want to invite listeners to submit an audio to send it to our team.

**Dan:** That's beautiful.

**James:** Yeah, [support@jameschramko.com](mailto:support@jameschramko.com). I would actually like my guests to be our audience.

**Dan:** Highlighted feature. That's beautiful, man, that's so cool.

**James:** There are some people who tell me they've listened to every episode, which is pretty hardcore. I mean, I've been on every episode, but someone actually listened to all those episodes.

**Dan:** [laughs] One other person for sure was there, you.

**James:** I was there.

**Dan:** I mean, I know that I've personally, like a few folks out there that I like their message and the way they speak, I literally reverse sort on Spotify and start at their first episode and work my way through it. So like, there's got to be some folks that have done that. And I think those are like some crazy, cool people that you'd love to give a voice to. That's so awesome.

**James:** Yeah, so you know, I'd really like to just play a mashup of my audience and make that about them, a celebration. If you want to submit an audio, make sure it's reasonable quality that we could play and not burn people's ears. And, you know, talk about what does this episode, or things this podcast has brought to you.

## **The first meeting of these two minds**

Today, we're going to be talking about buying back your time. It's a topic of your book, Dan. But we should also just mention how we met, because I always like that little story. For me, my main recollection of you was when we were both invited to speak at [Ryan Levesque](#)'s higher-level mastermind, which is something I actually put together with him while I was coaching him, we built that program, and you were a special guest speaker, and I was a special guest speaker.

I remember my topic was around the four mistakes that leaders make with their team and how to fix them. And I remember getting some great insights from you as well and hearing about your story of running away from the police in a stolen car or something, and trying to grab a pistol and it jammed and ended up getting in lots of trouble for that.

I thought, this guy's an interesting character. And I remember we were having some discussions around that event and just having some good times. So I remember you very clearly. In the time since, certainly seen you have an epic rise on the social media of which I follow. I've seen pictures of McLaren's and triathlons and parenting. You've got a massive followership. I'm really impressed and amazed with how that's gone.

You even have a blue tick before you could pay for that. So that was cool. And lots of the people that I'm working with are doing your coaching and your software as a service membership, which from by all accounts, is absolutely incredible. They rave about the quality of it, the production of your events, like you've got some raving fans there. So full of admiration for you, Dan.

**Dan:** Oh, it's an honor, man. I actually knew of you way before we ever met in person. So for you to share that means a lot. You've worked with so many people that have become early mentors of mine. I mean, like [Andre Chaperon](#), you mentioned Ryan and so many others. So I'm super grateful for this chance and to learn more about your story and kind of what you went through. So super cool.

## **A common passion, and being street smart**

And I know we're passionate about the same thing, it's like, wind back our time so we can go do cool stuff like surf and get out there and hang with family.

**James:** Do you surf?

**Dan:** I wake surf, so I'm a hardcore wake surfer. So there's a boat involved and a wave. I go down to Dana Point in California to visit my buddy Keith and Garrett, and they take me surfing, but I literally waste more energy just trying to stamp right on the board. It's probably the one sport. I also kite surf.

At some point, I'll have like a month to go to a place and dedicate to learning it and like getting my scars and eventually figure it out. But I'm a board guy through and through, like grew up snowboarding. It's like, one of my big passions.

**James:** I think if you can kite surf, you're definitely fine with the surfing of it. By all accounts, kite surfing is much harder, more complicated.

**Dan:** Oh yeah.

**James:** Yeah. So Garrett, if it's the same Garrett I'm thinking of, I've seen him posting surfing videos.

**Dan:** Yeah, Garrett, right? I met him and Keith Yackey, you're best buds and Keith's one of my best friends. So, yeah, pretty much we go down there, and it's just part of the protocol. Wake up, go workout, and hit the waves.

**James:** I was going to go to Dana Point, except that day, I got robbed when I was up in Malibu, some bikekeys, they basically stole my stuff. They took everything while I was out for a surf. Came back to the car, everything's gone.

**Dan:** That's crazy.

**James:** My backpack - because I'd just checked out of a hotel, I'm just having a surf on my way down to Dana Point. And I was actually speaking at John Benson's mastermind, and I was hanging out with [Bond Halbert](#) and [John Carlton](#) and my buddies up there. And yeah, all gone - laptop, my wallet, my credit cards, my clothes.

**Dan:** That's not a good look for California, man. That's unfortunate.

**James:** My pants, they took my pants.

**Dan:** Oh wow, they took it all.

**James:** Basically, I'm just in a swimming trunks and a wetsuit and my surfboard, and all they left me was a surfboard bag. Luckily, I had stuffed a hoodie underneath the front seat with my passport in it in case someone stole my stuff.

**Dan:** Oh, wow, you actually thought through it a little bit.

**James:** Thought through it.

**Dan:** Now, is that a byproduct of maybe you having a more colorful childhood as well? Because like, that's the thing about me growing up and be a bit of a mischievous person. Like I actually am really good at seeing scenarios and like, my wife thinks I'm weird, but I don't care. We just got back from Europe for like four weeks. And, you know, I parked in certain places or did certain things that my wife thought was a bit much, and I'm like, that's cool. I just knew how people think.

**James:** No, no, like when we were in Nice walking back from a restaurant, I could tell some people down the road were tracking us and were probably intending to mug us. So we cut through a car park and crossed the other street, and my wife is like, What's going on? I'm like, We've got to get out of the way here. There's something going down.

So if you're talking about street smarts, I think I've developed a lot of it in my early years for sure, when I was a debt collector. I often was threatened occasionally with a knife, sometimes with a gun, which is actually hard to do in Australia, because it's really hard to own...

**Dan:** Yeah, I didn't think they had guns in Australia.

**James:** They do and like, especially if you own a property or you're doing rifle sports. So anyway, I've definitely developed eyes in the back of my head then. And then through my career as a general manager and being responsible for a lot of people, I really learned to compartmentalize, and to be able to hold information in little bolt holes, and to free up my mind to be able to focus on what's in front of me and not get bogged down.

## **Because hustle and grind isn't the only way**

I enjoyed the fact that you've created this book. So many similarities. Of course, when I published [Work Less, Make More](#), it was along the same lines of the hustle and grind way is not the only way. And I liked the idea of leaving the grinding to my barista, and that you can actually have a life.

So from the outside, it looks like you're having a good life. You're making great income, you've got a lovely family. You're doing passion sports and things. You're not working too much. Is it actually possible, I suppose, people are asking?

**Dan:** Yeah, I mean, James, the truth is my philosophy I think, it differs a bit, and this is what I've always loved about your approach, which is, you know, and Tim Ferriss talks about this in *The 4-Hour Workweek*, which is like relative income, like what your income divided by your effective hours you work or whatnot.

And, you know, my philosophy and the reason why I wrote [Buy Back Your Time](#), and the subtitle is actually, *Get Unstuck, Reclaim Your Freedom, and Build Your Empire*, is because I'm the kind of guy that I just love creating. I'm an entrepreneur, I like to build. So if I don't check myself, I'm a hundred-hour a week and get myself in trouble.

And that's what happened when I was 28, you know, I came home, it was a Sunday, I think it was like May 2008, I came home and found my fiancée in tears. And she literally dropped the ring on the counter and just says to me, I can't do this anymore, and walks out. And like, this is seven weeks away from our wedding day.

So like, I know that of myself, that I'm the kind of guy that can grind, that can hustle and put my heads down and deal with a lot of pain. But it also means that I had no space to be a relatively even close to being a good partner in a relationship, let alone a friend or a brother or a son or anything like that. And that was like my wake-up call.

## **What does your empire look like?**

But I'm still somebody that wants to create at the highest level possible, and that's where I'm always looking for leverage, and I learned this from one of my mentors, a guy named Naval Ravikant who created AngelList, and he talks about four ways to get leverage. Alex Hormozi actually redesigned them to four C's, so I always give credit to him in regards to the language, but it's code for leverage, right? It's code, content, capital and collaboration.



So my philosophy is buy back your time, replace it with things that give you energy, that generate more value. And continue to have aspirations to build an empire, right? That's just mine. So like, I actually like, think people should optimize the primary business they're in, get it to a place where obviously, it's got great executive leadership teams, and then start thinking about, what could that empire look like? What's your version of like, what Oprah has done, or Buffett's done, or Branson's done?

Like, everybody can have their own flavor. My buddy, Brian from 1-800-GOT-JUNK?, he created O2E Brands, which is now a conglomerate of franchises that sells to the same home services market. So like, I just think like, entrepreneurs can't help but create, you know, take everything away, make them financially independent, throw them on a beach somewhere, is they're going to be figuring out a new pool umbrella by noon, right? And probably hiring the pool boy to be the first employee. So like, that's just what we do. I'm always trying to figure out, like, how do I do that with more leverage? And that's the core behind for me, Buy Back Your Time.



**James:** Yeah, I think well, what you're hinting at there is a common, maybe even misperception. Some people say, Well, James, I want to work, you know, it's not about not working. If I were to name my book, I would call it leverage, because I feel like it's pretty much the same thing. The way that I've built my empire on the surface is kind of like an iceberg, because you might see my personal brand coaching.

But where my real wealth comes from is being a partner in other people's businesses, as a [revenue share](#) partner, and growing asset value in their business. It's like a quasi-ownership. And it's a brilliant, brilliant strategy because it allows me to play to my strengths without all the downsides.

And then I transfer the wealth that comes from that into investments that grow. So my empire is growing, but it doesn't necessarily have my personal stamp on the outside. It's kind of more hidden, I suppose. So I don't think we're that far apart.

**Dan:** Totally, and that's the empire.

**James:** That is the empire, yeah.

**Dan:** And I think that's why, I think we are on the same - the essence, it's like, I call them the three money trades. It's like time for money, money for time, and then money for money, right? The empire part is, where can I invest capital to generate more capital?

## **It's not about not working**

But I don't think people actually don't want to work. It's look, I just want people to understand, like when you say, you know, I don't work very much, I do work actually. Like, relative to most people, quite a bit. And it's not that I work more than, like, let's say, 40 hours a week, I just am very diligent about my work. Like, even on vacation, I'll work for 90 minutes first thing before the kids wake up.

**James:** Well, you're not working a hundred hours a week, right?

**Dan:** Zero. That doesn't happen anymore. I have dinner with my kids every night, we travel, we have a couple's retreats. Like, from the outside, people are like, okay, seems like you have balance. And we do, but not without discipline. Like that part, I feel like, I just want, like, I do have structure in how I do it. So that I have a high ability to create momentum and a high output of creation.

**James:** Well, that's where I think we are on the same page. I have three days a week where I do calls like this. And then I have four days a week where I don't have structured calls. But I am spending so much time with my daughter, you know? We swim, we paint, we play card games, we do trampoline.

**Dan:** And how old is she now, James?

**James:** She's three and three quarters, almost four years old.

**Dan:** I'm not going to lie, man, that's one of my favorite ages. Because they learn and stuff, and they're cute.

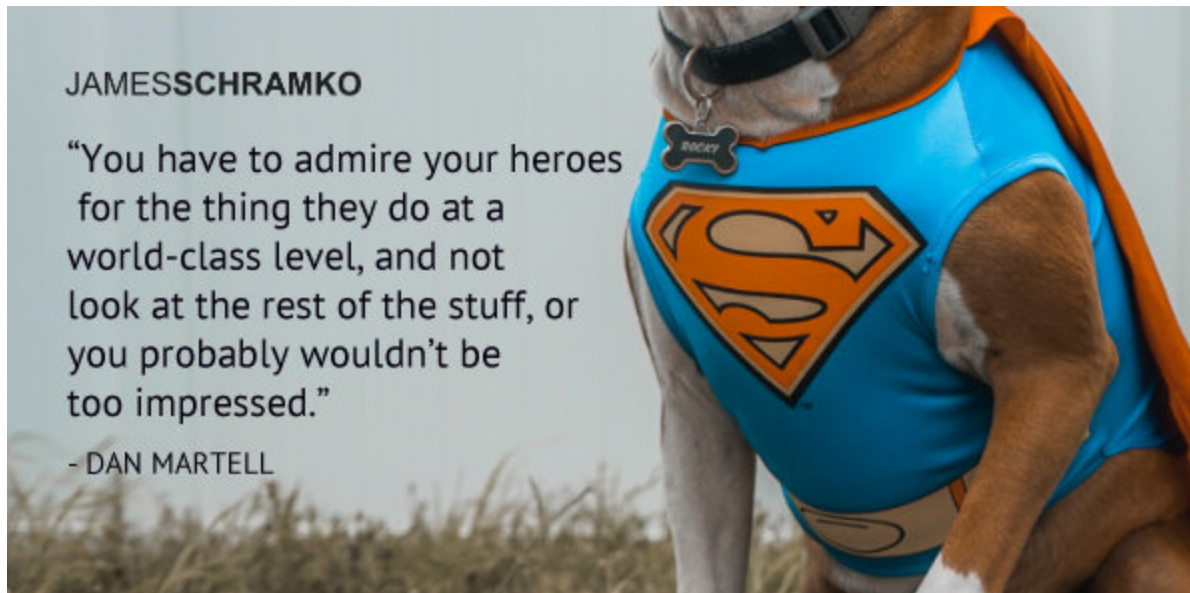
**James:** It's amazing.

**Dan:** Can't do any wrong. Yeah.

**James:** It's amazing. And I feel like that is, you know, that's the opposite of hustle and grind. You know, if your kids are saying, Daddy, put the phone away, or you're not giving them attention, or whatever, that can be really bad for their growth. Because when I had my first batch of kids, you know, mobile phones and that, they were sort of in the earlier phases.

People now spend over seven hours a day online, right? It's very hard to parent and do that. So I feel like we're on the same page. We're talking about discipline, we're talking about figuring out a routine that works for you, that's sustainable. You're one of the few people I've actually seen talk about this idea that you could sustain it, because a typical, well, typical software companies, they're really obsessed with growth and a big payout.

And they're like, you know, they'll sleep under their desk or live in the office or whatever, like Elon Musk style, forget their birthdays. I don't know how much time he spends with his kids, but it's probably not the same as me or you.



**Dan:** Yeah, don't take parenting advice from Elon Musk. Like, you have to admire your heroes for the thing they do at a world-class level, and not look at the rest of the stuff, or you probably wouldn't be too impressed.

**James:** That's right. So that's where this idea of balance. So I think it's just - your book, my book, they're kind of tools to give you some ideas. So let's talk about some of the ideas that you've come across. You've broken a lot of it into frameworks. And I'll admit, like, I always read a book before I do a podcast.

I had an early distribution copy, which said not for distribution across every page. And I had it as a PDF, I was finding it a challenge to read on my phone and on the computer.

**Dan:** Totally. Yeah, I'm a Kindle guy or a physical book, so it's tough, tough when it's in PDF format.

**James:** Yeah. So apologies to you and to my audience, but like normally, I would do it. But we recorded this episode before the book came out. So I did the best I could. And I did pick up the stories that you talked about.

## Why your PA gets to stay

Some of the stuff I liked in there and I could really relate to is where you told a story of a guy who was selling his business, and he was sad to let his personal assistant go with the business, and you gave him some advice around that. I'd love it if you could share that one.

**Dan:** Yeah, that was my client, Jonathan. I mean, he exited his business for close to 100 million. And, you know, he's one of the few clients I actually worked with that have a really great executive assistant structure. So in the book, I'm very specific on kind of the five levels of replacement. And the first level is an executive assistant.

I think, like, some people underestimate what a great exec admin is. So he had one that he'd been working with for almost a decade. And he was just sad, because like every other aspect of his business and his team, he was like, working on like new employment contracts and transition plans.

And I was like, one of my early mentors, this guy named Frank told me, like, his assistant Barbara had been with him for 23 years. And he goes, the reason I can do so much is because Barbara knows everything. And like, he gave me the advice, he goes, if you find somebody like Barbara, just, like, communicate in a way that you're setting the intention this person will work with you for the rest of your life.

And there's literally dozens of people in my life, and a new one recently I was walking with, right, I let him know my intention, like I want to work with you for the rest of my life. So for whatever reason, if that's not aligned with your goals, please let me know as soon as possible, I may not be able to solve it, but I would love the chance.

And that's what I told Jonathan, I said, you know, your executive assistant is yours, you know? She's personal, she knows all your family, and your kids, and your personal relationships and whatnot. And you should just carve that out in the agreement. I mean, it doesn't matter to the acquirer if that person goes, like, it's not like an executive of a core department.

And he was like, You think I could do that? I go, That's actually, like, that's a done deal. Just do that, and you'll be sorted. And it changed the game for him, and it changed from him being a little like, you know, sad about the transaction to like, really excited, because he knew the momentum he's going to be able to bring into the next endeavor.

Again, sold his company for 100 million. Before the ink's dry, he's talking about, like, the portfolio he's going to build of buying some companies in this real estate project he's working on with his partner. Like, builders are going to build, and he just got excited about that momentum.

**James:** It's like that scene in Limitless, where the guy says, you know, There's no scenario that you're not with me for the rest of your life. Right?

**Dan:** That's how you've got to make it feel.

## **A team you could work with forever**

**James:** Well, I can relate to that. I feel that way about my team. The crack team that I've got now, and there's six of them, at various stages, I think four of them ran my SEO business at some point, you know, and over time, I pulled them out and brought them into my Black Ops division. And when I sold my SEO business, and I sold my website business, I was able to maneuver my people early into the core business that we kept.

And I've said to them, no matter what business we have, you're a part of it, we're going to be continuing to work together. And we might sell off business divisions or whatever, but we'll make sure that we bring in people to move over with that team, like you're staying with me. And even if we had no business, I'd still want to work with them. They're just amazing.

**Dan:** Keep them around.

**James:** I feel like, it's kind of like the Ironman model, I call this. Like I'm Tony Stark, and they're my suit with rockets and helps me fly. And we've just worked together so well, hand-in-glove relationship. I do all the bits they don't want to do, like talk to people on a public podcast and coach people and mentor people, and they do everything else, and they do it so well. So if you can get that magic dream team or that support, there's no limit to what you can achieve. And then it's just a matter of what you want to achieve. Right?

**Dan:** Yeah. I mean, I think a lot of entrepreneurs don't even conceive that because maybe a lot of the people they've worked with is so transactional, these 18-month cycles of people coming in and out of their companies so they just kind of like, they don't even understand that this is a thing. But like, I had a CTO, Scott, like after I exited my company Flowtown, I like, paid him on payroll out of my own pocket to like, resign and just come do personal projects with me, right?



Like, I didn't have an economic engine, I just was like, I want you in my life. And then he ended up becoming my co-founder in Clarity. I mean, another philosophy for me is we build the people and the people build the business. And when we have dreams big enough for our team's dreams to fit inside of, then they don't want to go anywhere else, because you're creating this growth opportunity.

And I've seen Gary Vee talk about this once because he said, one of my competitive advantages is continuity, right. And having high retention with a team allows you to move so much faster, because there's organizational knowledge that isn't lost when you have a high-transaction, high-turnover culture.

And especially with those key people, like, you know, Steve Jobs, I think he called it the, I don't know, like 50 or 100 people, and he would do quarterly offsites. And these people were from across the organization that he would handpick, and his rules were, if I had to start over again, these are the 50 or 100 people I would want on my team to start over.

So like if you got invited to that offsite, you were like, kind of blessed by Steve Jobs inside of Apple. And like, that's the way I think about it. When you can start looking at your organizations like these core people, no matter what happens in my current business, right, let's say blows up, market, COVID, whatever, if I took these people in together, we'd be right back where we're at in six months, because of just the pure capacity, shorthand, respect and trust. I think that's just like a really beautiful intention to aim towards.

**James:** I think it's just straight up love. It's just like, you just get this relationship. For my team, you know, been with me between 10 and 12 years. It is irreplaceable, that campfire momentum you get when you know, we all know the business inside and out. We know the clients, they know all the clients, they know exactly what we do and how we do it. And we can do things, you know, I guess like a school of fish swimming along with it. I don't necessarily have to talk. They just know, right, the information.

**Dan:** Yeah, it's telepathic sometimes.

## **When your work situation is less than ideal...**

**James:** Yeah, it's incredible. The first time I experienced that on the other end of it was when I was a general manager. Actually, I was a general sales manager. And I had a tyrant boss, and he was getting a bit wild and unwieldy. And he actually had a big bust up with his business partner. And he thought that I'd sided with the business partner. And he got really, really drunk one day, and then he confronted me, and pretty much threatened to kill me and waved a steak knife around at me.

**Dan:** What a culture.

**James:** Told me to get another job. And my crime was that I had too much talent and that everyone in the business liked me and they hated him. And he was crying. It was really sad. Anyway, I'd managed to secure a job across the road with a competitor, with BMW.

And I called up the head office at Mercedes-Benz and I said, Listen, I'm just letting you know that I'm, unfortunately, I have to leave the brand. I love the brand. The brand has been amazing. You know, I've been the top salesperson, I've been the top sales manager. I'm not leaving because of the brand. I'm just leaving because it's untenable.

And the guy in head office, he said, Don't, don't do it. Don't leave. We will have you at head office, we will create a role for you while we wait to position you somewhere else. Just hold steady. I remember crying in the car. Like, I was just filled with emotion that someone actually wanted me. I'd been through such a traumatic, shocking experience but someone was saying, you're a good employee, you're a good person, you know, and we back you. And they did. They placed me somewhere else. My last role.

**Dan:** Oh, you stayed with Mercedes?

**James:** I did.

**Dan:** That's so cool.



**James:** Yeah, they actually went to another dealer that was sort of falling behind. And they said, You are to hire this person. You are to pay him more than he got paid before. And if you don't, we'll take the franchise from you. And so they did hire me, and I spent my last four years in that place as a general manager. That was my last job ever.

**Dan:** Ever.

**James:** Yeah. So it's like, to understand how important that can be for an employee, I'm very conscious of making sure that my team understand them. I don't want to get bogged down too much on the topic but it's...

### **Not just cogs in a machine**

**Dan:** No, no, it's beautiful. And I think - you know, what I love about you James is like, even though you might have a team, and correct me if I'm wrong, like in other parts of the world, in like, cheap labor markets...

**James:** Yeah, they're all in the Philippines.

**Dan:** Yeah, exactly. I just think like, it's so funny how I meet people and they treat like, those teams as like, second class team members. Right?

**James:** Ah, cogs in a machine, right?

**Dan:** Yeah. And I'm just like, zero, like that's not how it's done. Like, these are team members.

**James:** They're people.

**Dan:** Yeah, I call it hearts, not hands. Like I want to get people to a place where I've got their hearts, right, like I can pay anybody to just follow a task. But if I can get them thinking about my problems or customers' problems, you know, outside of work hours and just have their hearts, like, that's invaluable.

**James:** Yeah, it's amazing. Like, we are a team, I really feel like we're a team. We're equal humans. And, you know, we've all got built-in safety, we want to be safe, and we want the company to survive. We want to make a profit. We want happy customers, we know that's a part of it. You talk about team. Obviously, when you buy time, a big part of where you're spending your money is going to be on people, right? For a lot of companies, people is one of the biggest bills.

**Dan:** Yeah, usually it's labor and marketing for a lot of companies.

## **Dealing with the visionary nutjobs**

You know what's funny is, my challenge with a lot of clients that I've coached is, you know, the CEO is crazy. I mean, James, you've probably met these people.

**James:** High visionary, creative. Nutjobs. Maniacs.

**Dan:** Yeah. And they're aggressive, and I literally have done 360 interviews with executive teams to find out that the CEO routinely gets on calls and berates verbally.

**James:** Because they've studied tyrants, like Henry Ford, and Steve Jobs and Bill Gates.

**Dan:** Yeah, they think that's how it's done.

**James:** It's, they're bad role models. It's like bad cycles repeating. One of the partnerships I created as a result of this was a virtual director of operations, which is just basically, we use the rocket fuel style of integrator. We're like, Hey, high visionary creative, you've got all your big dreams and visions, but you're never able to get them achieved. Let's put someone in there to interface between you and the rest of your business and identify all the gaps.

**Dan:** Create a buffer.

**James:** We fix the people and the systems. That product has gone gangbusters. It's [virtualdoo.com](http://virtualdoo.com).

And that's because it's just sorely needed. These visionaries, like, visionaries are going to visionary. The soundbites you hear are, my people don't know how to think, or why don't they get it? Or you know, and they will say or do things in a manner that they think is perfectly okay. But as someone who's more safety-oriented, or is not on the same page, is going to be upset by and then want to leave.

**Dan:** Totally, I mean, this is like, actually, I have a whole chapter called The Five Time Assassins, because CEOs are their worst enemy when it comes to this. And the philosophy that I've had, because like most entrepreneurs, you know, and the research backs this is, like, they've gone through chaos as a child. And what happens is because they went through this, like, high level of uncertainty at a young age, they're able to deal with a lot of uncertainty.

And because of that, it's why entrepreneurship makes a lot of sense to them, because like, they're risk takers, and they're visionaries, and they're willing to see things that other people don't see and pursue dreams, even when everybody thinks they're crazy. So that's great for that part. But it actually makes you a really tough leader.

So even if I teach you the philosophy and the sequencing of how to properly buy back your time, then those people are always going to be the critical point. Right? So like, I had to add a chapter on leadership and specific strategies that help CEOs mitigate that impact. So I have a whole chapter on feedback, because I think most CEOs don't create a culture of feedback and candidness. So I wanted to create a teacher's framework called the clear method.

## **The smart way to handle problems**

But the one that I think most people resonate with is the 1-3-1 Rule, right? It's trying not to be the person that always has the answers. So like, when you hire somebody buy back your time, they come to you with a problem, you know, and I learned this from one of my friends, I write about it in the book, named Brad, he built like 160 million toy company and created this 1-3-1 Rule, which is, you know, asking the person, what's the one problem you're looking for feedback on? What are the three viable options you've evaluated? And what's your one recommendation?

And when you ask somebody to stop and provide the answers to those questions, and they probably haven't done the work to find the three viable options, then they go off and they do it, and then they come back. And usually, 90 percent of the time, the recommendation, it's like, yeah, for sure do that. Well, they only do that three or four times where they come to you with these problems and you ask them those questions, where eventually they just start to self-solve these problems.

And you start to create a culture of empowerment and kind of ownership down at the front line, right, where people go like, Okay, I see a problem, what's the 1-3-1? They go through it in their head, that's probably the right - okay, that's probably the most obvious. And I mean, as a CEO, I know that's what I want. I just want to know that people thought through the option, right? Like, they did some level of ROI calculation. They didn't just like, rush to the easiest thing because it was there, but then they did a bit of work to go through it.

And like, the 1-3-1 rule is like, core and culture in every one of my companies, and is one of the foundational things and like, that I have to coach. Sometimes I'll do leadership team meeting reviews where they'll send me the audio, and I'll listen. And I'll like, catch all the timestamp of where the CEO jumped in and gave the answer, right, because it's easy, and it's fast.

But the problem is, is you're not developing your people. So then guess what, if you're not there, it doesn't get done right. You're not teaching the people the way you think. And then you become, you know, the wizard with 1000 helpers instead of like, a really strong executive team. So yeah, I just think leadership and teaching people if they want to be like, the COO, integrator, rocket fuel option is great.

But some CEOs, they still are wanting to be involved in the business. And if they don't learn how to interact properly, they will just create the high turnover. And then the buyback principle just can never work.

**James:** Yes, it's absolutely critical. I mean, they can destroy an employee with just one poorly worded sentence. Communication is such a core skill. I always thank Caroline Plunkett, who was my manager in about 1991. I asked her the dealer code for a dealer when we were in General Motors Finance. And she said, look it up. I'm like, but you know the code. She goes, if I tell you the code, you won't learn to look it up yourself.

And I was so offended at the time, because she was sitting right next to me. But she just taught me to be more resourceful. I actually now, obviously, it works really well as a coach. But the crazy thing is, if you're a great coach, that's also the best leadership style. If you can bring the best out of your team, then they can actually do the things that you thought you were the only person on the planet that could do it.

And finally, you can actually buy back your time by employing other people's time, which people give you on an installment plan.

## **Work with people before working with them**

I want to talk about Chapter 10, you talk about the test first hiring method, I really liked that one, too. And we do that. We encourage that in our [recruitment business](#), is to have people do a paid test task. And you have a quote there from Seth Godin, you want to share that?

**Dan:** Yeah, so you know, my buddy Claybear, I was working on my company Clarity. And I really wanted to talk about - because Seth had built a few marketplaces and Clay, my buddy, Claybear in New York was like, he actually studied under Seth Godin. So he arranged a meeting at Seth Godin's, it's actually a - it's not open anymore, unfortunately. But it was a famous vegan ice cream shop that Seth blogged about a few times and loved to go, so we met there.

And, you know, I brought paper and diagrams, and you know, tried to make it lightweight, but wanted to give him if he wanted to grab my paper and draw, like, I was ready to hand it to him. And it's funny, because he started to do that. And I was so excited. I was like, I can't believe I've got Seth Godin drawing on my work, and we were just talking about people, because he was asking me like, how is recruiting the experts and building demand and my team?

And yeah, he goes, Yeah, I just have a simple rule with people that, you know, I can't work with you unless I work with you. And he just said it, like off the cuff? And then I cut it, it was like, you know, could you double-click on that and explain it more? He's like, Yeah, it's just like, I always simulate the work before we actually end up working together. So either do like a project of sorts, or whatever.

And it just, it was like, so obvious in hindsight. And like, I think maybe one out of 10 hires prior to that I kind of did that, you know, you test projects, code review, whatever, but it was not detailed and structured. So now, you know, we have three different filters we use for recruiting - the video submission, which is part of the talent pipeline I teach in the book, so video submission to test a bunch of different things, profile assessment for another data set for different aspects, and then it was the test project.



And like, for us, three final candidates, we identify and we create the test project that all three candidates have to do the exact same. I think that's another mistake I see companies make where they let all candidates do their own flavor of it. I want to see what they do compared to their counterparts, the other applicants. And then we actually deliberately don't give them all the information, because that's the essence of how we work in business, right? We're making decisions with imperfect data every day.

So, you know, we don't give them the answers to the test. We're like, you know, in the book, I showed an example of one for my executive assistant, which was, you know, get a gift for one of my clients, Kyle, a Proposify. Like that was it. Like, it didn't say what kind of gift, it didn't say where he lived or his address or anything, and it was creative. I wanted to see like, what did they offer? What was the ideas? What did they come up with? And, you know, could they execute to a similar level to me with a little bit of effort?

And like, having some three candidates do the exact same test, you're going to see the default approach that people take to their work, and we pay them for it. So it's usually a 10-hour project. I'm a big fan of just paying people for their time and just, you know, really positioning it as an opportunity for them to get to know us and us to get to know them. And for like, executive or director level above, usually they present the test project to the person that's going to work with them, the person to the side, and then the person above.

So it's like a 360 presentation of the candidates of their test projects. And it allows us to get a really good sense of people's creativity and problem solving. And that's just on both ends. They get to ask us questions, we get to answer them, they get to see how they like the communication, and if it's up to par with what they appreciate from the people on their team.

**James:** I love it. I remember I shared a couple of stories like that. The training that I did when we were together, one is the shoelace exercise. Ask your team to teach you how to tie a shoelace. I was blown away with the variety of responses from that exercise. It sounds simple, but it's really hard. I got videos, I got an infographic, I got text articles. I actually learned three new ways to tie shoelaces, which was a really interesting byproduct.

**Dan:** My kid taught me one the other day. Yeah, it's fascinating how there isn't only one way to tie a shoelace.

**James:** You've been doing it your whole life, and you just realize there's another way to do it. And the other one was when I was training new salespeople. I would give them a task like, basically make an appointment with the service manager and find out about what goes on in the service. I wouldn't tell them the name of the service manager.

And I certainly wouldn't go to the service manager and ask them to schedule an appointment with my trainee. Because in sales, you've got to go and make that stuff happen. You've got to do your research, you've got to hunt them down. So by doing the training, they are actually proving they were going to be good at the role, which was nice. And I love the test first thing.

I've got a client of our recruitment agency who only does tests, they don't even bother doing the interviews, because once the tests are done, they know straightaway, who's going to be a good fit for them. And always pay. This is very important. I think there's a bad attitude of some Western companies getting people to do unpaid tests, and it's setting the foot on off really badly.



**Dan:** Yeah, it's not a good candidate experience. Like to me, my brand starts with the first interaction any person has with my company, and like, there's a lot of people who will probably go through your recruitment funnel. If that's not a great candidate experience, you're really shooting yourself in the foot.

**James:** And I found too, you know, some of the lessons I've learned with my partnerships is that I didn't test enough before I went deeper into that relationship. So now, I've got products people can buy straightaway, I've got one that people can apply for. And then the last one is invitation only, you know, to be a partner is invitation only. I will have already done promotions or done work with that person before I want to go into that deep level of partnership. So it's such a good mitigation strategy against the unknown.

### **Who does Dan's book apply to?**

Now, for people who haven't been super familiar with you, I guess we should point out that you're very experienced with software as a service. And that's the prime business model I believe that you're teaching people with your SaaS Academy, helping these founders develop the software. Have you found there are any particular things that are unique to that set of people, or do all the things that you're talking about in Buy Back Your Time apply to any business owner?

**Dan:** Yeah, so I'm just like a pure entrepreneur, right? Like my brother is in the real estate, he builds homes and multi units, and like, my other brother is in property management, and like, all my friends are entrepreneurs, not in SaaS, for the most part. And then there's like a lot of my clients are my Silicon Valley friends.

So I've always just been advising and helping people on this philosophy for probably 15 years. And, SaaS Academy, like I think most vertical specific coaching, like 80 percent of it is just, you know, business best practices, right? But there's that 20 percent that's very specific.

So like, when we talk about like, specific metrics, and, you know, things like expansion revenue, and like pricing axis, and like, very nuanced things, it's engineering product roadmaps... Like, sure, you should, if you're at scale, create a product roadmap for any company. But, you know, there's certain things that are very specific to software, because the cost of making the wrong decision is just very high. Like, building software that nobody wants to pay for or use is a very expensive proposition, which is normally what happens, right? People build things for others that they don't actually value or want.

So there's those nuances, but no, I wrote Buy Back Your Time for the very specific customer, okay? It's, you know, 1.3 million, 12 to 13 employees, agency owner that just has tried to scale and keeps hitting their head against what I call the pain line. And the pain line is because of the way you're leading, the way you're buying back your time, you're adding capacity, you're not buying time out of your calendar.

So instead of like, focusing on your calendar, and optimizing for things that light you up that actually make you a lot of money, you're just trying to add capacity to do more work, and you just end up burning yourself out. So it's really trying to help people.

**James:** It's like scaling a broken thing.

**Dan:** Totally, the whole model doesn't work. And most entrepreneurs just have never been taught, right? They're just willing to do the work. They read as much as they can. But you know, there's The E-Myth. And there's Good to Great, and there's all these like, awesome books. But, you know, I really wanted to write a book that sits in the middle around, like, what does it mean to actually - because I even have the buy back lifestyle, like how do you apply this to your personal life, right?

Like, buying back your time for work, yes. So you can generate more revenue. But like, a lot of people, the thing that pulls on their time is at their home, it's outside of work as well. So there's a whole philosophy there that you can apply. But my mission and passion is just helping people create more.

I just think entrepreneurs are so cool. They wake up every day to solve problems in the world for everybody else to enjoy. And I just don't want to see them hit the pain line and do what I call self-sabotage or stall. Right? I want to help them execute opportunities that could help them 10x in their business overnight, without feeling the pain of those decisions, because they've laid the foundation to be able to do that.

## **When the stuff at home affects your business**

**James:** Yeah, it's good. And I noticed we have a similar approach. We have like an inventory of where they're spending their times, scoring the activities, finding the ones that make the most impact, directing their attention to that. You mentioned, and importantly, it kind of just slid that in there subtly, but you said that a lot of what goes on at home affects their business. I'm absolutely a believer in that.

A good chunk of what I'm doing these days seems to be helping people manage themselves around themselves so that they can actually turn up and sharp in the time they are spending at work with good communications and not transferring stuff. The fiancée you had who ditched the ring, was that the same person you ended up marrying?

**Dan:** No. No, that was it, man.

**James:** Different person, okay.

**Dan:** Yeah. When she walked out, I thought for sure I could convince her back. And it never happened. And obviously, it was a huge emotional blow. Like, I mean, it was crazy as five months later, I exited my company. So I had millions of dollars in the bank account, and nobody to share it with.

**James:** Loneliness is actually a killer, right? It kills a lot of people.

**Dan:** It was so real. Like, I had to go see a therapist, I was having anxiety attacks. But it also made me realize like, oh, this success thing I was after, is not going to make me happy.

**James:** It's not just dollars in the bank, right?

**Dan:** No, no. And to me, it's never been about the money, it's really, I just like to build stuff.

**James:** You're a builder, I get that. And I am too.

## **What having assistants does for Dan**

**Dan:** Yeah, how do I do that, and show up in a way that's, you know, so I can be an epic husband, all that? So like, the thing that I do that's quite unique when people kind of come and see my life is I have a dedicated house manager that like, she doesn't live in our house, but she shows up at 10 or so but six, and she is the CEO of all my personal stuff.

So my executive assistant, and she's the CEO of my professional life, so involved in all my companies and rote stuff and schedules and meetings, emails, calendar. And then Betty, my house manager, she reports to Anne, and she's responsible for like, I mean, everything from like, insurance on all of our assets to maintenance, scheduling, coordinating, kids' stuff, family stuff. We have a weekly house meeting with my executive assistant, my wife and Betty, review things like, you know, I mean crazy stuff. Like at four o'clock, I get a shake brought into my office, because if I don't get some protein in the afternoon, it messes with my mood.

So I just like, sometimes I'm on a call like this, I put my hand down, the shake shows up. And then I have it, you know? Like, it's kind of like trying to ask yourself, how can I, for me, move as fast as I can, and be as effective as I can and then have other people support me at different interaction steps? So like, I haven't put gas in my car in years, been to a grocery store.

And I don't share any of that to like, brag. I just, I really want to inspire people that at a certain level, when you've bought back a lot of the time in the business and the empire, and you can bring some of that, and it's hard. There's a lot of beliefs that have to be overcome by partners and family members, and you have to be comfortable with it.

But when you start allowing other people to support you in those areas, so that you can just live life, like having Betty fly ahead to an Airbnb to get the whole thing prepped so that when we show up, the meals are ready, the food's there, we can eat healthy, we can stay on our routines, and still enjoy, you know, the people we're going to see, like, it just really allows us to get more out of life.

**James:** You're probably tripping a lot of cogs with that discussion. I remember [Dean Jackson](#) telling me like he's got someone to come around and put water bottles in the fridge, like stock the thing.

**Dan:** Totally. Yup, Betty does the same thing. Dean said that to me, and I realized I'd never asked Betty to do that. So there's a few things that are weird, like, I like these little toothpicks with the floss. And I like a certain type of gum. I literally have those in all the core spots I'm at from all my cars, to my office to my other office, and it's just like, I think Dan Sullivan calls it four season living.

I like that terminology where he says, like, You want to live the same way as if you lived in the Four Seasons, right? If you're hungry, you call up, you ask to bring meal, or you can go to the restaurant, but you're not cleaning your house. And I just like that concept, right, where you can do the things only you uniquely can do, your zone of genius, call it what you want, your unique ability.

And for me, it's one of two things, I either spend time with people I love, friends, family, etc., myself, that's another, one self-care, and or, work on stuff that really moves the needle. And if I'm not doing one of those two things, I use it as a feedback loop to add to my bucket of things that I could eventually buy back my time with.

**James:** Well, that's like this super advanced level, I suppose some people could start with just getting some meals prepared or having their lawn mowed or getting their pool cleaned by someone else or their car washed. So that's where I started actually, I used to get the lawn mower to come. And while he was doing the lawn, I'd build my website, and I'd see if I could make more with my activities than what it cost to pay him to deal with the stinky lawn mower.

**Dan:** That's the whole point. My dad used to mow his lawn, and he owned multiple real estate properties. And I was like, Dad, why do you mow your lawn? He goes, I like to do it. And I go, Why don't you offer your neighbor to mow his lawn? He goes, I don't like to do it that much. And I'm like, Exactly. So you don't actually like to do it. There's a part of you that feels guilty if you don't do it. Maybe it's a sense of pride. Maybe it's a self-worth thing. There's real psychology there.

**James:** How do you feel about your house assistant while you're doing your calls or whatever else and they're doing stuff? Do you ever feel this sort of weird class level or anything? Like, gosh, I'm having this great life, and they're doing all this work?

**Dan:** No, I mean, she makes almost six figures. So like, she's incredibly well paid. Sarah cleans our house. And she's, you know, everybody's paid top of market for what they do. What's unique, I think, with both my executive assistants over the years, and my house manager is, and really anybody who joins my team, I'm just very deliberate about setting expectations up front.

So like, I have this like list of things I'll go through. And a lot of that's like, you know, expectations, communication, discretion, privacy, right? Like don't take photos and post on social media in my environments, right, you're here for work, feel free to do it, just don't tag any of my houses, or like, don't put my, I don't want to see a picture of inside my house through a window on your social media, stuff like that.

And just anything else, like never disclose to somebody where I'm at if they ask, you know? And honestly, the other thing I say, don't mention to somebody unless they bring it up that you even work with me. So even that's kind of weird.

**James:** I have the same thing. My team are not to talk about the fact that they work for me.

**Dan:** Yeah, we just don't disclose it.

And then also like, Hey, you're in my space, I have a hot tub. I will never be inappropriately dressed around you. But will you see me in my board shorts without a shirt on? Maybe. I will do my best to cover it up. If I'm ever inappropriate, feel free to call our head of people, let them know, they'll let me know, we can have a conversation. Like, I'm very forward about...

**James:** So you're kind of living like a royal in a way.

**Dan:** I guess, I guess. It's just, at the end of the day when you work from home, that's kind of the environment, right? Like, this is my home office. And if I had an office, I would have an office manager.

**James:** Well, it's kind of like your castle. And for me, when that reality happened, when I had multiple homes, you know, cars in each home and a toothbrush in each home and clothes in each home, and I just get on a plane and go from one home to home, like holy crap, this is like living like the rich and famous, or like a royal. And when I'm living in the Philippines, you can have someone caring, you know, a nanny or whatever, it's very accessible and a normal thing for them. So there's no social challenge around that.

**Dan:** No, no. Honestly, it's never come up. You know what's funny is the only time recently that came up is I had an assistant at my event, that my event person hired from the city, so they didn't know me. They were hired for the three days. And their job was very straightforward. It's like, you know, if Dan needs something, you go, it's almost like a runner. Like sometimes, I just need somebody, like go grab my iPad on the greenroom because I'm talking with a client, or whatever.

And that person actually got to a point where you could see that she felt upset about where her perception of where she stood in the room or the things that were going on. And I had to pull her aside and have a conversation with her because of a comment she made to somebody else that just was inappropriate. And I was like, Look, I really think you're talented, I want you here. But when you were hired, you read the agreement, and it was very clear how it was going to work. And unfortunately, you're not holding up your side of it, because one of the agreements is you do not speak your opinion.

You know, like, I'm literally in my hotel room, and I'm having a meeting, an investment, and a person's there because, and then they literally shout out something. And they don't know that that person is not like, a dedicated team member, they just think, and I was like, I can't believe she did that, you know?

So I think that was the only time recently where that's happened. But look, those are the things that will happen a hundred percent if you have team members to support you in this fashion, but it is so worth doing, because from a dollar leverage point of view, like, there's serious hours to be gotten back by having somebody support you, in and around your house.

## **Can you, too, live like that?**

**James:** This I think by far the most interesting thing that we...

**Dan:** It's the last chapter in my book, and I put it there just to tease it.

**James:** I wasn't expecting to talk about this much. It reminds me when I started speaking on platforms, like in Dubai and in the UK or whatever, and New Zealand, I used to travel with Kerry. Kerry used to be a travel agent. So she used to help me organize my tickets in the room. And she'd set up, take the slides to the presenters, she'd deal with the conference organizers. She even found me an extra spot on the platform at one event, I made an extra 100,000 pounds in sales.

I think most people, they're listening to this thinking, oh my god, I can't even comprehend it, just to know that it's possible, and decide if you want it, I think that's the big takeaway. And I appreciate you coming to talk about your book. I'm going to mention the website, Dan, [buybackyourtime.com](http://buybackyourtime.com). Good one. And thanks for looking after all the clients who you're helping with their software as a service business.

**Dan:** You're so incredible, referring those people, James. It means the world.

**James:** Well, I mean, just the fact that they're getting great results with it makes my job easier as well. You know, on the other side of it, some of them are partners, some of them have been working with me on the other parts of their stuff. You know, if we're talking Venn diagrams, I think we have a big overlap in the middle there. And I love that we're bringing different flavors of ice cream to this.

I did want to ask you one thing, that Seth Godin ice cream shop, is that the one he talks about in Purple Cow, with a sign on the wall saying contact the manager to give us feedback?



**Dan:** Yeah, it is. Yeah.

**James:** When I read that, I deployed a system in the Mercedes-Benz dealership that took us from last to first in the customer satisfaction index, straight off that particular story. And so, I'll always remember that ice cream shop.

**Dan:** Yeah, Seth is the king of like, just taking his life and turning it into meaning. And just, you know, creating whole narratives and stories is, he's such an inspiration.

**James:** And he's also a good sort of benchmark for doing something for a long time, you know, being consistent.

**Dan:** I have a lot of respect for people like that.

**James:** Yeah, amazing. Dan, I appreciate it. We're going to put up some show notes and link to Dan's [websites](#). I got a few other social media things here that we'll put on there, at episode 986 on JamesSchramko.com. It's Dan Martell, he's a software god, if you've got software and you're not sure how to make it work, he can grow your business.

**Dan:** Hit me up, all channels, I'm there. Instagram, Facebook, yeah, Dan Martell.

**James:** Let him know, just the magic password, Schramko.

**Dan:** Yeah, just mention James, yeah, Schramko.

**James:** I'm not an affiliate or anything. Just a massive fan. And [buybackyourtime.com](#). Check it out. Of course, it's a good book to read if you're interested in having an amazing life. Thank you.

**Dan:** Appreciate it, James.

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