

Michael Agugliaro

Jaime: Hey everyone, so we cut recording because I ran out of hard drive space. I was recording too many vides for you guys this last week. I'm so sorry about that, Michael. But the interesting thing is we ended up just chatting and he was telling me about his book. I want you to say the name of your book because I think the copyrighting of it is awesome. Go ahead.

Michael: It's 'The Secrets of Business Mastery' and it's how to get more wealth, freedom and market domination in 12 months or less.

Jaime: Who doesn't want more wealth, freedom and market domination in 12 months or less? So how do we get it in 12 months or less? Like you were saying, mindset issues and stuff take time - what sort of bumps up the timeline in 12 months or less?

Michael: You have to put it all together. There are a bunch of pieces - there's the mindset, you have to be in line, you have to crush those limiting beliefs, and then you have to understand the marketing - how do I even get the leads in? You have to understand the sales process, so what is the process that the customer is going to go through from before, during and after? Then you have to have the operational pieces - you mentioned the E-Myth which is one of the most read books on the planet but I think it's one of the most unutilized books on the planet because even when you read it you have the gist but you don't really know how to apply it so I show them how to create a simple one page system that they can go and get their life back and so much more. It's an action taking book, so as you read each chapter it's telling you 'Look, here's the homework. Map this out right now.'

Jaime: I agree with you 1,000% - the E-Myth, so many people have read it, but their businesses don't look like they're supposed to look. Can you give me one of the actions that you do on that one page sheet? What's something that they can be doing right now? Because this is an action-oriented show, I always tell people what they should be doing, so tell them all!

Michael: I will. For us, we have 130 employees, so you can imagine just walking into the building there's a process and if you skip one piece you don't shut the inn. I'll give you a real dialed down one - if they don't shut off the alarm and turn on the lights and make sure that the heat is at a certain temperature, those things can cause some kind of simple delay and at the end of the day we have a fleet of 100 vehicles to our service company fleet and if they don't come out and check the doors are shut on all the trucks, just that simple thing, means I never have to repeat it again. No matter how many employees we hire or leave, that sheet's done, just hand the sheet over, follow the sheet. That's it.

Jaime: And how do you get your employees to actually do that? Because sometimes you can write up a thing and give it to them and not everybody does it.

Michael: We create what we call a GM system - a Gold Medal system - that's the name of my service company and it's like the Bible book of systems. Every area in our business has one. The trick to why systems fail is nobody calendars out when to spot check the system. So we have a calendar where, once a month, every manager spot checks the system. If we're on track with the system they mark it

down, we're good. If we're off track - immediate meeting, regroup, do a huddle, get on track, let it go, spot check again next month. Because systems are not 'do it once and leave it', it never works that way.

Jaime: That's the thing - things change. You get a new alarm system, you get a different thing, so you have to constantly update that stuff. How do you guys manage doing that?

Michael: The coolest thing about the systems, when we build them, is we don't build them alone - we include our team - and at the bottom of every system it says we empower everybody that has that system. It says at any time that this thing is outdated, doesn't work, can be improved, you need to take ownership and come and tell us so we can change it and implement it. Once you empower the team to say 'I own this thing' they'll come and they'll fix it because when you have a culture that doesn't want to deal with stress or repeating things or breakdowns, it all just starts to happen. They empower the change themselves.

Jaime: Because a lot of times - and I've seen this even at my old company I worked at - there would be manuals and you'd look at the manual and go 'This doesn't apply so I have to ignore this entire thing because now it no longer applies,' and that makes it really difficult to keep up with any system, if it's outdated. So you just have them go 'Hey, manager, this is important, this is wrong,' and then the manager will change it?

Michael: Yeah, the manager will change it or even sometimes we'll empower the team. See, in my company we believe that ordinary people can become extraordinary if you facilitate the environment for it to happen. Most people are treating ordinary people like ordinary people and they leave them there - they never allow them to grow, they don't empower them, and even when you empower people, you have to empower them with ideas on what change they can make, otherwise they sit back and they'll just wait.

Jaime: How do you empower people? I've worked with a company and they were afraid that if they told them all their secrets they would just go and start their own service company later.

Michael: That's I had that same belief over ten years ago. I said to somebody 'What if I teach them and they leave?' He said 'Let me give you another thought - what if you don't teach them and they stay?' and I was like 'Oh man, that sounds really, really,' so how do you empower them? When you have core values in your company and the core values talk about empowering - like our number four core value is 'All for one and one for all - a great place to work.' You can't have system failure and maintain a great place to work so when you have this core belief system for them to follow - and a lot of companies have mastered this, like Zappos, and at first I was trying to follow Zappos model, there's like ten of them and we had ten of them I couldn't remember three so we dialed it down to the most important things that become the thread and the glue of the company and that just empowers everybody.

Jaime: I appreciate you saying that because you read Tony Hsieh's book, which is great, but then I'm going 'Ten core values? That's a lot of core values,' and if you can't work it in your own company that makes it a little difficult. So how did you come up with the core values and how do you actually get your employees to embody them? Because it's coming down from the top, going 'These things I think are important. You should too.' So how do we do that?

Michael: That's interesting - we don't ever take things from the top and shove it in their mouth down. We work it from all levels. So we included people, what we would consider the bottom of importance, say parts runners or the people that clean our building, then we take people from the middle and the top and we stick them all in one environment and we said 'Look, we need core values. We need these guidelines that we'll hire on, we'll fire on, that will be the glue for the company.' We just started mapping it out and we said 'What's the most important?' As you know, we do plumbing and heating, cooling and electric and drain cleaning, all of these mechanical things, so safety is really important so that's our number one core value - safety. Then we started thinking about the customer - what would be important for the customer? And exceeding customers' expectations would be important so delivering a 'Wow' service, exceeding a customer's expectation - core value number two. Then we said 'Okay, but in our business, channel 7 news never comes on and says 'These plumbing companies are amazing,' they're always looking to prove that they're the root of all evil, so we said integrity is important - the highest level of integrity, doing the right thing even when nobody is watching, and then number four, what's going to be the most important thing? Creating a culture, an environment, that's a great place to work - all for one and one for all. It took about three or four months of back and forth and intertwining that but when we went out it wasn't the upper level pushing it down it was all three levels pushing it forward.

Jaime: I love that. You get everybody onboard and therefore one of the people, no matter where they are, can tell the other person 'This is important.' Choosing integrity, don't get me wrong, I am super high level of integrity, but sometimes you're like 'Do I have to redo the thing? Because it looks pretty good but if it doesn't look perfect that's sort of our whole deal,' and then people won't do it - 'Oh, well it's easier not to do this. It's not going to hurt anyone,' and they justify it. But if you have those as core values the guy next to you is going 'It's not good. Do it again,' and it makes a big difference when you have your whole entire team doing that. I know you work with clients so how big a company do you feel you have to have before you pay attention to these core values? What if you're only a handful of people?

Michael: You have to start core values if it's just you because you have to understand your own core values. For ours, if I was one person, one truck, would safety apply? Yes. Would delivering a 'wow' service apply? Yes. Would integrity matter? Of course. And all for one, yeah, it's got to be. If it isn't a great career, a great business that I'm starting, it's going to be miserable. So here's the thing - when you learn the secrets to put in place, that's why I think you would agree too. If you started a business today you would be like 'Oh, okay, I need core values, I need marketing, I need a solid brand.' You can rocket ship this - you've done it before and you do it now. The thing is, people need to know this in the beginning. Someone just told me this the other day - 'I'm going through learning curves.' Yes, but it doesn't have to be that way.

Jaime: It seems counter-intuitive - there are a lot of foundational pieces where business owners are like 'I just need to go work. I just need to go and do this,' and not figure out who they're really working with or what their unique selling proposition is or, like you said, figuring out their core values because those are easy things to put aside but it makes your whole life easier. So when you were talking about your core values a lot of things came up - how did you guys figure out your USP or your key differentiator, the thing that separates you, or how do you do it with your clients? Because that's something that comes up over and over again - when you're a commodity business where there's a thousand different people, how do you set yourself apart?

Michael: Normally what I do is I tell my clients 'Let's take a 10,000 foot view, not of your company but of your market - who's in your market, what do they look like and what are they saying to everybody?' Because if it's a bookstore, they want to go out and sell books - now you're competing, books against books. Now I want to identify what their brand says - does it say speed, does it say quality? What does it say? Is it a level of service? Then we can step back and we can put ingredients in the soup and we can say 'Okay, I know the perfect soup now to come out and be completely different.' So the big thing I look for is the X factor - what is the X factor that makes it so different to anybody else that, by the time they figure it out, it's too late, you're way ahead of the curve of everybody else.

Jaime: Can you give me some examples of that? Because I know people are like 'But sitting there are looking at my market by myself or even with someone else can be difficult, if I don't have you as a coach.' So how do you have people figure it out and pick on? Because decision making on that side of the fence is kind of hard for people too.

Michael: That's right. Well, if you look at the X factor that we do for our coaching business, one thing that separates us is I was looking and I was saying 'Okay, let me look at Zappos. Zappos bring people right into the facility to do the learning real time, they're seeing the pieces and then teach it, and I'm like 'No one's doing this'. Any of the gurus in my industry that teach in service companies and on a reasonable scale, right? Because when you go to Zappos or Disney you're like 'Boom!' It's so huge it's hard to comprehend how to bring this back, but when you come here and it's 25 million it's doable. You're like 'Okay, I'm a million.' Perfect. Watch us do it in real time - our events in our facility, you're seeing how people answer their phones, you're seeing what they tell to people, you're seeing my team coach people real time. X factor - no one else is doing it and by the time they try to copy it, it's too late.

Jaime: And you have that as a huge selling point in general because you actually have the business still. It's not as though you sold your regular business and then went into business coaching. You're like 'Look what we're doing. You can peer behind the curtain.'

Michael: That's right.

Jaime: Which almost nobody can do. That's huge. Did that just come in your head or did you do the process of looking around at all the other firms that coach services? How did you come up with that?

Michael: The information that I get, I don't pray to the Buddhas and it comes to me, it's not like I'm enlightened - I'm very good at looking at other industries. Like I'll look at what you do and I'll say 'Huh. I wonder if I was to apply that here, how different would it be?' I'm always looking at Target and Walmart - predominantly you think of Walmart, they supply you with everything, and you look at Target, the same thing, but one is perceived of as better quality than the other. Then you have Home Depot and you have Lowes and then you have Disney, the level of experience. So I'm good at just stepping back and saying 'Okay, let me look at the horizon. The largest companies in the world - what do they do?' and I'll just pull a piece in and magic happens.

Jaime: I love that. That's hilarious, though, because people will be like 'Oh great, then magic happens. Well he has that specific skill and I don't and he's going to be great and have magic and I'm not.' I know that's mindset and all of that crazy stuff that goes on in your head but that's what

people say so whenever I do an interview I always think of the people that I hear all the time, listeners, I get e-mails from them all the time, I know what they're saying in their head, so when you say 'All I do is I take all of these pieces and then magic happens,' they're like 'Well that's good for him but what about me?' Do you have anything that they can specifically, like an action step that they can implement, where they can try to get a little bit better on this piece to improve their company?

Michael: There's one of three things and it's three pieces of what I call the pillars of business mastering. There's mindset, there's skillset and the action set and every person who's trying to grow a business or in a business today needs one of those pieces right now to move their business ahead. We already talked about the mindset thing - if I'm sitting here going 'I'm struggling to grow and I'm playing that story, it's so difficult, and Jaime and Mike figured it out,' well that's a mindset issue. If it's a skillset issue it's like 'Okay, I need marketing. I have to understand the steps of marketing. Well I can get a book, I can take a course, I can come and see you, I can learn this marketing.' Then there's the action. I can just reflect it to my family - one of my sisters or brothers are complaining about something and I'm like 'Okay, well you know what to do. Your mind tells you that you can do it, but if you don't step forward and take the action,' so the biggest thing I can say for anybody is, first, identify which one of the three pieces it is. Once you know that, then it's a matter of read a book. I love when I hear people say 'Mike, I've read thousands of books,' and I'm like 'Awesome. What did you do with the information?' and it's like 'Nothing,' because they didn't know how to just take one thing that makes sense - one thing from this interview that makes sense - and ask yourself the question 'First, how can I apply it? Second, what is the outcome? What is it going to give me?' I know we make it difficult but it's really not that difficult. It's simple if you just break it down.

Jaime: It's simple, not easy.

Michael: That's right.

Jaime: Let's give some tactical marketing and sales because I know people are hungry for that in general and you've worked with a lot of different types of service companies so I'm hoping we can give them some tactical marketing and sales that they can go and implement right now, especially if that's a big piece of theirs.

Michael: Here's some practical stuff - let's talk about the marketing side of things. Marketing, I want you to think about it in the level of stacking it. When you're stacking your marketing, so many people are looking for the magic pill - they're like 'Just give me the right piece and I can eat it and I'll have endless customers.' It's just not that way. You have to look and create. What I'll say with my clients is 'Draw a circle on a piece of paper and this is the world of marketing of your business. Now let's look at all the different things that we can put in there that are going to stack and build on the message.' The chances are a lot of peoples' clients today are on Facebook and LinkedIn. Now, when they're on LinkedIn they're in the mindset of business, when they're on Facebook they're in the mindset of emotion and of experiencing other people's lives. So I draw on this world - I draw one line, Facebook, one line, LinkedIn. Then I want to ask myself on this marketing, if my perfect avatar that I'm talking to ends up in both of these and sees me, what do I want them to get from it? What do I want it to say? Then, let's say I'm going to use direct mail - most people are thinking it's one, or they have tons of vehicles, but they never look at how the vehicles cross pollinate with each other and it's so important to understand. The second thing you have to understand is that marketing is emotional

movement. I mean emotionally moving people from where they are to where I want them to go. Does that help some?

Jaime: Yeah, tell me more about that, though. It sounds like you've done a lot of work in the marketing department in general, especially Dan Kennedy and all of that fun stuff. So how does a service company move somebody from that? Especially in the plumbing industry, they might already have a plumber and they're like 'Meh, I already have a plumber, he's okay. You know, it's a company that I usually go to,' and stuff like that - so how do you move them?

Michael: You have to understand the process of marketing. I love when people send out a direct mail piece or something and they're like 'Hey, look at me! Come and do business!' I use the same example all the time - you go to a bar, you're hanging out, you see a girl and you walk up and you're like 'Hey, let's get married!' and she's like 'What are you, out of your mind?' because there was no 'Let's just say hello. Let's just see if we want to meet. And if we meet, maybe we'll meet again,' so it's this intriguing process, and once we meet again we're like 'Hey, shall we date? Shall you maybe try my plumbing business? Does this make sense?' and then, if we date, you'll be like 'Let's get engaged. I'm now your plumber,' and then once we're engaged and I'm doing business, now we're married. I'll rewind that real quick - the breakdown happens, like we're married, you're loyal to me, I never call you again, I never talk to you again. I tell people, imagine you just got married and you never talk to your wife again - how long would you stay married? Not long. Maybe a year but not long. So when you're looking at the process out there it has to start with the introduction. I know you're probably working with a plumber, you probably love them, but I just want you to meet me and if there's a day where your plumbers on vacation, think of me, we'll come out, we'll meet each other. Does that make sense?

Jaime: Yeah. How do you do that tactically? What platforms? How are we doing that first introduction?

Michael: All platforms. I'm using pay-per-click, I'm using direct mail, I'm using social media, so it's all platforms but, at the end, every single platform starts with the introduction - 'Hey, here's who I am, this is what I do, this is why I'm very different and if there's an opportunity and you think I'm a fit, give us a try.' When you walk through a mall, I don't know if you have a mall where there's a Nordstroms and there's that chocolate place, like Godiva, and even if you don't like chocolate you're there, walking by, and they're like 'You want the strawberry? Take a taste,' and you're like 'Mmm, this is good. I'll walk in the store now.' You have to allow customers to get a taste of the thing and that's where this education of based marketing comes out - it's like 'Hey, let me serve you. Here are some things you might not know about your house and this is how it can help you and save you money. Why don't you taste it a little bit and if you like it, guess what? Come on back, I've got more for you.'

Jaime: So what does your funnel look like, just on your specific business? Because education marketing is huge nowadays, even if a lot of service companies are like 'I don't have time for that; that's not my thing,' so many people say that over and over, but what does that funnel look like, so that we can give people an outline?

Michael: I want you to think of a mine map. I want you to think of the universe right now.

Jaime: Okay, done!

Michael: But let's look at a simple funnel. Let's just look at a pay-per-click program where you're out there and you're fishing and a customer's on one of the Googles or the Yahoo!s or whatever and they've got a need and they find you and they're like 'Maybe this is a fit. Maybe.' They click on it and at that point it's 'Hi. This is who I am. This is how I can service you.' At that point, your funnel is one of two things - you're either going to move forward, you're going to make a call or have an online interaction, which is good, or you're going to leave. If you leave and I have that tracking information, then I want to send them into a funnel that's like 'Before you leave, why are you going?' and then we throw them into the simple follow-up sequence that's like 'Hey, I know you came to visit our site. You're gone now - did something go wrong or did you not see what you need?' The important thing is I don't think it's so much the beginning of marketing, to get people to come in, that's broken - I think it's what happens when they're in that's broken. Because companies tell me all the time that they need more leads and I'm like 'Cool, so how many phone calls did you get yesterday?' and they're like '20,' and I'm like '20 sounds good - what did you do?' and they're like 'Well, this wasn't a fit,' and I'm like 'Wait a minute...' and when you look deeper, you'll see there's acres of diamonds - the three foot from gold philosophy. It's like they just can't see it until you tell them 'Let's just look at it this way - a customer calls for a reason. Maybe it's not the exact thing you can help them with today but did you ask them if they also have a need for something else?' Does that make sense?

Jaime: So you're actually doing the right thing once you start getting them in the funnel. Because usually we can get them to say yes at some point but getting them to buy something or sign them up to something is a little bit tougher. Do you see that on all different types of service business? What tends to happen is people are like 'I'm going to do Facebook ads,' and then they try to copy all of the other Facebook ads that everybody else is doing and it just doesn't work and then they go 'Facebook ads don't work!' even if they only spent \$100 doing it. So give me your advice to someone like that.

Michael: Well copycat marketing is never going to work long term. That's how most of us have started out in business - we're like 'Well this is guy is really famous. I'll just do whatever he does.' That's never going to work, the copycat marketing. The second thing people have to think about is just think through the process and the interactions and everything that they want to happen because any business - and you know, you interview a ton - you can grow a business and double the size of any business just doing what you're doing better. You just have to ask 'What do I have to do better?'

Jaime: It's so funny how simple it is. You know this - when you get into a company you can see all of the parts but when the business owner is it in, they can't. They're like 'I am stuck and I don't know how to get this to go!' but there are so many ways you can clean up. I call it low hanging fruit - so you're like 'There's something and there's something.' We can just tweak this. I was chatting with someone yesterday and I was like 'You could double the size of your business in just a couple of months just by doing this,' and they were like 'What? I've spent so long on this problem, how is this such a thing? How are you so sure?' and I was like 'Well I've seen it a lot,' so coming at it from a different point of view, you have a different mindset going into companies like this. So I'm assuming you look at their marketing and then give them specific things to test - what's your process on that? Because you're dealing with a bunch of different service businesses, it's not always the avatar in the

plumbing company. Like you said, you have dog training and a bunch of other different types of service business so how do you actually test to see what works without being a copycat?

Michael: First, being an expert, you know that there's fundamental things. Let's just use a website - 98% of all websites today have some kind of problem. So before you even contest it, you just have to have the basic frameworks - it's got to have a simple headline, it's got to draw the person in, it has to deliver a sense of information to them that makes sense, it needs a lead capture, you need a way to say 'Let me talk to you more and I'm going to give you something.' These are the basic fundamentals, then we can go and test. Walgreens is a huge company and I always remember walking in there and there's the Crest toothpaste, so they've got a green box and a red box and, depending on where it's at in the world, maybe it's a white child or maybe it's an Asian child, I don't know, but they're testing that to see what moves. The same thing with a website. Everybody says lead capture should be top right. I always ask myself the question 'What if that's not true?' Let me move it to the left side, let me test it for a week, let me watch it, let me look at the results. It increases. All I want to do is move it up a little bit and a lot of people will say 'If it's working, don't touch it.' Well, I mean if it's working at 100% don't touch it, but we know that that's not reality so you've just got to move it. The other thing that I just thought of that's so important is that so many people are trying to sell and not service and when you serve people with information, that comes across. I removed the word 'selling' out of my whole business because any time you service people with the information they need, the products they need, guess what they do? They purchase stuff from you, that's just how it works. So many people have got this mindset thing so wrong, where they're just like 'I'm going to sell them and I'm going to close them on this.' No - deliver great value, people will want more. I think that's a universal belief.

Jaime: I remember hiring a mentor a long, long time ago when I first started and he was like 'You need to sell more,' and his stuff was super salesy and I'm not that way. I remember sending an e-mail going 'This doesn't feel right,' and then it was really funny. Now I go 'How can I help?' Who knew, right? How can I help? What a surprise, and people are like 'Can I work with you?' Yes, that would be fine. It takes the holding on really, really right to let go and go 'How can I help people?' That's one of my missions anyway, I might as well help people whether they buy from me or not and the funny thing is that they seem to buy more when I just help and it's kind of funny the way that works. It sounds like you've found the exact same thing

Michael: Yes.

Jaime: That's awesome. Just to go a little bit deeper into the analytics and the testing side - a lot of people don't know a lot about this. they know that they should split test, they know that they should check on these things but numbers scare people so they run away screaming a lot of times or they're so busy doing other things that it's hard to focus on this so if you were to give a top one or two test for when you're doing analytics testing to make it super simple for people, what would you say?

Michael: I would say super simple is have someone else do it for you. That's the simplest. Stay within your wheelhouse and what you're an expert at. I'm a big believer in that. Today, the world is so amazing - I could have somebody across the planet doing the research for me and tell them 'Just give it to me the simplest way possible, like a pie chart with 'Good', 'Bad', 'Change,' and I can look at that and go 'Okay,' and just tell a person to change it.' One of my pet peeves is that we want people to invest in us because we're going to serve them in our business but as a new business owner we're

too tight to invest in someone else. We want people to come and buy our stuff but we don't want to invest in an expert who's going to help us cut the curve and people have this whole 'Oh, but it's expensive.' Well, no - Fiverr is out there. I'm making a joke but you can someone on Fiverr for \$5 that will call your friends and fart in the phone or something, it's crazy! Or you can pay someone \$5 to analyze a report. So they think it's out of reach to get people to do this stuff and it's so close and so easy so don't try to figure it out yourself because you can't be a web guru, sales guru, marketing guru and skillset guru. I don't know anybody on the planet that is an expert and guru in every single thing, every aspect of their life and business.

Jaime: I love that. I think delegating and hiring out is extremely important and, like you said, really makes a difference in your business so that you can be the owner and not just the guy wearing a thousand hats, killing yourself, not being able to be there when your son is born. It makes all the difference in the world.

Michael: That's right.

Jaime: We have to start wrapping up so I'm going to ask the same last question - it's what's one action - I know we went over a lot but one action - listeners can take this week to help move them forward towards their goal of \$1 million?

Michael: The number one action is just write down all of your limiting beliefs. Just write down all of them - all of the stories you've been telling yourself about why you haven't broken \$1 million or why you're not personally making \$1 million a year or why your life's not where it is - anything in your life, it doesn't matter if it's health, relationship, business - write down all the beliefs - 'This is why I'm not married, this is why my business hasn't grown,' and once you have that whole list, just come to grips with it and ask yourself - has that been serving you? And if it hasn't, just immediately say to yourself you're going to erase that story and you can simply just crush up that paper, burn that paper and just make sure you don't live within that world and that's the best advice and insight I could ever give anybody.

Jaime: Great. Make sure, everybody that's listening, actually does that, because you have to take action in order to see results. Who knew? Thank you so much, Michael. Where can we find out more about you, your service business, your coaching business and all of that fun stuff?

Michael: For the coaching business you can go to SecretsOfBusinessMastery.com. We only service New Jersey so if you own a home in New Jersey you can go to GoldMedalService.com, we'll be glad to take good care of your home. If you own a business we'll take good care of helping you grow.

Jaime: And at least your business can be anywhere, I'm assuming, nowadays.

Michael: That's right.

Jaime: We're so lucky. Unfortunately plumbing we cannot do virtually yet.

Michael: Yet.

Jaime: Exactly - that is the question. We'll have robots, that'll work. Thank you so much for coming on the show today, Michael, I really appreciate it.

Michael: Thank you, it's been an honor.