

Doug Kisgen

Announcer: Welcome to the Eventual Millionaire podcast – with your host, Jaime Tardy. Real talk and real advice from real millionaires, with a sharp focus on you – the Eventual Millionaire.

Jaime: Welcome to Eventual Millionaire. I'm Jaime Tardy and I am really excited to have Doug Kisgen back on the show. Now the funny thing is - and I'm going to tell everybody what happened - we already did an interview once and it got corrupt because my hard drive was full so poor Doug is extremely awesome and was like 'I'll do it again, no problem,' really, really sweet about it. I feel horrible because the interview was amazing and great and we're going to totally recreate it and make it even better now. Doug is a culture index consultant and one of the crazy things is, since we did the previous interview, I've been telling all my friends about him so now I have even more amazing questions. I even hired him because he's so amazing at what he does. You can check out his website at KisgenGroup.com, which we'll talk about at the end. So thank you so much - so much! - for coming back on the show today, Doug.

Doug: Absolutely. My pleasure, Jaime. Great to be here again, getting a second try. Most people don't get a second try so it's a good thing.

Jaime: I know, right? We're going to be so much better this time.

Doug: The things I should have said!

Jaime: In the last interview I took this survey - and we're going to talk about it in just a second - and then you gave me my results and I was like 'Oh my gosh!' and that's what was really cool so we're not going to recreate that, of course, but I want to dive into what it does and who it's for and that sort of stuff. So before we get into that, what is a culture index consultant? Please tell us more.

Doug: Essentially, what a culture index consultant does is work with executives and owners to help them understand their strengths, their weaknesses, their talents, so that they can get the most out of themselves and all of their people and the way that we do this is through an objective survey. It takes less than ten minutes, which is so cool because you have no idea of the depth and the power of it, and then it measures seven work-related traits as good as anything I've ever found.

Jaime: It's amazing, because I remember right before the first interview, you were like 'Can you take this survey?' I've never had a millionaire ask me to take a survey before they interview me and I didn't know what the heck it was and I just did it as fast as I could because I was really busy and then you came on and were like 'I have your results,' and I was like 'Results for what?' I didn't even know what they were for.

Doug: I have them again, just in case.

Jaime: It's text boxes and I just wrote answers to questions, it wasn't like a DISC analysis or those things where you have to score yourself 1-5, it was using my own language. That was crazy - how can it know it ten minutes or less? I think it took me four, which is part of my results, I guess.

Doug: It's in there.

Jaime: How do they figure all of that stuff out just from the words I use?

Doug: It basically boils down about a hundred years of applied behavioral psychology into an instrument that is extremely valid and the reason it's so good is that it uses a methodology - I don't know how deep you want to go into this but it uses what's called a free choice checklist. A lot of other instruments out there, and there are some good ones, but several of them put you in a box - 'Which one of these things is most like you, which one of these is least like you,' - and our instrument, it's a word and it's either you, it describes yourself, or it doesn't, so it's this digital yes or no and then we have almost double the number of stimuli per trait than other instruments out there, so in other words if I give you a test and I'm measuring your knowledge on a subject matter and I give you a test that has ten questions versus a test that has twenty questions, how much more accurately can I measure your knowledge on that material? Well I can measure it much more exactly with twenty questions than I can with ten. So that's what we're doing. It's very nuanced, the algorithms behind it, plus it took five and a half years for a team of psychometricians to build it, from 1999 to 2004. So even though it seems simple and you have no idea that it's even gauging these things when you take it, it's incredibly robust and very, very well researched.

Jaime: It's insane because it totally works. The reason I hired you was because, when we got on, we had my whole team take it and you gave me results for somebody and you were like 'Just so you know, I'm not sure she's a good fit,' and I was like 'I let her go on Monday,' and you were like 'Okay, good!' The proof was in the pudding - you were like 'I don't think this is a good idea,' even though you knew nothing about her and everything that you said, based on what you did for her culture index, was right. I was like 'That's exactly true,' and then you told me about me and I liked it because you were telling me wonderful things about me and I was really excited. It's one of those things where it really makes a huge difference that it actually works. I remember going to a party shortly after our interview and I was just telling everyone about it - I was like 'This is mind blowing!' The data - and I'm a huge data freak - told me exactly what I should have done and it probably could have told me before I hired her too.

Doug: Oh, yes.

Jaime: Which is sort of the whole point, which is why I hired you for the next hire. I do a lot of hiring and I help companies with hiring and it's one of those things where the more data you can have, the better it is. So last time you told me a little story about how you got into it and I really think that's key here, so can you tell us about your previous business and how you found the culture index?

Doug: Sure. May I make a couple of comments?

Jaime: Please do.

Doug: Number one - just because that person wasn't a good fit doesn't mean they're not a great person, they're just not in the right role, and I know you can totally corroborate with that. Secondly, a huge component of this program is candor. I kind of stuck my neck out and said - before you said anything - that the assessment of a person that was they were maybe not a good in that role and that's part of the deal and there are some people who want the candor, who want the candid 'Here it is, this is the data, I see what I see,' and there are honestly some people who would say that ignorance is bliss so it kind of divides people pretty fast and that's why we do this kind of data

upfront and give a little bit of consulting up front, so that they can see the style and see if it's something that fits with them, because at the end of the day people are subjective, we're adding so much subjectivity to our decisions, to our hiring, to our communicating, etc. and this provides objective, very crisp data that you can use if you want to, and if you want to it can be glorious and if you don't then it's not a good fit and that's okay. In terms of my introduction to it, I have always had an affinity for these instruments - I have taken DISC and Myers-Briggs, Style analysis and Talent Plus and Kolbe and all of these things and I've even used them in former companies or businesses I've either worked for or owned and it wasn't until a licensee of another consultation came to me - it's kind of a long story, I was helping rebuild an entrepreneur's organization chapter in Kansas City and I needed to go out and find other entrepreneurs to join and this guy said 'Hey, you ought to talk to this culture index licensee and see if he'll join EO, but I've got to warn you - he's going to make you take a survey first.' So I was like 'Okay, cool, I like these things,' so I took the survey, he comes in, he reads back my profile and I had never heard this specific of who I was from anybody ever and I asked him to help me pick my jaw up off the ground and I bought on the spot and I started making decisions immediately - in fact, I gave someone the choice to quit or be fired the same day. I made some mistakes, honestly, using the data as a silver bullet a little bit too much but, anyway, I started using it, then learning how to do it, and within about 120 days I became a consultant myself because I could see what it could do and I also used it to build an Inc. 5000 fastest growing company over the next couple of years.

Jaime: So you have an amazing history in being a business owner and using it too. It's not like you're a guy that was like 'Hey, this thing looks cool. I'm going to just be a consultant.' It's not that at all, you're like 'Oh, it really helped me change the shape of the company,' and that makes a huge difference.

Doug: That's right - and I made mistakes using it too.

Jaime: Well let's talk about that for just a second.

Doug: Sure

Jaime: What sort of mistakes did you make?

Doug: This is a pretty good one - I'm a data oriented person like you are so I see this data and I saw how accurately it described me so I thought of course it's going to describe everyone accurately - and it does, however that's not the only piece; that's not the only piece of the puzzle. I'm bearing my soul here a little bit - I owned a non-medical senior care company and a part of selling in that company is going in and out of nursing homes and assisted living facilities and trying to gain relationships such that they would refer us. I had the perfect profile for exactly what I wanted, I already had someone in the company who was awesome and I wanted to replicate that individual so I looked at their culture index and I almost didn't even interview her - I basically hired her on the spot for a fairly high level sales position based on culture index. Well, she went in and out of her first facility and came out balling because it turned out her mother had passed away in a facility two months prior and she just couldn't see herself going in and out, so she lasted two days - business cards showed up four days later and here I am, back to square one. Hopefully this will be a takeaway regardless of whether you're exposed to culture index or not - number one is who, that's what we measure, the who, the personality, the traits, the strengths, the weaknesses and we do it, in my

experience, better than anyone. Number two is the what and it's still important - meaning this individual's ability to do exactly what I was going to ask her to do, going in and out of facilities. I should have obviously asked that question in the interview process. But also experience - so if you're looking for a controller and they're the perfect 'who', which we can identify, but they've never had an accounting class then that doesn't make sense, it's not going to work out, unless you want to invest the money to help them learn that, but that usually doesn't make sense either. The third one is KPIs - I don't know if you're familiar with Jack Stack's 'The Great Game of Business', I know Verne Harnish has been on the show - fantastic interview, I love that guy - 'Scaling Up' and, of course, 'Mastering the Rockefeller Habits', everyone should be assigned a number, some measurement, and the accountability should be very clear. So if you have the right 'who', you have the right 'why' and you have the right accountabilities, setup, training, education, however you want to put it, then you're going to have a successful hire - but you need all three.

Jaime: I love you saying that and I want to get into a bunch of quaestors on hiring and the best way to do that and all of that fun stuff but before we get into that, I think a lot of people who have been watching the show know my personality anyway - I want you to go over my culture index for people so that they can see the good, the bad and the ugly. I'm totally fine with that. Last time I hadn't heard it and I was like 'Okay, is it bad? Just tell everybody!' Thankfully now I've heard it and it's not horrible.

Doug: Of course not!

Jaime: I would love for you to go over it so that way people can see the ins and outs of how you would describe someone.

Doug: Sure, sure, and I think you know from being exposed to this that I could take 45 minutes to do this or I could take five.

Jaime: Please, tell me more about myself!

Doug: I'll give you the nickel and dime overview of that. I don't know if it's really going to resonate or if you can see this very well so I'll just do it off the top of my head, looking at the traits. We measure autonomy as this self-directed, self-starter. Of course you're a self-starter - this is proactive, this is out in front, this is tenacious, this is completive - you are all of these things. Secondly, we measure social ability or extraversion and that's what really makes you tick - you read people well, you make friends easily, great first impression, great conversationalist, all of these things that are very obvious to everyone who's watching right now because that's just a piece of who you are - and it's also a piece of why you want the video, because there's a better connection, which you prefer, and it's where you thrive. When you can see facial expressions and read social cues, which you're incredibly good at, and in terms of also persuasion and empathy resides in this trait which, again, is the number one trait that guides, moves, fires you up. Thirdly, you have a trait that measures pace or patience and you're right on the cusp, you're a bit of a chameleon there. Most of the time you're going to be methodical and say 'Let's take a deep breath, think through this, look at that data, check off the checklist and then move forward,' but occasionally, within that, you'll move a little quicker or you'll say 'Okay, there's a deadline, alright, I've got to speed it up,' so you have this dichotomy - you can go either way on that one. Then there's a trait that we measure that's conformity - or, in your case, lack thereof. Everyone's going right, Jaime's like 'How about left? Let's see what left is like.'

Jaime: He went and told Kendra, my online business manager, she's like 'Yeah. Okay, yeah, that's Jaime.'

Doug: This is risk taking, this is color outside the lines, this is where this creativity of 'no one's ever done this before' resides. I don't know if you're the actual first video but I bet you're one of the first video podcasters to really be successful and that wouldn't surprise anyone who knows culture index and sees your results. In fact I showed the founder - we happened to be at a licensee meeting before I came on and I said 'I have this interview coming up with a very, very popular and successful podcaster,' and he looked and said 'Of course she has a successful podcast - and a video podcast specifically,' so it was just completely obvious. Then there's a few other ancillary traits we measure but those are the core traits of who you are and what makes you tick.

Jaime: I never in a million years thought I was going to be the person in front of a camera. I was voted most artistic and I was the geekiest, in the corner. I did a speaking gig for one of my mom's friends and she was like 'I never in a million years thought you would be in front of somebody. You were in the corner drawing or reading a book and not wanting to talk to anyone,' so it's really interesting to see these pieces. Of course now it makes perfect sense but if I had known that a while ago it would have helped me on my path, which is kind of interesting. Is it something that changes? Like when I was younger, would it have shown my introverted-ness? I feel like I'm a learned extrovert - I love it now. Do you know what I mean?

Doug: It's such a great question because if you were to research behavioral psychologists and psychiatrists they would see that, generally, your brain and your concept of who you are grows the most between 0-5 and second most between 6-10 so that most people, in terms of their personality and their self-concept are fairly well cooked by the age of 10-12 - some up to the age of 16 and there are some slight modifications. You may not be fully aware of who you are yet because you're still figuring it out but conceptually and internally it's fairly firm and it doesn't change. I remember when my licensee first said this to me - I was like 'Oh no, a couple of my kids are screwed!' I'm just kidding, that's terrible. But really, it's incredibly firm. There have, of course, been studies showing where someone has gone through, God forbid, a catastrophic event and the very foundation of their personality has altered, but that's very, very rare. So in your case I would say it's one of those things where you have a couple of drives - you have this drive to win, you have not a super high social ability in terms of extroversion but it's still high, so the opportunity maybe didn't present itself to, in a sense, blossom yet, but it was always there.

Jaime: That's really interesting. People come to me for networking advice - how do I network better? How do I speak? How do I do this stuff? And I teach what I know but it also depends on the person. When you're like 'Okay, what do you like?' and sometimes it just isn't a good fit. Do you think if someone reads this test they can learn more about themselves and what their path could be? I know that's not what you use it for but is that a way that you could use it too?

Doug: Sure. It's all about extenuating your strengths, finding out what those are, realizing and understanding them and accepting them, to a certain extent. The candid truth in terms of networking - and I think you know I'm pretty straightforward and if you ask me a question I'm going to give you a straight answer - most people are not going to be as smooth as you, period. That's the truth. People who know you, who have ever seen you work a room - I saw you at Podcast Movement - you just have an innate ability. You've developed it as a skill as well but the innate ability to make a

friend and make a great first impression, to listen well, to be empathetic, a number of those things can't be taught. There is skill in there too - I'm not saying it's removed completely from skill but there's an element of talent there - you either have it or you don't.

Jaime: I think that's so important, knowing what your strengths are. I found them out after when I started doing interviews and when I started networking. At my first networking event I was like 'Oh my gosh, I don't know what I'm doing.' I didn't want to talk to anyone and it's the confidence and stuff like that is definitely something you learn but then I was like 'Oh, this is fun, I really like this,' and I dove headfirst into it. Do you have any examples of people realizing what their strengths are and then going into that more? Because that's one of the things that the millionaires talk about when I interview them - go after your strengths, don't necessarily try to get all of your weaknesses up to par, you'll feel more alive when you're doing the things that you love to do, which I think is really important. How do we cultivate that?

Doug: I would say the biggest issue or challenge that I'm usually presented with is an entrepreneur who's at that stage where he or she still thinks they have to do everything. We can measure vision, we can measure strategy - we can measure, for instance, that you're a big picture person - you're thinking forward, you're thinking future, you very rarely look behind - you in particular - and most entrepreneurs are visionary, most business owners are visionary, so when they realize that, very succinctly, they realize that 'All of this minutiae that I'm still hanging on to, it's silly now that I should still be in there doing that. That should be delegated, I should be able to let that go,' and the problem up to then has been that they haven't identified and found the right person to whom they feel comfortable delegating to. There's both ends of the spectrum here - number one, I am who I am, I know where my strengths are and if I'm a visionary, strategic leader I need to be thinking forward, I can't be still attached to the ground, worrying about the minutiae, and number two, if there isn't a good number two or right hand person, or however you want to put it, in there, we've got to find that right person so that individual feels more comfortable going there - and we have seen tremendous growth from that one little decision point. I think Verne says the 50th employee, 100th employee, there's that ten million gap there, there are certain little steps that become plateaus and one of the biggest ones is letting them go and moving forward and being more strategic.

Jaime: A lot of people listening are just starting their business or they have maybe a handful of employees and it's so amazing and critical to fit those puzzle pieces but you make it sound so simple - because the people who are in it right now are like 'Ah!'

Doug: Even with culture index it's still not simple. I'm not trying to color it as easy but I will tell you that it takes a ton of the headache away and it takes the guesswork away. In other words, when you're sitting across from someone and they've taken culture index, you know exactly the 'who' that's across that table, you know what you're going to be dealing with, you know the challenges, you know the talent and the positive that they're going to bring to the table as well as the negatives, but that doesn't mean you still know how to deal with them on a consistent basis and that's why our program also has some consulting involved so we work with the people beyond just the hire or even with their current staff. I thought of an analogy - it's in a book by Jack Welch, I don't remember which book but he talks about a rowboat and you picture a rowboat with only six people in the

rowboat and if one of them is not rowing - so three on one side, two on the other - what's happening to the rowboat?

Jaime: It's going in circles.

Doug: In a small company, every hire is so critical. Everybody has to, most of the time, wear lots of hats, or several hats. They have to be going in the right direction, they have to be contributing as much as possible and the thing is that the owner, if they're allowing one person to not row, those other five people know it. That's the other piece of it. It becomes a tough decision, of course, but usually it's in the best interest of the person who's not rowing as well as the owner of the company. Every hire is so critical at those early stages.

Jaime: I'm a huge data freak, we both are, and being able to see that - I had my best friend take it, Olga, and she came back and we were talking about it. She has a sales recruiting company. She's super cool, she's only in the first one or two years of her business and it's growing really well but she's like 'He told me I was a visionary and that I shouldn't be doing any of the little things,' and I was like 'I have been telling you this forever! Why have you not listened to me?'

Doug: She is almost as strategic as we can measure in culture index. She's that big picture. Unbelievable, and an incredible problem solver, strategic problem solver, very creative. She's going to be fun to watch and I appreciate the introduction because I love watching people like you and her, just the paths that you end up taking when you have so much talent, the choices you take to get where you want to go, and neither one of you will be stopped, that's for sure.

Jaime: She's run a multi-million dollar business as a CEO before but not she's starting her own and it's a totally different thing but she wants to build a \$30 million company. Most people you talk to in the first year aren't like 'Yeah, I'm building a \$30 million company.'

Doug: That's vision. You're being very candid so I feel comfortable talking about her, I hope that's okay, but she's really not the startup person.

Jaime: I know! We know!

Doug: That's a stage that isn't as good for her and, boy, I pray she's going to get through it because once she gets past it - basically she's overqualified because she is meant to be, \$30 million, are you kidding me? \$300 million, \$500 million, she has that kind of capacity in terms of strength, problem solving, fixing things, as well as strategy, big picture, thinking years down the road - all of that stuff is where it really comes into play in a larger organization. She can still get there, I know lots that have, but this is the big struggle for her, the beginning stage.

Jaime: I'm so used to doing that piece but she's already ahead. It's so funny to see. This is with anybody - you have to match what you're good at. Like you're saying, she's a visionary so being in a startup is difficult and knowing that stuff about yourself - 'Oh, that's why I'm having such a heck of a time.'

Doug: I've had some people who have pushed back and doubted me. I have a client who is technically not visionary according to culture index and when we were going through our two day workshop she goes 'I am visionary,' and I said 'Okay, give me an example of how you're visionary,'

and she goes 'Every morning I think about all of the things that could derail me during the rest of the day.' I'm thinking 'That's not really visionary.' I had another entrepreneur ask the same kind of thing - huge visionary, kind of like Olga - he has a franchise business and he said 'My short term goal' - get this - 'is, within five years, to have 500 locations and I want to have 5,000 before I die.' Okay, that's vision.

Jaime: You know, today or 40 years in the future.

Doug: God love her, and I'm not judging her, it is what it is and that's okay. She's running a very successful, very solid business. It's based more on the detail, minutiae and knowledge than it is based on long term strategic thinking because that's not her strength, this is, so actually, I think from the last interview to this interview we brought in a visionary into her organizations - not a real big one, because a big one wouldn't be able to be satisfied in that role within that organization - but a little visionary can actually help a lot and she's kind of grabbing things a little bit more and she's given her own kind of area, which is exactly what you want to do with a strong entrepreneurial type that is accepting working for someone else, which is tough. So anyway, it's working out very, very well and she's a great, great person so I don't mean to knock the vision thing but it's true. Some people don't know themselves well enough to know where their strengths are and it can be a big hamper down the road.

Jaime: I think you told me something about me being really logical and a little less creative. It's always hard to hear. I was an art major at the very beginning and I'm like 'I'm creative! I'm not very creative... all of my things were based on things that already exist, it was realism.' But it is funny how hearing about yourself is a hard thing to take because I can do anything. You know what I mean? 'I can do anything I set my mind to!' It's just that some things come easier than others and that's what we want to start pushing on the path for, right?

Doug: That's right. You mentioned two other traits I didn't mention but the logic and the ingenuity, you're like off the charts on logic. I mean 'If this, then that,' black and white, this is the way it is - very, very rational, very stoic, very reasonable. When you make decisions, it's very reasonable if your L is driving. If your sociability is driving, sometimes you can make a feel-oriented decision but usually it's backed by logic and that's the whole data thing. Then there's ingenuity, which you're lower on, but still you have the low D creativity which is that color outside the lines so ingenuity is this spark out of nowhere, create something, you're like 'Where did that even come from?' and they're like 'I don't know.' That's where that is. You're still creative, it's just a different kind of creativity.

Jaime: I just did a painting and I'll look at pictures to base it on first and I'll do it a little different.

Doug: You'll color outside the lines, you'll go little bit different - that's that low D creativity. There's got to be matter to begin with but once there's matter then you're like 'Okay, I can do this different. I can tweak this,' and you put your own stamp on it.

Jaime: It's so funny to hear about yourself. I've taken Kolbe and some other stuff so I know I'm a quick start with not very much follow through and I love research so I knew some of the pieces already but, like you said, it's an interesting way of doing that. What I want to transition to is hiring, because you have gone through and helped so many people with the hiring process and lately, this week, with my clients, we've been talking about hiring like crazy. Hiring people is an amazing thing,

to be able to give someone a job, so what's a really good strategic hiring process that if someone in the first 5, 10, 15 hires can pay attention to as a great process.

Doug: I think the first process is to know who you are so your first hire should be someone who complements your strengths. I think that's fairly obvious but it's not completely obvious to everyone. In essence, the things you don't like doing, delegate. I'm also a big proponent of anything that could be delegated should be delegated so if you start thinking about that for a little bit and really internalize that, that right there can be incredibly powerful if you really stop and think about it. In terms of a strategy for hiring specifically, clearly I'm biased.

Jaime: I know, culture index, okay!

Doug: To me, I would never own a business again - and I've worked with businesses, I've done some investment with some businesses, I've worked with startups and stuff like that and I would never invest in anyone who isn't using objective data on the front end because interviews are subjective, resumes are subjective, role play is subjective - just about anything that you can do other than a skill test and some other things out there - most of the things in the process of identifying whether this person is going to succeed in this role or not are subjective so there needs to be some objective data on the front end and that's why, again, shameless plug, with culture index, whoever's a client gets unlimited use of the survey so that we catch everybody on the front end, rather than a protest model, where you're like 'Okay, let's wait until I have my top four or five and then have them take the survey,' well you've already introduced subjectivity into the equation and we want to catch them at the top of the funnel, not the bottom of the funnel. Beyond that, I just read a book, 'Work Rules', it just came out, it's on Google and their hiring processes and it's fascinating because they have such a huge sample size - thousands and thousands of hires - and they talk about how much their executives would spend weekly, five to ten hours a week, just on interviewing and identifying talent and they did a study, which is one of the best takeaways - they used to do ten interviews per hire and the study was on doing three, four, five, six, seven, eight interviews, and then a percentage rate of success and they found a distinct drop-off - do you want to guess at what number?

Jaime: I have no idea.

Doug: Four.

Jaime: Really?

Doug: Four's still a big number for most people.

Jaime: Really big. Usually we do three.

Doug: Yeah, especially for small businesses. If you want to walk away with one tip - you're not going to do culture index, you're not going to do objective data - do four interviews. You can have one that's more of a get to know you, here's what the thing's going to be, put them in the job, in the role, have them answer a phone, role-play whatever it is they're going to be doing - if it's sales, give them a brochure on your company, have them come in and sell you like you're a prospect - there's a number of things you can do to add a little bit, and then the last one, I don't know if you're a Dave Ramsey fan?

Jaime: Huge.

Doug: Okay, cool, so in his book, 'EntreLeadership', he talks about the bigger hires. One of the last stages is a meal with he and his wife and the individual and their spouse if they have one - it could be dinner, it could be lunch, but some kind of let your hair down situation where you see how they deal with the wait staff, manners, is the spouse on board with the hire - especially for a big hire. If it's a six-figure hire there should be some element of understanding the family dynamic or seeing that person in a social situation because at that level you're going to have social situations and so I think that's a good tip. Anyway, hopefully that helps.

Jaime: Extremely helpful. Like you said, it's all objective, or it could all be subjective, so getting as much information as you can, because some people could just play it really, really well. I've seen so many horrible hires throughout companies and it wastes so much time and so much money, it's ridiculous.

Doug: Are you a top grading fan? Have you been exposed to that process?

Jaime: I don't know what top grading is.

Doug: Brad Smart, the father, came out with top grading in maybe the early 2000s, late 1990s, something like that, and I've utilized it for a long time. It's probably the best structured interview process on the planet in terms of reducing the amount of subjectivity and Jeff Smart came out and I got to meet him at an Entrepreneur's Organization event and he wrote a book called 'Who' and it's a little bit more reader friendly, so to speak, but it also outlines some great tips on the interviewing process but in that - you mentioned how much it costs - he says that it's 15x salary every time you make a mistake in hiring. I think that's exorbitant, it's probably a little bit high, but even if it's 10x or 5x it's a big number.

Jaime: It's a huge number.

Doug: So obviously whatever you can do to reduce that, the better off you're going to be.

Jaime: It's funny, people don't assume that, they're just like 'Well, you know, I'll just do it again, it's just my time,' but it's not - imagine the opportunity costs and the growth you could have if it's the right person.

Doug: Who do they talk to? Who do they touch? Who do they effect? Your time in terms of training - it's a lot more than what most people think. It's maybe not 15x salary but it's a lot more than most people think.

Jaime: Definitely. One of the things you said before was that everything that could be delegated should be delegated and I want to touch on that again because, like you said, the entrepreneurs in the first few hires, it is a letting go process for people to be like 'No, there are other people who can do this, maybe even way better than you,' so give us some tips for letting go or delegating when we need to.

Doug: There's a great exercise - I think it's in 'Traction' by Gino Wickman - that talks about the things that you love to do and you're great at, the things that you like to do and you're good at, the things that you're good at but you don't really like to do and the things that you can't stand to do and

you're bad at. A great exercise is to set aside an hour or whatever, no interruption, and just put all the things that you're responsible for doing, everything that you can think of from e-mails, booking travel, to selling, whatever those things that you do, and put them in those quadrants and then start to identify whether you can find someone, whether you could be comfortable with someone, taking on certainly that bottom right quadrant, in terms of things you're not good and don't like, which maybe you've already delegated a little bit, and then the others, so that ultimately you've created a position such that, all the time, you're doing the things that you're great at and love doing - and that's where you begin to really excel. One of the scariest points in a startup is that first hire - you know it and I know it, been there a few times. The second or third time around, it was one of the fastest things I did. The first time around it was one of the last things I did. If I could impart anything, especially to those beginning, you're limited - it's like jumping on a trampoline with a six foot ceiling. The more you get talent on your team that can go places that you can't and do things you can't do, the closer you're getting to putting that trampoline outside where it belongs so that you can jump as high as you want to jump.

Jaime: Someone asked me that yesterday on a call that I had - 'When should I do my first hire?' You should have done it yesterday, just so that you know!

Doug: That's great advice. Great advice.

Jaime: The funny thing is that we hold ourselves back because it is a risk and a commitment and so people back away from it instead of embracing it and, doing so many interviews, you just hear people like you, saying 'Oh my gosh, do it!' and everybody hears that and goes 'I know, but it feels really uncomfortable. Maybe I'll just start with someone in the Philippines that's so cheap,' but then they don't get anything done and they get burned - not that everybody does, of course, but a lot of times there are horrible hires - I just heard a horror story and I've had a couple of horror stories too, so they're trying to mitigate their risk by going low priced up front but in reality they could grow so much bigger if they had the right hire that could help them move forward.

Doug: It depends on the business but the other thing is that you can sometimes find great little part time people that are maybe stay at homes or seething of that nature - they're talented and they just want to apply it. To be totally candid, that's what I found here in San Antonio - Adrian is just a rock star. She's been with me for almost two years, obviously I used culture index to find her - I had 53 people from a Craigslist ad take the survey and three of them were good fits, I interviewed those three, interviewed her twice, hired her. We correspond almost always by e-mail, every now and then via phone and once or twice a year in person and she's probably one of the best hires I've ever had in my life. She is so detail-oriented and so good at follow through but also she manages up. This is a concept maybe people don't know about - people who have experienced this know what I'm talking about - it means 'Hey, Doug, you said you were going to call so-and-so - did you call them yet?' These little fail safes where it's holding me accountable - even though I'm the boss I try to present it as equals and she treats it as equal and she takes ownership and really, sincerely helps me do what I do way better. It's just been a tremendous blessing for me. That's just one experience shared there but it's essential to growth and to really get to where you want to go.

Jaime: It's so funny, after working with so many entrepreneurs I'm sure you can attest that we need the managing up part. Kendra does the same thing for me - 'Did you do the thing that you said you were going to do?', 'Yes, thank you for reminding me. Got that!' I see this all the time - little things

getting dropped, which is totally fine if you've got the right hire that's right there next to you, going 'Hey, did you do the thing?' My business completely changed with Kendra because she was so immediate. I needed an organizational ninja - that's what she called herself beforehand and I was like 'Good, that's exactly what I need,' and she is, ridiculously. But being able to have that, now, when I give her something, I know it's going to be take care of, which is something that's hard - it hadn't happened, really, in that way beforehand and when you do have that, then you can be concerned with 'What do I love to do and how do I more of that?', like you said. I hate cooking, I hate cleaning, so I delegated those - I have a personal assistant and she does all of that for me, I don't have to deal with any of that stuff and being able to have all of the pieces and parts of your life outsourced is just an amazing thing, it just frees you up to be able to make a lot more money and bigger decisions and keep moving forward.

Doug: You're essentially what we call a rainmaker in culture index. If you're a rainmaker, which you are, you darn well better have somebody with buckets to catch all the rain. That's what you have and you're going to need more, too.

Jaime: I can't wait. That's so awesome. I know we have to start wrapping up in just second and I remember last time you made a great offer to people so why don't you tell them about what you spoke about last time.

Doug: I'd be happy to. For culture index, it's one of those things, it's a show business rather than a tell business - we can talk about how accurate it is but until you actually see it you really don't understand what it can do so as a thanks for being on the show I am offering a free demo to any company - it does have to be a company, not an individual - who would like to take the survey themselves, as well as their people, and I will get on the phone - not a super long phone call but a quick consultation phone call - to go through the results for free.

Jaime: And I warned him - I was like 'I've done this before'. I've put it out to people and I got, I think it was 170 applications at one point, to chat with people.

Doug: I'm ready.

Jaime: Not that you'll get that many but still, be prepared. I know it's marketing for you too, which is great, but I was saying some of these people work with \$1+ million businesses so some of these people may not be your ideal clients but I'm probably not technically an ideal client either and I was still like 'Hey, Doug, help me with this next hire,' because it really makes a difference hearing the information.

Doug: The thing is, there is a little work - you have to send the survey out to your people, you have to take it yourself and maybe you wouldn't be surprised, maybe you would be surprised, but when you get a free demo land in your lap, some people don't act on it. So there will be a certain percentage who will go 'Whoa! This is great!' and then they look at the thing and they've got to send out the survey and there's a little bit of work behind it - it isn't really that much but there is a little - and some people won't take us up on it. Honestly, it's a weed out. If you're tenacious and you really want to grow something and you really want to make a difference and you really want to have the right people on the bus, then culture index is something that you should absolutely consider and it's absolutely worth my time. Even if you're not ready now, the understanding that there is something

like culture index out there is worth it for me, to expose someone to it, because there are a lot of instruments out there that I have bene burned by and that I've seen that are good but not great so I just relish the opportunity to demonstrate what we can do. It will be my privilege.

Jaime: It's a good tactic on your part too, because even the people who only have a couple of people right now - I mean I'm planning on growing a lot more, so longer term they will be able to use it.

Doug: Counting on it! I'm just happy to help, really.

Jaime: I know, that's really cool. The funny thing is I didn't even realize I was taking the survey, I was just done, and then you had everybody else on my team take it too. I didn't even notice that happened.

Doug: Why not?

Jaime: It worked out great. So I'm going to ask you the same last question I ask absolutely everyone. You answered it before, I can't remember your answer so you could make something completely new up. It's what's one action listeners can take this week to help move them forward towards their goal of \$1 million?

Doug: I think the number one thing is to know thyself. Socrates said it - know yourself, know your strengths, know your weaknesses, know where you excel, know where you don't. There is a great interview I heard with Gary Vaynerchuk and he said 'I double down, I triple down, I quadruple down on all of my strengths and I delegate my weakness,' and I think that's the one core thing that you've got to do if you're going to be successful - play to your strengths.

Jaime: I love that - and it's funny how simple it sounds but how critical the actual understanding is, and confusing sometimes because sometimes we don't feel like we know ourselves very well.

Doug: That's exactly right.

Jaime: I didn't.

Doug: But I'll tell you - culture index won't lie!

Jaime: I know, you're a disciple, and I apparently became a disciple too, telling people at parties about it. This is apparently my cool party trick. We were talking at the party and I was like 'Why don't they have this for dating or friends or relationships? Why do they only have this in business? What the heck?' You should tell the owner that they should make that.

Doug: I'll see what I can do.

Jaime: It comes from me, it's important.

Doug: That's right.

Jaime: Thank you so much for coming on the show today, Doug. We really, really appreciate it. Say the website one more time and where they can get in touch with you online if they need to.

Doug: KisgenGroup.com - that's the best place to go.

Jaime: We'll definitely put up links and all of that fun stuff too. Thank you so much for coming on the show today, again, Doug. I really, really appreciate it.

Doug: Thank you, Jaime. I appreciate it very much.

Announcer: Thanks for listening. You can find out more great information like this on EventualMillionaire.com.