



JAMES **SCHRAMKO**

IS THE PROBLEM YOU OR YOUR TEAM?

Who is to blame for your business's lack of growth, you or your team? James and VirtualDOO's Lloyd Thompson offer perspective and useful tips.



Lloyd Thompson

James: James Schramko here. Welcome back to my podcast. This is episode 1065. Today, we raise the big question. Is it you? Or is it your team? Of course, we've brought along our special guest, friend, [Lloyd Thompson](#) from [VirtualDOO.com](#). Hey, Lloyd.

Lloyd: Thanks for having me, James. Good to be back.

James: Yeah, we're always talking about [team and systems](#) with you. You're an operator, helping a lot of my clients actually fix up their operations. And I imagine this one comes up a fair bit where you're not exactly sure who is the problem.

Lloyd: Well, you know, this topic idea came up the other day, because I was at a mastermind. And we were doing that piece where we introduce who we are and what we do. And, I of course, was talking about how I help busy online business owners get out of their daily operations with a focus on teams. And straight out of the gates, I had this great question.

And he said, is it that my team are B-players? Or is it my C-grade management? I just met the guy. And I just said, That's such a great conversation. And we got stuck into that. It just inspired me to take the top four items that I had from that and bring it here for discussion. So these things come up a lot for sure.

James: I'd be automatically going with, it's you. [laughs]

Lloyd: [laughs] Oh, yes.

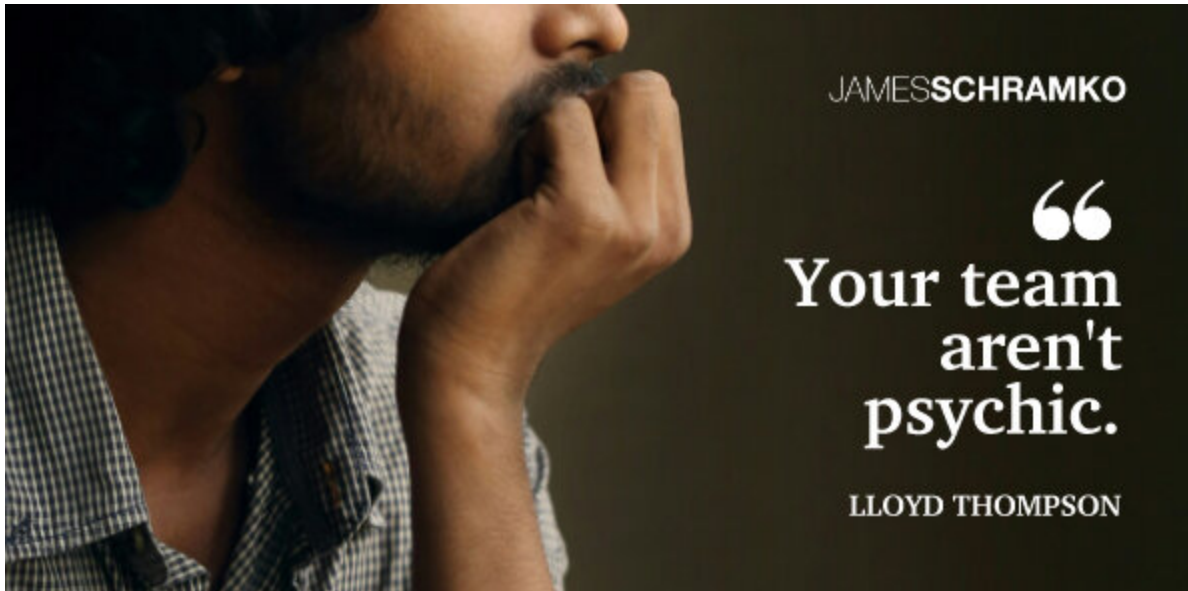
James: It's a funny one, because the question shows awareness. But also, kind of like a confessional acknowledgement, and it also implies that things aren't going that great.

Lloyd: So this is a new contact for me. But as you say, the fact that he's got that self-awareness, that he wants to improve, that he's looking at his team says to me that he's probably a reasonable manager, and he wants to improve. So it's actually a pretty positive sign to be honest. Opposed that some people who just want to shout down the hole and get things done, like one-way management, which is awful.

People aren't mindreaders...

So yeah, where do we start? Shall I start with part one?

James: Yeah, why don't we talk about that?



JAMES SCHRAMKO

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Your team
aren't
psychic.

LLOYD THOMPSON

Lloyd: Yeah so, the first thing is, your team aren't psychic. And this is all about clarity. And so, it makes me think of, I worked with this SEO marketer, and they had a great business. But the problem was, when we came in, we could see that people are working in silos. On one hand, you get a double up over here, two people pick up the same thing. And then on the other hand, you get this dropped ball, because no one's picked it up.

And when we're talking to the founder, he says that, I've been away from the wheel for a long time, and things are just going wrong. Clients are dropping off. And it felt like he had a great business before, but what's happened now? And so just off our initial discovery, like what's happening, we can see, well, is there a vision? Like, how do people know what they're aiming for? There was actually no vision.

There were 10 values. Like, 10 values. I mean, if I was to ask the founder, Hey, you know, no paper, tell me what the 10 values of your business are, what are your core values, is he going to be able to remember 10 values? And if he can't, there's no chance his team are. Ten values is too many. And then just looking around the team, like the roles and responsibilities aren't clear, so you can understand why people are jumping up and catching the same thing. And then suddenly, there's nothing picked up over here.

So when we get to what the vision should be, the founder says, you know, I want this to be a white-glove, high-touch business. And you can see why that was a bit different to how things were going for the clients right now. Because what was actually happening for the clients is, they would get a little bit of patchy communication. And then the delivery was a bit inconsistent. Like, sometimes it'd be great, and then sometimes it would drop off for a bit. Maybe the clients just piped up, like, Hey, how, what's happening over here, and then suddenly, they get a lot of love. So it was a bit inconsistent.

So the whole operation was, it just felt like the emergency department really, like we've got to throw a load of attention here, then here, not really right in the same place. And also, as I was saying there, we've got vision and values. And then because some people are picking up the same thing twice, or some people are dropping it, that roles and responsibilities was a little bit unclear.

So just getting that vision straight shows them, like, what are they aiming for? And then the values from 10, we managed to get that down to four, like four memorable things. And actually, that's a great place to start, because then you can look around your team and think, well, is this really the team that fit the values? And actually, a lot of time, you find there's a few people that really don't belong there, like forget whether they have the right skills, but do they really marry up to the values of the company?

And actually, fortunately, when we put this down to those four values, actually, most of the people are pretty within that. And I think so, whether he had it written down or not, he'd been pretty good at working out the kind of people that would be within his business. So getting those values right. And there was one that was really missing there in terms of initiative, because they've not been taking initiative. But then that might have been partly due to the fact that they didn't really know what they were aiming for, because the vision was completely loose.

But then finally, roles and responsibilities. And this one made a huge difference. With the roles and responsibilities, we have like a delivery guy, who's also trying to run the team. Meanwhile, the account manager is doing a bit of project management with the delivery guy who's trying to coordinate, you know, this is where it's all getting really messy.

So then when we were able to get in there, and so, for us, we stepped in, we sit between the founder, and the team, we're like that one person. So instead of it sort of going, Well, who do we talk to? What's going on here? They just talk to one person. And that one person then just works out, okay, is this something for delivery? Is it something for account management? So now, it's getting pretty clear. Delivery is not standing on account management's feet.

And so just getting these three things clear, like the values, the vision, and these roles and responsibilities means that suddenly, we've got much better consistency across the board, the client communication's doing a lot better. And then that meant that the retention of the client goes a lot longer, because they've increased their service value. And I make that sound like that will happen immediately. But it takes about three months to make that kind of change, you know, getting the values and the vision and the roles and responsibilities clear. But the results are very quickly triggered into the team, once it's all clear.

Responsibility for the vision

James: Who's responsible for the vision?

Lloyd: Oh that's the founder. Like, it's their vision.

James: What about the values?

Lloyd: Now, I would say that's also the founder, like it's their business. I mean, they might say, Look, I want to bring this team on the journey. And this has helped shape the business as it goes along the way. But the values of the business owner too, that's the founder. So they have to decide whether they want that team to fit. You know, if the team aren't fitting those values, they need to decide whether they belong in that team or not.

James: We did the values exercise when I was running the dealership, the owner's wife wanted it done. So some consultant came in, and they had everyone in the team write stuff down, and then sort of put it all up, and end up sort of consolidating the values. In that scenario, you're only going to get a catchment of values that is represented by the people in the room, which is probably an issue if you're missing something like say, initiative.

Let's say no one in the room has initiative, and that's the problem for the business. It's not going to come up as a value. They're definitely going to be stakeholders in it and feel like they've participated. But for the most part, it's interesting to hear you say that it comes from the founder. I would say, some mild consultative process with your team would be useful if you've got an established team.

If you don't have a team yet, it's probably a really good time to set the values. Because the part that is probably not flexible is that the values are fantastic as a hiring guideline, and a review guideline, because it's the measuring stick. It's the calibration of if we're doing things correctly or not, right?

Lloyd: I really like the approach where you do the vivid vision. So rather than that vision statement, you write a statement of what you really want your business to look like in a few years' time. Like, what would it be like to walk through the doors of your business? And what are people doing? What's the customer service look like? So it's a really clear picture.

And a part of that is the values. So that dream, that vision comes from the founder. And that's why I'm pretty clear on that. Now, as you say, you might consult your treasured employees along the way, like say, Hey, is this where we want it to go? But ultimately, I really believe that vision comes from, and the values are a part of that vision, comes from the founder.

James: Part of it, I'd say, if I were to do this with my team now, we already did it a long time ago. But when everyone's been there for more than 10 years, it would really be just saying, What is it that's making our team go well? And it also doesn't really affect us that much, because we're not really adding to the team. We are a very static team. We are super, super stable. It's been a long time since we hired anyone, super long time since anyone left. We're just the same team now.

But those values were super helpful in the beginning, to the last person that left failed one of the values, and that was an integrity value. So it was a good mechanism to identify if someone falls out of line and to use that as the clear, known rules and regulations, like, to be able to enforce that.

So vision, values, it sounds like in this case, the founder pretty much said it, Well, I want a white glove thing. And here are 10 values. It sounds like he felt like he'd done the work, but it wasn't being applied or adhered to.

Lloyd: Yeah, I mean, I think he had this in his brain, or he had the 10 values written down somewhere. But he's not really done a good job of sort of echoing it out into the business and seeing getting feedback, Is this happening? But yeah, 10 values, you just - three to five is a good number.

The one person who's accountable

The next thing I want to talk about is accountability. So I know I've just talked about roles and responsibilities. But accountability is a little bit different to responsibility. And I think people often confuse the two. And so, I just want to clarify that. So responsibility, when I think about that, is like a doing thing, right? Who is responsible for this, is to me, who's responsible for doing this thing?

But you might have a function where there's lots of people who are responsible for doing something. Like, you might have a team of VAs, who are responsible for your social media posts, and creatives and so forth. But you want to have one person accountable who when there's a particular function, you can say to them, Hey, where's this at with this thing?

And there's an unfortunate expression I came across in corporate world, one throat to choke. But it's a clear picture. It's like, Who do I go to, if I want to find out what's going on with this thing? And there is a big difference between when you've got accountability in your business and when you don't. And normally, a telltale sign of this is no accountability. Then you've got this blame culture. When things go wrong, it's over here, this was the problem, or something like this.



When you've got high accountability, you've got ownership. And it's just night-and-day feeling. And some people, when they assign out processes for people, and they say, Oh, you run this SOP, you run that SOP, they miss the accountability piece, they think that everything's just going to self-organize. And there's a simple way that I like to get accountability.

So let's just say it's a simple thing, like a team of VAs who run a common set of processes. So anyone in the team can run this process. But what I like to do is put one name against that SOP. So it doesn't matter whether you've got the SOP, and you've got that one person's name on it, this is the accountable person's name. Or you've got some kind of index of all of your SOPs, and you have a name there of this is the person who updates that, however you do it.

But when you put one name against it, and you say, Look, this is your baby, this is your thing, you're interested in making sure that this happens. So it doesn't have to be you. But let's say when you go on leave or anything like that, you've entrusted someone to carry on executing this, or when this process fails, or could be improved, you're the person who should be making sure that this thing gets updated. And just by making that simple change really gets the ownership going.

Two instances of bad apples

And I can just think of a few examples right away where accountability has not been there. At a bigger scale, I can think of - we worked with this performance marketing business, and they had a leader of the media buying team. And performance in that team was not going great. And the leader just kept on saying, The team this, the team that, blame the team.

And the operator said, Hang on a minute, this is your team, right? You're accountable for this team, you have the capability to hire, fire, shape the culture, you're accountable for the numbers, like where are you in this? And just calling this guy out on this actually led to a pretty quick result, there was a mutual decision for that guy to leave. And the funny thing that happened is, you know, not long after, team performance improved. So there was a trend there, you know?

Another case - so that's obviously a team-level accountability. Another case I like to think about is a long time ago now, a couple of years back, I was working with an ecom business, and I think, James, you'll remember this one. And there was a guy in there who was a designer, very talented at design. But just the worst attitude. He could just disappear for days, turn up to meetings late, be rude to other people, not just in the team but vendors and things like that.

And when I came into this business, I cannot understand how he was still there. And the founder was like, Well, you know, we need him. He's very talented at this, he does that. And I'm like, This guy is toxic to your business. Like, I can already see one of the developers is starting to have this loose attitude of following him and not wanting to be showing up to all the meetings, because this other guy didn't do it.

And the founder was just really reluctant to axe this guy. You know, he's got his fingers in so many pies. What are we going to do about it? So I was trying to think, how on earth can I convince this founder to get rid of this guy who's just going to harm his business in the long run? I mean, it's already started.

And so, in the end, I just had to go with a data approach, I just started measuring. Like, okay, got a spreadsheet. Oh, yeah, he's late for a meeting again, 15 minutes. Okay, what was the behavior? What was the expected behavior? What was his explanation for it? What was the value that he's breached here?

And when I see something, I normally take that person aside and just privately say, Hey, look, this was what it is. Well, how did you explain, you know, what happened here? And then I go through the value that was related to that, and so forth. When you've got three, that's normally where I take them aside again, and I say, Look, there's a trend emerging here. You know, one on its own might have been explainable, but now I'm seeing a trend.

By the time I had six and showed this to the founder, I said, Look, I'm happy to be bad cop. I can go and say to this guy, Look, I'm sorry but this is not going to work out. The founder just jumped in and said, No, I'm firing him, just went straight on. So yes, there was a period of a little bit of a gap there. But it didn't take long till that gap was filled. There was plenty of talented people, right, who had good accountability, good ownership, good integrity out there. And the team was back to high performance, just the difference it makes to get rid of someone like that.

James: Yeah, we learned that thing as - it's been called Star syndrome, when someone thinks they're too special. And the way that we approached it was, the team is bigger than any one individual, that one person with their special concessions. Basically, if you ignore it, or if you let it continue, the rest of them are silently losing respect for you, or resenting you or the company, because you don't take action about it.

Lloyd: Yeah, they're just thinking, why aren't you doing anything here? Like, is this how it's going to go? Yeah. I think I've given you some quite negative examples of ownership so far. But the reverse is also true. Like, how I said, you know, when you give someone that process and say, This is it, this is your baby, you can see some people really step up.

And when you see those people step up in your business, you know you can start giving them more, you know? More and more ownership, then you know that they're someone that you want to keep in your business for the long run. So it's a really great test when you give someone that accountability and ownership.

James: Yeah, I've noticed, when we had a lot of people in our team, sometimes I would throw the mic over in a group meeting. And I'd say, Okay, I need someone to run the meeting today. I'm just going to sit on the sidelines and observe, who'd like to have a go? And then whoever steps in is usually that person who's eager to take on a little bit more risk, a little bit more responsibility, and they would inevitably end up being team leaders.

Lloyd: Yeah, that's great.

When the business owner is unaware

James: What about if there's a toxic person, and the owner is not really aware of it? And other people are seeing it, but not saying something? What are your ways to find these things?

Lloyd: I think just talking to the team, you discover a lot, right? Like, you know, you as the operator who sits there between the founder and the team, you should be catching up with a team quite regularly anyway. And so, when you get to know the team, you're going to have structured catch-ups where you're going to run through, okay, what are the goals, what's happening? How are these things progressing? What support do you need?

But also, the unstructured things, the [unstructured meetings](#) are really valuable too. We just catch up on, Hey, how's things going? You know, understand what's happening in their life and share some things about yourself as well. It's those unstructured meetings where you get the gold, you know? Where you build rapport.

James: Well I'd say, even the next layer, the grapevine is where you find out a lot of stuff. I was always tapped into the grapevine, because that's when you find out that such and such is not doing well and another person's covering for it and they're too embarrassed to say something to you. That is how you surface something you got from the grapevine back into play without revealing your sources etc., you know, like good journalism.

So if you can get into the super unstructured communication channel, that's the ultimate place where you usually find out the most. That's where I would find out about things like, certainly in corporate, that's where you find out thefts, and people covering for others, or bad behavior that went unreported through fear of repercussions, etc. The grapevine is a strong source.



Lloyd: Yeah, as you say, I think, in order to get into the grapevine in the first place, you've got to become more than just a leader. You've got to become someone who's connected with your team, not just that person who's like, Hey, how's this going? Like, someone who really cares and understands what's important to them. That's where you gain trust.

And that - I think it was Patrick Lencioni's book about The Five Dysfunctions of a Team. And the first thing that everything sits on top of is trust. So just gaining the trust of the team, that knowing that if they confide in you and give you something like that, that you're not going to then burn them by exposing them for sharing something valuable like that.

James: One of our values is communication. It was sort of made clear, because when we were up around 70 people, we needed to know if there's this stuff going on. I said, Look, it's actually a requirement, one of the core values is communication. So if you're aware of something that you feel impacts the business in some way, you are obliged to communicate that to someone in your team so that it can be sorted out. Because if you leave it too long and then we find out about it, it can actually reflect back on you for not sharing one of the values that we have, like the opposite of communication is sitting on top of something and not sharing it. When it could be damaging the business, it could be damaging a client reputation or something, causing them not to buy from us, or to leave a subscription, or not to refer us, then it's harming the whole business. And that's why communication is a core value.

Lloyd: Yeah, it's a good one.

Who's doing the driving?

James: What else you got?

Lloyd: I like this one: is someone driving? And you know, if you leave things loose, then if the cat's away, the mice will play. And when I say, is someone driving, I'm talking about the rhythms of the business, like who's checking in, we've got our numbers, we're measuring these things, what's happening, are there feedback loops in place to make sure if some aspect of our business is trending into red, that we're going to do something about it?

Are all of our people, as you say, communicating, are they working together? Are they doing the right things? Are the rhythms in place in the sense of are we having team meetings, and catch-ups, and stand-ups, and event feedback, and making sure things are constantly improving? And when I think about this, I think about a coaching business we work with.

So the owner of the business, he has a team of coaches, and he's like an onstage personality, he's out there selling his business, he does webinars. And then when he finishes his day, or he's done all of these things, he was then coming back and having to deal with things happening in his business. But he didn't really have enough bandwidth for all of that, you know? It's quite hard when you're also the big stage event seller. And then suddenly, you've got to go back and deal with team.

He had a reasonably sized team, maybe 10 or 15 staff, and he had leads in that team, but not one person to bring them all together, or that was him, but he was out of bandwidth. And so things were starting to slip. So he brought us in, and just the first thing that we could see is that the leads are all really super busy and burning up the overtime. And then his team, the people who aren't the leads, have got some capacity.

So what's happening here is that the leads know that if they do the work, they'll get overtime pay. You know, things like that, immediately, we're like, right, okay, we're going to step in as the one person, we'll install an operator who steps in between the founder and the team. And we're going to approve lead overtime, if it really needs to happen, so that we can ensure that things are being delegated out to the team.

We're going to run the rhythms between these different leads, and make sure everything's working. And if that had been left for long, you're going to end up things like culture rot, or just balls getting dropped like that, that first example I told you with the SEO marketer. Fortunately, it hadn't got to that. And so, the difference again, simple, but that owner now has one person that he can talk to, instead of many different leads, many different stories happening, what's happening in his team, just had one person to talk to.

And as a result, overtime spend reduces, the founder's now got more bandwidth to do the things that are important. So maybe that is making more money through events, stage selling, and webinars and so forth. But as he said to us, the biggest benefit that he got out of this is that emotional ROI, because no longer does he have to get focused into all of the team issues. And because he just doesn't have the bandwidth to drive. So you really need a driver. And that is the ideal role of having an operator who sits between the founder and the team.

Caution in setting incentives

James: It's pretty outrageous that people would hold on to work and get paid extra while there's capacity for it to be done with the regular people within the team. It's highly selfish behavior from those people.

Lloyd: I think it's that - the thing we've talked about before, you've got to be really careful how you reward people because they'll optimize for that. And the story I use quite a lot is that the British Empire when they colonized India, they had that cobra outbreak. And so, the British said, Right, well, if you bring us a dead cobra, then we'll pay you for that.

And so there were things that people were like, they weren't specific about whether it was the head or the tail. So someone might bring two ends, or, but actually, it created a cobra epidemic, because people realize, if they start breeding cobras, they can go and take dead ones to get paid. So that's an example of a bad reward.

James: The mechanism is flawed. I'm thinking about my own business, we don't have overtime, we just have a steady resource of income and the team to do the work that needs to get done. And we balance the work around the team we have, who's there or not, and to get it out at a required work rate. And we have a more of a fair day's work for a fair day's pay type philosophy.

They load balance by themselves now, because they've been around for a while. But if we did have overtime, I could see there could be major problems there where work would get held on to if you've got the wrong type of people. It would take a really disciplined person to say, Well, here, you do this, and I'll not get paid the extra.

So it's especially funny when you told me this story, because I know how reward and incentive-based that operator, or that business owner is, everything is a scheme. And I'm usually the first one to simplify schemes. If you're going to have a scheme, keep it simple. And recognize that not everyone is scheme-driven. But if you want to find loopholes in a scheme, like just give it to a salesperson, they'll find every possible loophole in a commission scheme. [laughs]

We had to do a lot of things to fix salespeople's thing, they would hold deals in the top drawer and not process the sale until the following month, if you gave them a volume bonus, so we had to roll it over three-month average to stop that happening. Can you imagine how infuriating that would be? You have a customer come into your dealership, spend \$120,000 on a vehicle, and the salesperson is three days out from the next month.

They just park it in the top drawer, and don't bank the deposit, and keep the whole deal hidden, and future date it for the following month, and give the customer some reason why it'll go into the system soon. And then hold it for management. And then they try and stack all their deals in one month to get a volume bonus. Like, this is what you're dealing with, human nature is crazy at times.

Lloyd: Yeah, yeah. I mean, I've seen that for myself, just having to be careful how you reward people it can really backfire. Yeah, and that's why in a similar vein, like when you're giving people KPIs, I like KPIs where it's the most important thing about a KPI, people talk about smart goals, but not to go through all the aspects of what smart means.

From my perspective, the most important thing is it's measurable. Because otherwise, you know, what are you even talking about? It's a measurable goal. But then, what are you measuring? Like, if you're measuring something that's going to cause them to do, exhibit a behavior that you don't want, it's like, you really have to make sure that you're measuring the right thing, and you're going to reward in that right thing.

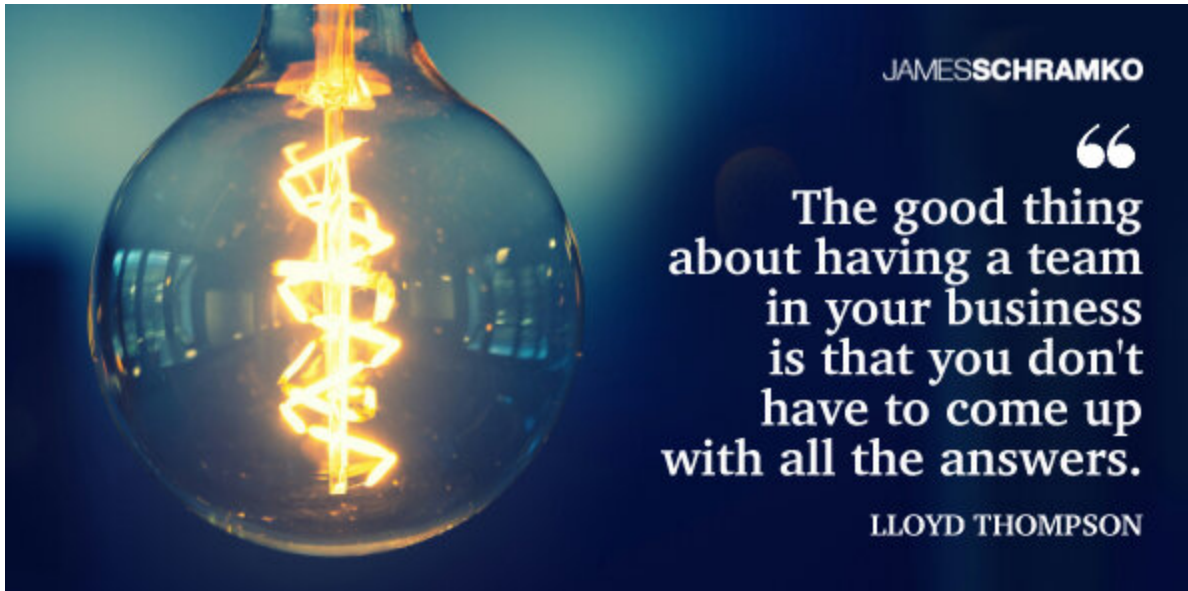
So it's like, when you're thinking about KPIs and goals, really, that's a time where you really need to think carefully about, what are we measuring? Is it important to measure this? And are you going to reward people based on that number?

James: And it applies to every part of the business. If your goal is to have the biggest email list, you'll probably start giving away iPads and collecting rubbish leads. If it's to have the most followers, you're going to be incentivized to get people to follow you, even if they're not the perfect client, and actually ruin your algorithm. And so, all these things are important to take into account.

And that's why it's so critical to have specific targets, the key performance indicators you talked about. You've got to make sure, like, that's why we don't report too many things in our dashboard. And we've reduced the frequency of it. Because I don't want people spending time putting together reports and focusing on the minutiae when really, we're clear on what it is that we're trying to do, and what that looks like, and what success looks like.

Giving your team a voice

What's part four, Lloyd?



Lloyd: Are you listening to your team? So the good thing about having a team in your business is that you don't have to come up with all the answers. And when you ask your team what the issues are, they'll normally know. And when we work with a business, actually, one of the first things that we will do is ask them, we'll say, What's working well, and what can be improved? And just by doing that simple exercise, we will normally find a few overlapping issues for the team. You're going, Oh yeah, this thing really needs to be fixed.

You'll discover things, and you'll discover the solutions for them. And you'll discover that if you fix one of these issues for the team, then suddenly they're now engaged again. Like, oh okay, he or she is listening to us, this is a problem, they feel more bought into the success of the business. So not only do they have a lot of the solutions to the problems, so you don't have to solve them all. But this is a really powerful way to keep them engaged and motivated. So that's one aspect of it.

And then the other aspect is just finding out what they're interested in, like what the sweet spot is. When you can align the interests of the person with the project or the development or what you're trying to achieve in your business, that's like, that's where the magic happens. That's where you're going to get the most out of that person, because they're going to enjoy it.

And I mention this one quite a bit. I've got a team member, who when I asked him like, What are your interests outside of work? What do you do? One of the things he said, he really likes to do video editing. And I'm like, Well, great, because my video editing could be improved. [laughs]

James: I'm sure that never has a truer statement been uttered in history.

Lloyd: [laughs] I got rid of the old Instagram channel.

James: [laughs] Oh my God.

Lloyd: But you can see the evolution of my Instagram, like it's so much better, because it's not me doing it. Like, you know, I've got someone who is interested in it, and it's, you can see his artistic flair come out. And it is a bit different to mine, but I enjoy it. And I think it's right. So that is a really simple win.

I can give you an example where, when this is done badly. I was working with a business, and the guy is paying the team well. But he can't understand why people are leaving. And I'm thinking, well, that's a really transactional way of thinking about your business. I'm just paying them. But he wouldn't listen to them. He'd just tell them to do stuff. And they're saying, Oh, there's an issue. Not listening. And they're just going. Couldn't understand it. And so again, that's another solution of [putting an operator](#) between the founder and the business, if anything, to shield the team from the business.

James: Yeah, I think of it's like the shock absorber between the steering wheel and the road tire. He takes all the speed humps. And so, the owner of the business is up there holding the steering wheel and the operator's just dealing with all the ripples and bumps to make it a bit gentler.

Lloyd: Filter out a lot of the noise and prioritize what's really important. Yeah.

James: But hang on. So what happened with the bad example?

Lloyd: Oh, yeah, just putting an operator in place just made it, like the team stayed on a lot longer. You know, there was still a case where they're like, we can't work for this guy anymore. [laughs]

What happens when you listen...

James: Your first story, it reminded me of when - it was about 2001 - I went into this new dealership I'd been recruited as a sales manager to become the General Sales Manager. And the guy running it before me had done a crappy job. Like, Mercedes-Benz were ready to take the franchise off this dealership. They said, you basically got to hire someone else and fix it, or you're finished. And he had assembled this crap team. They were getting terrible results.

So I went in there, and I said, Right. So first meeting with the new team, I said, Go back to your desk, I want you to write down everything that's wrong with this place, everything you've ever asked management for, or the sales manager for and they ignored you. Or said, they can't do it. Nothing's off the table. Like, just give me every idea you've got, we're starting from scratch.

And they brought me some amazing stuff, like, how's this one, they said, Well, the contracts to sell a car are this big. And our tables are smaller than the contract, we can't even fit the contract on the coffee table. They've got these beautiful, little, round coffee tables, which are useless. We can't even fit a pen and a calculator and the contract on the table.

And the other one said, Hey, my phone reception doesn't work in the back corner of the showroom. So people call for me, and I don't get my call. So we basically replaced the tables, we got a cordless phone extender. There was a bunch of other stuff too. But from that moment, I won the team on, because they were sick of being ignored, and sick of the ideas going nowhere. And I just went in.

And as you know, when you start a new job, you've got the first period where you can really put your foot into it and get stuff done while the owner is still deciding if you're any good or not. They have to kind of do what you say, because otherwise, you could come back to them and say, Well, you didn't let me do anything. So why even bother hiring me? If you wanted more of what you had before, you're wasting your time. So we got it all done.

The good news in that case, and it took a long time, it took two years to turn that around. Of the - I think about seven people there - there was one left after two years. And I built that team up to a much larger team. And we ended up coming first in the state.

Lloyd: Wow, what a transformation.

James: Massive transformation. We went from last to first in our client's satisfaction score for delivered vehicles. And I partly used Purple Cow for that, the Seth Godin book. And that's probably another story for another day. But I just wanted to just back you up on that, that if your team have been ignored or feeling like their ideas don't float, they just stop bringing them to you.

And I love - it's so important to emphasize this - that the best ideas are going to come from your team. My team are constantly sending me innovations in our [Slack](#), or when we have a meeting once a week, for about 12 minutes, they tell me something cool or a great thing they found or whatever.

A good example of that, there was a video I made where I was referring to my notes occasionally, and my eyes started going away from the camera. So they just automatically used eye correction, there's like a button they could tick to make it as though I'm looking straight at the camera. They just did that. So it was their idea. And they did it, and it looked fantastic. And I'm like, that's the culture I want, like, be better than I can be. Make me get better results than even the inputs I put in, that's where the power of a team is.

Lloyd: Yeah. You know, some of these discoveries are just by asking around, it's so simple. We did an audit the other day. And the expectation very clearly going in, normally, we do an audit at the start of the engagement and then they can decide with the findings, whether they want us to just fix it, or they want to do it themselves.

But this audit was very clearly said, Hey, I just want you to see what you can see, the expectation here is that we're not likely to proceed, we just want you to just tell us what you see. I want to see if there's any way to improve what's happening in our operation. No problem. The biggest find was that he had a number of leads, but it wasn't all hanging together.

And so yes, he did actually need someone to be that driver, to be that operator. But when I was asking around about like, what the team were interested in, what their skills were, what their capabilities were, I discovered one of his team members not only had the capability to be that leader - there was plenty of evidence of the things that she had done before - but she also really wanted to step up and take it, like the solution was right there.

And it just took a bit of asking around. And for him, for the business owner, this was a huge saving. This is like, wow, you know, now I know she actually wants to do it. And I can see the backlog, like, all of the performance that she's been, and she's done in this business for all of these years. It's a no-brainer.

So all it took out of that, like we got plenty of structured questions that we asked in the audit, but just asking a few unstructured questions at the beginning and understanding their needs and their interests and where they want to go, just showed us that this person could do the job with a bit of a bit of coaching and support, really confident that she'd be filling that role. And I know she stepped up. So really, really simple win there.

Matching the aptitude with the role

James: Part of the thing I found with my own team of being together for so long is they're now doing roles that are nothing like what they started with. See, our video editing is in house, that guy used to run a call center team, our thumbnails are a girl who was hired as a link builder. So, you know, as the models changed, we're more creating videos now. And we still edit podcasts, of course, but we used to be doing more web tech stuff. So we've moved from more web tech stuff and SEO stuff to video media.

And we've been able to build that capability just from people who are interested in it and keen to learn and develop if you're patient with it. But the thing you just described, it's like owning a four-wheel drive, but never driving on the beach. And then going with an experienced beach four-wheel driver, and knowing how to let your tires down properly, and pump them up, and which line to take, and what gear to be in, and what traction control to turn off. You've got the equipment and everything ready, you just don't know how to use it. That's where an operator can be super handy.

Lloyd: Yeah. I mean, just to wrap this point up, I think, if you're not listening to the team, then you're going to risk the fact that you're going to either lose team members, or they're going to quietly quit, which is the term I've heard more recently.

James: It's a new one, isn't it, quiet quitting?

Lloyd: Quiet quitting. They're just disengaged, they're like, well, our business owner doesn't even listen to us, like you know, I'm just here to get paid. And then it is really transactional. But then, if they are listening and taking your points and doing something with it, then suddenly you are engaged, you feel invested.

And when you find that sweet spot where they want to go, and where the business wants to go, that's where the magic happens. And then as you just said, like, when someone joins your business, that what their job looks like in a few years' time might be completely unrelated. And that's why I think so many people focus on skills in hiring. That's important, but I feel like that's part two.

It's like, do they match the values of this business? Are they the kind of person that's going to be here for the long haul? Once you know that, you know that, okay, have they got the skills for the job we're hiring for now? Great. Let's get them on the bus. But maybe in the future, we'll change with them. And that's the most important piece, getting those values right.

James: I don't think we've actually let anybody go because of a skills not being needed anymore. They've all adapted. Because we went with the good foundations and the long play. It's pretty rare. A lot of people are still stuck task-sourcing or just, they're so rigid. We see this in the recruitment business, [VisionFind.com](https://www.visionfind.com). Some people are so rigid in what they're looking for.

We're like, well there's a unicorn. You find one of those, it'd be the rarest thing ever experienced in the history of mankind. Right? Some very unrealistic scoping. But work on the fundamentals, you know, good English, good hardware, enthusiastic, proven to be doing something useful in the past, ready to start with the first training on the first pile of job.

Same thing I say to people I'm coaching, whatever we're working on right now, it's probably unlikely to be the exact same project in a year or two from now. I'd say it's even been true of our relationship. Since we've been knowing each other, your business has evolved and matured and developed into new areas and new subtleties because we are in a dynamic marketplace.

The fundamentals are still solid, you're still Lloyd, the super honest social systems and people expert, but the way you deliver and who you're delivering it to over time will change because, you know, especially with AI and everything else, it's definitely - there are forces outside that will interrupt and cause innovation. And bring it on, let's go, we're ready for it.

Lloyd: Yeah, it's going to be an interesting journey what the next few years looks like with AI. But let's get on board.

Was it the business owner or the team?

James: So in summary, what was the outcome with your friend at the conference? Was it him or was it his team?

Lloyd: [laughs] I think it was him, but I think he's pretty good. Like, I actually think the fact that he's got that introspection, he was thinking, you know, do I have to like, build a new team from scratch because this team can't change? And I'm thinking well, actually, no, like the conclusion is...

James: Bit dramatic? [laughs]

Lloyd: Yeah. I'm like, Give your team clarity about where you're going and see if you two can align. And that's the way you're going to go, you know?

James: You know, that dealership where I had to replace everybody, I set the tone of what we need. I gave the training, I scoped out, you know, the high-performance role. But they'd all been hired really poorly. They were not capable of high performance, they had chinks or flaws that caused them to be ungrowable, in many cases. They were real band of bandits, like some pretty hectic flaws. And none of them went off and did anything significant that I can recall.

It's like, sometimes you have to do a complete replacement. It's dramatic, and it's rare. But first look in the mirror, tune that person up first, be a better leader. If you do the various things we've talked about in this episode, like your vision, your values, your roles, your accountability, listening to your team, you've got an operator in place, well, then, actually, the easiest thing is to get an operator to come and have a look and see what they see. How do we do that, Lloyd?

Lloyd: Yeah, feel free to email me at Lloyd@VirtualDOO.com.

James: There you go. Well, thanks so much. Another great episode. If you got any questions for Lloyd, or a topic you'd like us to tackle in a future episode, I reckon we can get him back. And so, send me an email with your suggestions. This is episode 1065 on JamesSchramko.com.

A person's hand is pointing at a laptop screen. The screen displays a software interface with various icons and a search bar. The background shows a window with a view of greenery and a potted plant on a desk.

JAMES **SCHRAMKO**
**NEED A HAND
WITH STRATEGY?**