997 - Where Does AI Fit with Team? - People and Systems Edition

Using AI in business is becoming the new norm. James and VirtualDOO's Lloyd Thompson discuss how this could affect the human component.

James Schramko and Lloyd Thompson

James: James Schramko here. Welcome back to my podcast. This is episode 997. This is a special post-COVID recovery edition. Welcome to the call, Lloyd Thompson. It's great to have you here.

Lloyd: Great to be here. Thanks, James.

James: Had a little round with the Rona last week, round number two. So like, pretty much a year from the first time I got it. Got on top of it quickly. But if you do notice a slight little change to my voice, that's just like, we're in the last day of clearing out stuff. But it's all good. I'm a survivor. We're battling on. And we didn't miss a beat, we've still been doing our calls and everything else. And luckily, it coincided with my four days off for the week, which I have every single week.

And mostly, because for many, many years, especially from 1995, March 1995 to July 2008, I was working a lot of weekends, a lot of six and seven day weeks in there for that period. So I'm making up for lost time. One of the reasons I can have so much time off and still run a seven-figure business, that's right, over a million dollars a year, and work about 15 hours a week, is because I've got it dialed with the people and the systems side of my business.

And this is an area that I am drawn to over and over and over again with the people that I'm helping in my membership. And that's why I love experts like Lloyd Thompson from VirtualDOO.com. You are the light in my life, Lloyd, because you come in and you help out my visionaries who are drowning under the weight of their own inability to manage their teams, or lead their teams, or know what the hell's going on in their business with their systems and stuff. And it's not rare. It's actually the norm, isn't it?

Lloyd: That's right, it is the norm.

The VISONARIES are generally focused on their BIG DREAMS, and SETTING THE WORLD ON FIRE

- JAMES SCHRAMKO

James: It's the norm, because the well-organized people, they tend to attract themselves to the sort of operational type roles and the methodical type things, project work, doing the actual skills. The visionaries are generally focused on their big dreams, and setting the world on fire, and doing the Steve Jobs ad, the crazy ones, etc.

Lloyd: Having a bazillion ideas.

James: Lots of ideas, doing great stuff, helping people, it's all good. We need all the different roles out there. Your role has been tremendously valuable for my audience. We've gone out to your audience, we said, Hey, what do you want to hear about on a podcast episode? We even opened up your schedule and booked some calls for you to talk to people who are in my catchment, at least.

And for you just to have a little chat to them and say, What's going on in your business? What sort of things are you challenged with? You gave some of them some plans to get out of it, which I'm greatly appreciative for. What we've ended up with is a byproduct, is some research notes from you about what's going on out there in the cold front. What are the top topics people are talking about right now on these calls with you?

The burning topic of AI

Lloyd: Yeah, Chat GPT has come up a lot. That's a really old one, impacts of AI. Don't get me wrong, we've definitely had the usual things like SOPs and handing over and hiring. But a lot of people are talking about AI and what that means to them, and what's the impact on their teams. So that's definitely something I wanted to get into today.

James: I do too. I think it's time. I've just done some episodes about AI recently, so if you go back to our back episodes, I did one with Ilana about where AI is at with traffic. I've done one with Will Wang about marketing. I've done with Gert about SEO. And so all of these topics. In fact, that one I think is probably the very next episode. So that'll be the next episode after this.

So what we've discovered is it's really become a topic. I know I was doing episodes about AI six years ago, I did one a couple of years ago with Will, two and a half years ago about, is it ready to do the copywriting? We didn't hear that much about it until now. It's everywhere, like mainstream, people know about it. So we have to talk about it.

Alex Hormozi published a video that he told his team to replace themselves with AI. So maybe that's part of it, because he's a marketing force. Whatever's going on on Hormozi's channel is going to spread across the biosphere, the internet. So are we at the point where we can just tell the team, Thanks very much, it's been a great ride, see you later? Or do we still need them? That's the overarching question, isn't it?

Lloyd: Yeah, I don't think we're there yet. And that question of, you know, are we ready to replace jobs out there? I don't think we're there yet. And I mean, I don't have a crystal ball. You know, that could be the future, who knows? But what we are seeing is that ChatGPT and all of its endless uses, and the application uses and how quickly you can use it is just endless.

Typically, the most things I'm seeing for the moment are like, content production and writing. So its ability there if you want to create a podcast title about challenges for business owners, people and systems, for example, that's something you could come up with 10 different options for, or analysis kind of things that would have taken quite a bit of time to search and research before.

So I did one the other day, I got a brand new phone. And I was just curious, like, how much better is this new phone than my old phone? So I said, you know, ChatGPT, what's the difference between. in features between my Google Pixel 7 Pro and my Huawei P20 Pro? And it popped it out…

James: I don't get it. Apart from they've got some reasonable cameras and their light, I just don't understand it.

Lloyd: Okay.

James: But I thought it was sort of limited in its database up to a certain period. Is it 2021 where it cuts off?

Lloyd: Yeah, I've seen that. But I mean, yeah, sure. My Huawei phone was pretty old. And pretty sure it's before that, but it was able to put up a nice big table and tell me the difference in megapixels between camera one and camera two. And yeah, sure, I could have found that in Google…

James: That's great for research.

Lloyd: It's great for research. But the power of it is incredible.

Resistance to technology

And if you don't mind, I'm just going to go down a little rabbit hole for a minute. Like, it's a bit abstract here. But in the early 1800s, we had that industrial revolution. So this was the rise of automation, machinery replacing work that was done manually and individually. And there was a group of people who were threatened by this, and they were called the Luddites.

And what they did is they would try and sabotage this machinery, because they were concerned about their jobs. They didn't want to go with it. They didn't want to get on board. And so they thought, well, let's try and stop this revolution happening. And in France, the same thing happened, they would take sabots, which is shoe, and they would chuck it into the machinery.

So sabots in the machinery, that's how sabotage started. Anyway, I digress. Back to the Luddites. So the Luddites were trying to refuse moving forward with this automation or this new way of thinking. Now, can you think of what it would be like today, if you had a business and you weren't using the internet to support your business or look things up or be involved?

James: Well I can, because I've lived the pre-internet era. I had a job before the internet. The first internet that I became aware of was 1995, in Australia, so I was already doing my sales job by then. And I had plenty of jobs before that. And I had a set of encyclopedias in our hallway as a kid. And we had a library with books where you go to learn stuff. We did not have mobile phones. Our games were pretty rudimentary, they had cords. So I actually can tell you what business was like pre-internet.

And here's the interesting thing, one of the books on my bookshelf there is from the 1800s. And it's my great grandfather's journals. And he did exactly what I do now. He used to travel around the world and buy and sell in different markets. He did geo arbitrage. He journaled in actual books instead of on the internet, instead of making videos. And he invested his income into a great yield in investments. So it's just, you know, generationally, I'm mirroring what he did, but with better technology.

But the other things that came from the Industrial Revolution is school. They needed somewhere to shovel the kids, right? And teach them how to follow instructions. And that's now starting to crumble finally. Peter Drucker talked about that in the 60s. He said that it's going to fall down, the education system. Now I'm hearing a lot of people have homeschooling on the cook. But yes, it's definitely a shift.

Not going away soon

So what are you saying, Lloyd? Are you saying we can't escape AI, it's here regardless whether we want it or not, and we can't throw our little moccasin into the machine?

Lloyd: Exactly. You can't escape it. And it's a bit like if you had a business today, where you're not using the internet to help you, sure you might have had the same business pre-internet, but you can reach so many more people with the internet, and the same way that you might be regarded as a Luddite if you weren't using the internet today, I think, in the future, or won't be too far soon, that you might be regarded as a Luddite if you're not using AI. That's my point.

James: Well, I think the other thing is your competitors are using it. Like, there's pros and cons, right? It was so hard for me to set up on the internet when I started. But when I started podcasting, I was always in the top 10, because there weren't as many podcasts. There's now so many other people.

It's so easy to create content and get online that the barrier for entry is low, which is why you need a podcast like this, because we're going to talk about what's working now, and what's coming down the pipe with some actual business backgrounds. Lloyd's background, installing 100-million-dollar software systems into banks, my background running 100-million-dollar-a-year business, an actual business, some of it pre-internet.

So it's here, there's no doubt. My kids talk about it, my parents talk about it, it's on the news. So there's some people scared of it, some people embracing it. I do think there's some people spending way too much time dicking around and messing around with it and toying with it. And it's a new distraction for them, you've got to watch that. I am definitely not doing that.

I'm very careful about where I cherry pick my information for this. I'm not wasting a lot of time. But I have got it installed on my home screen. And I do use it on a daily basis, which for me tells me it's more likely to become like a Google, which I also use every day. It's going to be something that's important to use.

Yes, I'm definitely using it to tune my podcast headlines. I'm definitely using it for scripts. So I'm going to give you a challenge, Lloyd, we'll see if we can run with this for the rest of the episode. For each of the popular topics that came up in your calls with your clients, my friends, I want you to put an AI lens on it. So by all means, talk about the old school, the old dinosaur way of doing it, the Luddite way. But tell me what the new school implication is, or the possibilities.

What it means for a team

So with that in mind, the first point is, AI is here, it is going to change things, and it will, at the minimum, your team that you have now can be augmenting their performance with it as my team does. I literally today, I've sent them a video about Midjourney. And I've said, Make sure someone knows how to engineer prompts for this. And we can use the images, they're mostly going to be royalty-free. And if they support or enhance a project we're doing, go for it, it's fine.

And we've also been using some tools here and there to help with things like video editing, or certainly to transcribe and find bits of content that we want to use in our cheat sheets and downloads, which are all available at JamesSchramko.com.

So the next topic that comes up is SOPs and handing them over, we've decided at this point, we're not going to be handing over a person's job fully to the robot just yet, but we might be starting to think about some of those things in the future. But for me, I've firstly want to reassure my team, I need all my team, you're not going anywhere.

Secondly, instead of hiring extra people down the track, we might just augment our team with the super powerful tools, because we're really going to become prompt engineers. That is the prime focus for us. How can we use the tools better than other people? I imagine people have already got tools for SOPs, right?

I know you can definitely use it to engineer an SOP, you can ask the tool, can you please create a checklist for me to do this particular task or whatever. And then it gives you a pretty accurate one, like if you had a kid's four-year-old birthday party, create a checklist that I would need in order to run a kid's four-year-old birthday party, right? And it can print it all out instantly. It's amazing.

Lloyd: So before we get into SOPs and handover, I just want to briefly mention, talk about a couple of things that you've said there. So your team are getting involved with it at the moment. And I think that's actually the first thing that we as founders should be doing, is encouraging our teams to just have a look at it and get involved.

And if you as a founder aren't currently using it, well, I would recommend you just have a look, get involved. And how do you start? So I recommend, think about the kind of things you might have put into Google. Start just interacting with ChatGPT like you would there. You will soon learn what works and what doesn't work or where you need to refine it and give you feedback. And there's a plugin you can get for Chrome, where it will put alongside your Google search. It will pull up more ChatGPTs responses at the same time. So that'll give you a very quick idea.

Do you still say please?

James: Question, do you still use manners with the ChatGPT?

Lloyd: Do I say please?

James: Yes.

Lloyd: I am saying that. I know you don't have to.

James: I do too. I know it's a machine, I still say please provide me or...

Lloyd: When they're our overlords, they might remember you. [laughs]

James: [laughs] I just think it's funny.

Lloyd: Oh, this one said, please. That's all right.

James: Because you're so polite. I just thought, I believe you would say please.

Lloyd: Well, there is something different immediately than Google. And it is actually a conversation. That's a very different feeling straight, you know? You're going to do a Google search, you get your results, you have to find what you're looking for.

James: But it's just one step. It's one prompt every time with Google.

Lloyd: Part one, you're having a conversation. And so content is the piece that I'm seeing it being used so much.

James: So just to be clear on that, you go to Google, you say, you know, what's better between this phone or that phone, it's going to show you some YouTube videos, it'll show you a comparison chart or whatever, some rich snippets. But that's the end of the conversation. With the AI, you can say, what's better between this or that, and it gives you the answer, and then you can continue the conversation. Say, now I want you to sort that into five bullet points for each.

Lloyd: Make it punchier, less salesy, and write it as if Hemmingway had written it.

James: Yeah. Say like, now I want you to interpret this for someone who doesn't have a strong technical understanding, you know, whatever. And you can keep iterating, and that's where it's powerful. And that's why this concept of prompt engineer is where it's at. And that's why people who are good communicators are going to go better with AI, than people who don't know how to give clear instructions.

Use it with this caveat...

Lloyd: While we're in the foundations of it, I just have one very strong warning to people, which is that, you're going to put your question in, and it's going to give you a response. And it's almost like you received a confident response. But it can be confidently wrong. So the lesson here is, you have to check the sources, because it will give you some information, but sometimes it is wrong. It's not perfect. So if you're comparing X and Y, or making some decisions based off what you've asked it, I would have a look and see where it found its information.

James: Also, it's got limitations in terms of medical queries, political queries, it's still going to have inherent biases. And it's only as good as the person who programmed it or told it what to actually do. So context required, I like that. That's why we shouldn't be worried about complete beginners taking over our advanced role with just using tools, because they lack the context or the depth or the ability to know if it's a good answer or not.

But the very, very good people will use these as superchargers to fast track their research to validate or verify. For example, if I wanted to ask it to give me a title of contents for a book on the topic of such and such aimed at a certain type of user, etc., it'll spit it out. And then I'd say, Okay, now we're going to work on chapter one.

And then you can zoom into that and say, I want you to give me a chapter overview and include these three stories. And it can do that. And then say, Now write it more conversationally, and it can do that. That's where it's really powerful. If you know what you're doing, it will help you do it better.

Can we now move to SOPs and handing over? [laughs]

On the matter of SOPs

Lloyd: Sure. [laughs] So the classic questions that came up are, I hate writing SOPs, it's so time-consuming. This came from a founder.

James: Don't write SOPs. Next? [laughs]
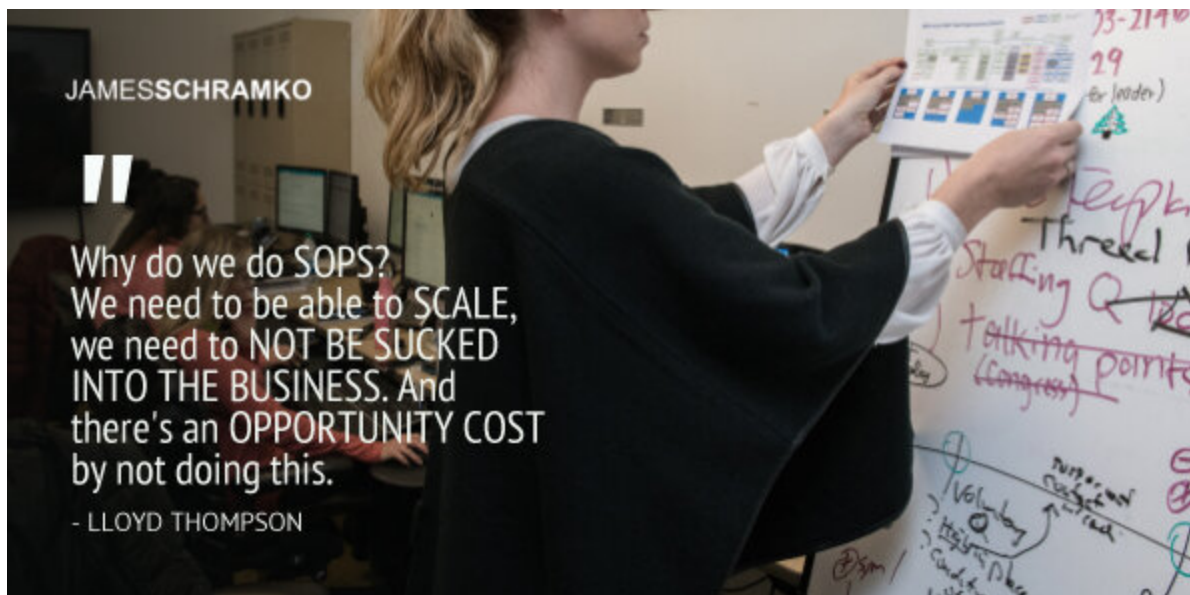
Lloyd: You shouldn't be doing it. The process is not sticking. Okay? I'm concerned about a team member leaving and hence, why SOPs came up. And so the issues that come out of this is yeah, you might be the bottleneck of your business, if you're there focusing on SOPs, which you shouldn't be. The knowledge is not shared, if it's not done well. And then you're obviously vulnerable to people leaving, if it's not all been shared around the team by multiple people. And so, you know, why do we do SOPs? We need to be able to scale, we need to not be sucked into the business. And there's an opportunity cost by not doing this, okay.

James: By the way, what's an SOP?

Lloyd: Oh, standard operational procedure. So it's like a recipe, right? Like, you know, step one, step two of how to do a particular thing.

James: It's how we do things. It's a systemized way of how we do things. Okay, if we're not going to do the SOP, the question might be, well, who's going to do the SOP?

Lloyd: Yeah, one of my team members is going to be looking through that. And so how I normally have that process and get it handed over to the team member, it's very similar to what you've described in the past. You use I-We-You, and I like that. So like I-We-You, Zoom and Loom. And so how I do that is, let's say I've got a piece of knowledge, it's been in my head, I need that handed over.

The first time that knowledge is with me, I'm going to create a Loom. So I'm going to get a Zoom going with my team member. And I'm going to walk them through the entire process, moving the mouse, clicking the buttons, guiding them through the process. They get to ask questions in that, there's a real video that they can use as a result of this because it's recorded. And their role in this is to write up the SOP.

So the next time this process happens, we move to the We. We've done I, I did it, we move to the We, they're going to do it. And so now they will run through the process. They're on Zoom with me, they're doing a screen share. And they're pointing and clicking. And if they get stuck, they can ask me questions. And these questions get fed back into the SOP, which they are updating. And finally, you. It's handed over to them. And that should be the last time that you run that process.

Now, probably the only thing that you had to be involved in after is a review of that SOP. So they wrote it, it's like a test. You're going to put together an SOP. Yep. Okay, they've understood it, the steps are on the right track. Once they've done that, they can then hand that over to another person in the team. So now that's owned by them, they'll do the I-We-You Zoom and Loom with someone else on the team. And that should be the last time you're involved with that process going forward.

James: Because the next person hired, they can do that process with them. And there's a document.

Lloyd: They can do that. And so what you want is at least two people in the team know every process. And so when I was talking about one of the fears earlier, where you know, what if someone leaves, well, that's taken care of, you've got the SOP, but you've also had it shared in the team, it's with multiple people.

And so when it comes to SOPs, I actually take more of a people focus rather than a document focus for this. I'm more interested about the two people in the team know how to do the process. And there's a common understanding, which happens to be a document. And by the way, although there are superduper tools out there, for me, it's normally a very simple process. I have a Google Doc, and it links to a video and some basic steps on how to do it. And if they want to go through the process again, they can just simply re-record another video. It's that easy.

James: Yeah, Google's all we have as well. And you can also have a master sheet, a spreadsheet where you list every process down the left hand side. And then you could link to the SOP that is responsible for that. And then you can have all your team members across the columns and put a check in the box for who can actually do that process. And you're looking for two checks in the box for each task or process. And now you've got an insurance policy against, you know, disasters, changes, etc. And then you'll never look back.

Lloyd: And you should be able to have everything, from onboarding, offboarding, HR policies, leave, sick leave, everything from how a sale is made, and until the money hits your account, invoice processing, finance, you name it, you should have a process for everything.

James: Well that's why we have a culture. The first SOP is that anything that's going to be done more than once requires an SOP and two people know how to do it. That's the culture. It's an expectation. And so without even instructing someone to create an SOP, I know if we take on a new task or a new tool or something, I can pretty confidently down the track say, Hey, can you show me the SOP we use for doing this particular process? And they will usually just send me a link to it. It's there, it was automatically created, it just became a habit.

Lloyd: So basically, I know there are emerging AI tools out there for SOP, basically taking what steps you've done and putting that into a document quicker. So I do acknowledge those things, but because I'm really focused on the people side of this, that two people know it and how they share the knowledge, still think the AI is not replacing what the team are doing in that process. It might speed up the document writing a bit there.

And just to give you a real example, focus more on my onboarding. Whenever I take a new person into my team, I walk them through the onboarding process myself, I like to do that personally, I don't really want to hand that off. But the first task I give to any person who joins the team is I'm giving them the expectation that their first task is to update the onboarding process.

Even if it's the most minor change, any improvement, there must be something in there, any questions that they asked me that were not in contained within that document, or if they find anything that's no longer relevant, I want them to take it out or simplify, or make it look better. And what that does is it gives them the license to change the document. Because I've had this case where people start to say, Okay, I want you to update this process, and what they do is they clone the document, they start making the changes and then goes, Is this better?

I say no, I want you to make the changes in the real thing. If I really hate it, Google Docs is versioned anywhere, I can go back to the previous version. So I'm giving them the license to make the change. And so it's constantly evolving. So that's one of the aspects.

James: That's very powerful.

Lloyd: And just having the video involved along with the SOP is so powerful. I'll give a great example. One of the businesses that I've worked with for quite some time now, he had an incredibly or does have an incredibly value report that he gives to his customers. And this used to be a manually run report, they have produced a look at all of their data, and they produce this report. And it's so valuable to the customer. And they make quite a lot of money as a byproduct of using this report as an audit tool. And it used to take him so long to put it together, all of the insights.

But because they produced a very good SOP along with an instructional video to go with it, they were able to give this to some software developers who were able to look at that, completely understand what they're doing, because it will have video aspect with it. And now they've managed to automate that, now that thing that used to take forever now happens in minutes. And they've been able to scale and create another agency directly as a result of using that level of automation. So a good quality SOP along with a video, it's still super valuable. I'm not quite sure how the AI is going to replace that immediately. But it's on the way.

James: Well, I told them to include AI in that software, which will make it more powerful for their end users and easier to sell, I think.

Lloyd: It will have some AI involvement going forward. Insights.

James: It will have some street cred, Powered by AI. It's got to have AI, guys and girls. Okay.

The impact of AI on hiring

Are we on to the third topic, getting hiring?

Lloyd: We are. Yeah. So hiring, right? Like, how's this going to happen? Like this is a core process that any business will have.

James: Well the first argument would be, do we still need to hire, right? That's one thing. And there are scheduling tools that help you block in your interviews with candidates there, I'm sure there are probably some tools. There are definitely candidate side tools, like AI tools to help create resumes and put together portfolios.

There are tools that can help sit in on webinars and take notes and send the snippets of the highlights to everyone involved without them having to actually attend the call. So I know the tools are there. But we're still actually hiring people. That's the foundational truth at this time.

Lloyd: We're still hiring people. And those people shouldn't be threatened by the tools, if they can use them to go faster.

James: They should be threatened if it's going to mean that someone doesn't hire them. You know, like, every time I go to the supermarket, and I see the self-checkout is pretty busy. There were people in those, you know, when I grew up as a kid, there used to be people at that, like when I traveled to developing nations, there's still people at checkouts, doing the manual thing. They're going to go, those roles will go. Like, low on the totem pole, white-collar roles, and commoditized blue-collar roles would be at risk.

But specialists and people who are really good at what they do shouldn't be concerned at all. But you do want to be a prompt engineer, you need to understand this. This is like, probably 20 years ago, you needed to know Word and Excel, that was a mandatory sort of thing to get an office job. Now you should be familiar with the tools, because you're going to get rings run around.

I actually had like a 19-year-old pitching me business the other day from his media agency. And he was using tools, no doubt, to scrape up lists of contacts, to send out scripts and to give clients a pitch, right? So he actually had zero depth to back it up. But I mean, on the surface, he's only a year or two away from cracking it, where he will actually start to make traction and just undercut an entire market of lazy, sloppy agencies.

Lloyd: Wow. And that's it, like if you've got those skills, if you've got your team and you've been instructing your team to get familiar with these tools, then they shouldn't be concerned. But if you're a Luddite, and you're sticking to your guns, and you're not going to be using these tools, how quickly you can knock up a presentation and when it used to take you an hour…

James: They'll be the people who are most surprised when their electric car drives itself back to the repossession base because you haven't made your payment, or that the government mandates that you're no longer allowed to drive a vehicle. That could still happen in our lifetime. These things will come. We need to be awake, we need to see what's happening.

And I do think there's an argument, like certainly, some people like Elon Musk think AI could be tremendously bad for humans. Remember all these prompts and everything you're typing into the tool, you are literally training this tool to do a better job of not needing humans down the track and to be sharper, and we really could end up with a terminator scenario where it decides to just switch us off. I feel like we'd be a pretty easy race to get rid of if the computer desired that. So I think there's still a warning there. Be careful with the tools, but understand that they're here and see what they're capable of.

Lloyd: It wouldn't even need to nuke us. It would just need to put out some disruptive…

James: Well, firstly, it could switch off all our electric cars. That's a start. And I don't have an electric car, and I will not have an electric car until they force me to have one, because I think it's a mistake. But I do think people don't realize how sensitive they are to electricals and computer systems, and these things are firing, they just turn off a fan at the nuclear plant, and it'll blow up. Right?

Lloyd: Well, it could probably cause us all to fight each other if it gets in control of social media.

James: And you can bet your ass all the criminals are all over this, like they're using these tools for nefarious reasons, right? They're going for it. So we at least need to stay educated, and be mindful about what capabilities are there. But I tell you what, increasingly, the feature of my business is that we're human-powered, we have human-powered support, not some bullsh*t AI chat that gives you ridiculous answers and frustrates you in circles.

I'm a human-powered coach and mentor, I actually speak to my customers and give them real answers with actual advice, and do I use the tools to do research or to remember things, or to give me prompts so that I can improve the way that things are presented? Yes. But it still has critical thought and filtering.

So in terms of hiring, let's assume we are still going to hire. And there are tools that can augment or help this process. And it can help the candidate as well, which I mentioned this in a previous episode, candidates can bluff their applications much better with these tools. When you give them certain tests, there are things that tools can help them pass that they would have failed at otherwise. So you've got to be very careful. So I want to go a bit deeper into this. What are you seeing in the market, and how do you answer this question about getting hiring right?

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We've made the decision to HIRE, we need to make sure these people got the RIGHT SKILLS, we need to make sure they MATCH OUR VALUES

- LLOYD THOMPSON

Lloyd: Let's run through it and then just take a look and see, well, is this something easily replaced with AI at this stage? And so okay, we've made the decision to hire, we need to make sure these people got the right skills, we need to make sure they match our values, and they're going to be a match for the team and the founder. And if you don't do this right, you're going to end up hiring a bad fit. And it won't be long before you have to let that person go. And that's a huge loss of time and money. And so that's cost your business. So it's clearly something we need to get right.

James: And it can make you very unhappy, because you're dragged back into the tasks that you didn't want to do in the first place.

Lloyd: Sucked back in, huge opportunity cost. So where do we start? Okay, we've made a decision to hire, first thing we'll do is get a position advertisement going. And so you want a job description. Well actually, if you're looking for a template for a job description, you can ask ChatGPT to do that for you. You can say, Hey ChatGPT, I want a job description for a virtual assistant. And the more specific you want, it will put one out there.

And I still like to personalize this. This is me. So I like to put in things like, what are the benefits from working here? Kind of the heart of it, like why do you want to work for VirtualDOO? That's important to me. So you also might be able to ask ChatGPT to put in some motives, but I know what my benefits are. So I'm going to put those in.

I'm also going to add my core values, because that's also important to me. I also put in a filter clause in my job description, that won't be something that's automatically there in the template. So I've built a clause for my case will be to prove that they actually read the whole thing. And so for me, I normally like to do something like, tell me about your passions outside of work. When you do something like this, it will show me that you've read this entire description, and it'll be a great icebreaker for us to have a conversation. So I like to do something like that.

James: Are you legally allowed to ask that?

Lloyd: That is a great question. I've never had any objections so far.

James: It doesn't mean it's not right. There's definitely things you're not allowed to ask people, certainly in Australia, not allowed to ask things like marital status, where they live, age, you can't ask those sorts of things, apparently. So I'd be very careful about a question around personal life, because that could be breaking the law.

Lloyd: Okay, I will take a note to check that.

James: Yeah, check it. Ask ChatGPT if there's any legal restrictions regarding that.

Lloyd: [laughs] But then you're going to have to verify that it's right anyway, you're going to have to check its source. But yes. Completely.

James: Well see, it's an interesting thing when you're an employer, you're in a position of power, and a lot of candidates will just do things because they have to, or they really want the job, but even it will make them - and I'll give you a perfect example. So many employers are forcing Filipinos to go on camera. And generally, they do not want to be on camera, it makes them very uncomfortable. It stresses them out like crazy.

Unless you're hiring them to be in a camera-facing role, sure. But if you're not, if they're doing articles, or images, or transcripts, or editing content behind the scenes away from the camera, don't force them to do something they don't want to do. But they do it because they need the job. So I'm just getting on my soapbox here, I normally get passionate about this every time, but they tell me these things.

Like, we still have audio-only huddles every week with my team, we've been together for 12 years, because we don't really want to do the video. And I haven't put myself in that. I'm not an exhibitionist, I don't want to broadcast my image unless I have to, you know, obviously, a video podcast. There are some people who prefer to watch on YouTube. And I get that. So I do it. It also provides marketing opportunities for social media.

But no one in my team wants to be on camera. They don't even want to submit their voice sometimes. For my 1,000th episode, I asked them, who wants to be on the show? Does anyone want to contribute or do a little guest cameo or something? Grasshoppers. Nothing. They do not want it.

Lloyd: So that's definitely in the Philippines.

James: They do not want it. So be careful with your trick question. I've seen other versions of this that can work well, say be sure when you apply to the job that you reference the number 77.

Lloyd: Yeah.

James: Now, that is not going to break the law. And it will still demonstrate that they've read to this point in the ad.

Lloyd: Sure. Oh, you're breaking my heart here, James. I really like the passions one. It's a conversation starter.

James: I could be wrong. But you want to be careful. You just got to be careful. And obviously, if they're in other countries, it may not apply to their law whatsoever. It's fine. Almost certainly, it's not an issue for the Philippines. But I would say it might make someone uncomfortable.

Lloyd: And it's interesting what you said, you know, about being on camera in the Philippines. I mean, if that's a big thing, then that should definitely make its way into the job description if you're hiring someone in the Philippines. You go, you will be expected to be on camera.

James: If you do, but why would you? Why do you need to? I've never done that, not once, never been required. Did my first hires on Skype, audio. I can tell everything I need to tell from the tone of someone's voice, whether they're stressed, or excited, or interested or not, whether they're lying or not, because I've had training in that. And I encourage people develop that.

It's like before when you say, imagine a world without the Internet. I know the world without the Internet. I know the world without video calls. You know, young people, the new generation, they should try tuning in to some old school skills, some actual skills. I saw this great post on Facebook. And I know this makes me sound like an old man. But it's like, you know, don't mess with a Gen Exer. Man, they know how to do stuff. They know how to fix things. They know how to start fires, they know how to use weapons, they know how to actually street fight, right? Because they didn't grow up tethered to a computer.

And it made me laugh, because it's actually kind of true. We are very, very handy. And, you know, it's like, blessed, you know, by pure luck, that I'm in this generation where I wasn't grafted to a phone for my adolescence, right? So it's an interesting one. But I think just on this topic of what you can ask or not, like when we started getting people putting kind of perfect articles for our tests for VAs, I asked ChatGTP what tests can I give the person that is very hard for them to use AI to pass. And it said, well AI is not good at real life stories or emotion.

And so one of the things we asked people to do then is like, instead of the article being about, you know, write three reasons why an SOP is good for business or whatever, that might be in an old topic, ChatGPT can blast through that. Now it's like, tell a story about the favorite trip you went on with your family or something like that.

I know that's probably not breaking the law in the Philippines, because they're going to have very different regulations. But it's much harder for the robot to write that. I'm sure that it can make up a story easily. But it would then in the conversation you have with interview, you'd quickly find out if it was true or not, especially if you use that as an icebreaker.

Lloyd: Well, let's move to the next bit. So we've got our position advertisement.

How to get your hiring right

James: By the way, what you're describing, like this third innocent question getting hiring right, I've got an entire training on this, how to recruit your next team member in my membership. It's an episode or two, this one topic, so I don't want to give it too light a hand, it's a big one. Got to get this right, most people get it wrong. So you know, you're a black belt at this.

Lloyd: This is really just the headlines, and you can go far much deeper.

James: Exactly.

Lloyd: You got your job advertisement. You could use ChatGPT to produce some of it. Now, what are you going to do with it? And so I don't go straight to posting this out on a job board. I don't do that. Because you might be missing an opportunity closer to home. So first thing is, are you hiring a generalist or a specialist?

So I had someone talk to me the other day, he's a bio hacker. And he's saying, no, if I was going to hire someone, you know, where would I find someone who's interested in these skills? Or who had these skills? So like, the place to start would be, look in your community. Like, if you've got a special interest group…

James: Yeah, a bio hacker group of some kind, right?

Lloyd: Yeah, those people are going to be, it's not just that they have the knowledge, but they're also going to be totally motivated to work with you.

James: Same with bass guitar, and all the rest of it. Every musician I've helped work with, they've always found their best team members are students of theirs.

Lloyd: You're not going to post that out on LinkedIn, like, put it out into your special interest group, that's the first point.

James: Send it to your email list of your database. I mean, if I wanted a video editor or something, I know I can email my own customers and say, Hey, do you like editing videos? Are you not yet sick of my face or my voice and think you could work with footage of me a couple of hours a day or whatever? I think we could shake the tree a bit and find someone with special talent within our own database. So start close to home. I love that, instead of dealing cold out in the strange world, go with your community.

Lloyd: And in the same vein, you've got a team, right? Your team know the culture of your business. They know the honest truth of what it's like to work with you no matter what you put in the job description or position advertisement.

James: And they're still there despite that.

Lloyd: And they're still there. They know what it's like to work with Lloyd. He's a good guy, you know, they can tell. Actually, you know what, ignore this, ignore this.

Referrals and filtering

So I can give the position advertisement to my team and say, Hey, do you know someone who might be interested? If so, send them my way. And then if I do take that person, then I can give my team a little bonus for helping me there. I will say this, though. Just because they referred someone doesn't mean it's an automatic win, like they have to go through this same checking process. Don't just go, Oh, yeah, it's a friend of so and so. Welcome aboard.

James: It's often a husband, wife, sister, cousin, auntie, like family. I get this question a lot. Is it okay to hire family members? And yes, it is. It's counterintuitive, but most likely it is. You might have a whole family who enjoys working for you. And they can plan around their trips together, they understand the culture of the business, they actually understand each other, they never have to question, why are you doing that? What are you working on over here? Or what's this guy all about?

They know it because they have context. And to some extent, you build a pretty close relationship, because they really like working for you. You really like them working for you as well. You've got easy to track them down if someone's missing or whatever, because the partner can let you know. I've seen occasions where a family member is a bit flaky, and they brought them in because they're trying to give him a solid but they didn't work out. So it doesn't mean you should give them the sort of automatic pass, like Lloyd said.

At the same time, if they're not doing a great job, they will get a little bit of a behind the back shed tuneup from their relative, I've noticed that. They'll take him out to the woodshed and sort them out. Say listen, you're causing me a lack of face here. You're embarrassing our family reputation with your performance. You've got to sort it out and sort it out quickly. And so often, I found these things can self-correct really quickly.

Lloyd: So we've not even taken the person on yet. We've just, we've looked at them. We've talked to different people, we've got some referrals. We could look at doing a trial task. I really like to do a trial task.

James: I agree. Paid trial task. If it's a significant obligation or it takes time or effort, it's okay to pay. You'd rather pay for 10 trial tasks and find your one or two candidates, than take on 10 people on a, you know, 30-day termination, if you're not that good type thing and have all that pressure and stress and the complete unknown.

Lloyd: Yeah, I mean, you're still not getting all of the information that you've got yet. If it's cold, if it's someone outside your community, you haven't got them in yet, you haven't had an interview with them, you haven't had that personal meet and find out if they align with your passions or your values. But you can give them a trial task. If they're a designer, give them the design tasks, and yada, yada, yada.

So then the next thing, once you've built it down through wherever they come from, was it a job board, was it in your community, was it through a friend, you've given them a trial task. Now it's time for the interview. And that's not easily something we can replace with AI yet. And although we can do some kind of prescreening, or send out some task information, or give them a questionnaire, or give them a test, there's something in the conversation and getting to know if they align with you and your values that is not so easy to put out to a robot yet.

James: It's what I was alluding to before. It's the words they use. It's the tone, it's the intonation, it's the pace, it's the energy level. A client of mine, was interviewing for a customer support role. And his candidate had done an accounting degree, and he's also applied for accounting roles. And he's like, Well, what do you want to be, an accountant or a customer support? And they're saying customer support, but it's not really coming through.

Lloyd: I listened to an interesting speaker the other day, and she was saying, if you're not aligned with people in your team, it may be because your passions aren't aligned. And it came true to when I tested this for myself, I thought, Okay, well, what are my passions like? What are my drivers ultimately for what I do, and enriching my soul and security and flexibility? And then when I look at my team, actually, most of my team are in the same vein, so it's a really good conversation to have when you're interviewing someone.

It's like, what's your why, like, what are your top three passions? And that's something that's super valuable that's still not going to be replaced by automation, or AI at this stage. And so just getting into the guts of what happens in an interview, I'll be covering those things. I'll talk about the passions and the why and so forth.

When I'm interviewing someone, I'm going to be looking at the requirements for the job description. And I'm going to be looking to assess that in some way. So if I've determined, for example, that I'm hiring a Director of Operations, then I want to make sure that they have experience leading people, overseeing projects and operations, and driving process improvement.

Looking for alignment

So I should have questions, but all of those things, where they're going to give real examples about those things, and then I'm going to be able to score them. And so this stage, that still involves my human ear to pick that up and listen to it and see if I like their approach, is their approach aligned with my approach? It might not be right or wrong, but I really look for empathy as an early lens when I'm hiring people, because that's the tone that I like, I like to connect with people with heart and humor and empathy.

And so if someone's going to last in my business, then I think they need to be in the same vein as me, rather than what someone I heard, say the other day, I really want a badass, and I was trying to get into, what do you mean by badass? And I think what they were really looking for was not a badass in terms of their skill, was more like a dictator kind of character. And that could not be more the polar opposite of what I'm looking for. So this is the kind of thing that I'm looking for in an interview, which can't really easily be replaced by automation.

James: Are you concerned about just hiring people just like you? It's a pretty common mistake, leaders hiring people that remind them of themselves, even if they're not a great candidate?

Lloyd: Good question. I feel like I want people that share my values.

James: Well that's easy. I took my whole team surfing so then they're all fixed. We all have the same values. We all love surfing, we're all surfers. [laughs] I'm joking there, right? You can't force the values onto people. But I did take them all surfing. And as far as I could tell, they really liked it. But I will say there's some members of my team who are really different characters to me. And I love that. I celebrate the differences, because I've got real coverage now.

For example, I hate minutiae, I can't stand small, little, nitty pitty detailed item things - that drives me wild, as you know, Lloyd. And I'm a broad brushstrokes person. I can do the detail. I did study accounting even though I didn't pass the last subject. I don't love it. But there are people in my team who really love it, they love the detail, and they like lining everything up just perfectly.

Lloyd: And I completely agree with you.

James: Very different, very different to me. But also some of them are super quiet as a mouse, like mega quiet and super talented, extremely humble. So a lot of things I'm not, right? And I love having the collection of different people in the team. But for the most part, I'd say that there are some core things.

We all have integrity. We're all very honest. We believe in helping customers be better off. We're on the same page for our core service ethic. And you interact with my team, you've seen, we really do care about being responsive and having great quality answers and getting to the outcome. My team will not sleep if something isn't fixed, because it's important to them, not just me, but it's important to them to get it sorted.

Lloyd: And I think that's correct.

James: And they fight for me, you know? When something's not right, they'll query it, and they'll push on it. And I love that.

Lloyd: I think we need to be, as you've said, we need to be aligned on the big things. But in terms of how we do things, what our interests are, can be different. So you know, I've got a guy in my team, he loves doing video editing, he's better at it than me. And that's great.

Okay. I think we're at the end of in terms of, we're doing an interview, we still need to work out what our things are that we're assessing them on, you know, a bit our passions, our why, the actual situations that we're measuring, and scoring, and then we filtered it down. And we've identified someone we're going to go with. I'll just say two more things on this matter before we close, because I know this is a deep topic.

"If you haven't got a FAILURE TO SHARE with me, you're either NOT EXPERIENCED ENOUGH, or you're LYING."

LLOYD THOMPSON

A tricky but revealing question

The first thing is, I love to put in my favorite question in there. And this question. So if someone's applying for VirtualDOO, I'm telling you the answer right here. I like to ask them, what's the biggest professional failure you've made? And how did you directly contribute towards that failure? I love that question, because if you haven't got a failure to share with me, you're either not experienced enough, or you're lying.

And this can set you up in the interview, because if you can share some vulnerability about how you stuffed up and what you learned from it, then this is going to be a great conversation, because I'm now going to share my back catalogue of lessons that I've had, and we're going to be off to a great conversation. I'm not sure how easy that is for AI to come up with that, and maybe it can come up with a story, are they going to be prepared for that story of back catalogue items? You know?

James: I'll be honest, surely, that's a trick question. And I'm wondering if they really want to hear your back catalogue of failures, like that might talk them off the ledge and out of your job. I'd be scared about that question. It's definitely better than the standard. When you type into the chat, I'm sure you can ask, list the typical questions people ask in interviews.

This is how the younger generation are particularly good. They're good at doing their research, they research like crazy, and they prepare the possible scenarios. And they can manage that quite well. It's when things get a bit sticky or deep or resilience is required, that's when it can run out really quick.

Lloyd: So they can prepare for a general answer. But are they necessarily ready to answer a question like that? Sure they can ask ChatGPT for a story about their failure, but are they going to be ready to come in and think on their feet?

James: Yeah, like some interviewers, they get a little bit too excited about being able to control the candidate or tricking the candidate or whatever. And I just caution against, like, don't do anything that doesn't work towards the outcome you want. So make sure your questions is appropriate, legal, and gets you the result that you're looking for that helps you make the decision.

The big thing that Lloyd said that I want to back up, before you do the interview, prepare your checklist of criteria of what someone would need to demonstrate that they can do to be successful in that role. And then when you do the interview, score it. And after the interview, do your analysis or your second round of interviews or consult with other people, or do your reference checks. I'm just like, saying these are the absolute essentials.

If you want to skip some of that stuff, you can also use an agency who specializes in doing all of those things for you, and you just pay them a little fee, and they deliver you candidates to interview. You can still do a lighter version of it, knowing that someone's taking care of the pre work or, importantly, they might have access to channels you will never ever see.

So for example, the wife and I have VisionFind.com. We don't run ads in the jobs boards, ever. That's not where our candidates come from. They don't know about those boards, or they're not on the jobs boards, because they're the worst type of candidates we want for a VA, because they're the most risky candidates, they're the most likely to leave, the most likely to try multiple roles, the most worn-out, burnt-out types.

We want fresh people from different categories to come in, and be freshly tuned up and installed with their SOPs and good to go, out of the box. But it's going to depend on who you're hiring, like for what kind of role. The types of roles Lloyd's talking about, more operations based, they're in the candidate pool, they're doing the jobs already, you need to have that experience.

If you need some help with operations, anything to do with people or systems, Lloyd is the person to talk to. VirtualDOO.com. He runs a business where you can pay for a little bit of access to him and his team each month, instead of having to hire a person to try and do all the stuff that his team can do for a fraction of the price. That's what I love about the service.

I actually mentioned you this morning, Lloyd. Someone says they're trying to do their marketing and their support and liaise with the team, and I said, Well stop that, just stop dealing with the team. I said, How much have you budgeted to have the operations taken care of? And they said, Well, I put aside $6,000, and I was going to get someone to come in and build our SOPs for us and take over talking to the team and then eventually figure out what we need and then move into trying to find someone.

And I said, Well, you should definitely talk to VirtualDOO because it's exactly what they do. But they do it faster, and they do it with more depth of experience than most of the suppliers out there. I mean, there's only a couple anyway that I know of, there's like two. And you are the gold standard. And I appreciate you so much. Thank you for coming to share again.

Lloyd: Thank you, James. Pleasure to be here. Thanks again.

James: Like, I don't know if it's right or wrong. But I just want to point out that these are the things I think of as an educator. Episode 997. We are continuing on, we're having a great year. And we'll put up the notes at JamesSchramko.com where this episode appears, if you want to get access to a sort of a review of what this episode is all about. Thank you so much.

JAMES**SCHRAMKO**

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