
Jaime: Welcome to Eventual Millionaire. I am Jaime Masters, and today on the show, we have Dudley Slater. Now, he was introduced to me by my very good friend Russ Vagen, and he ran Integra Telecom, which had over 2,000 employees, very impressive. He just came out with a new book, called *Fusion Leadership*, and you can check it out at fusionleadership.org. Thank you so much for coming on the show today.

Dudley: Delighted to be here and looking forward to our conversation.

Jaime: Me too, because there's a lot of talk about leadership, and I love the way that you talk about it. So, tell me a little bit more about what fusion leadership is.

Dudley: Well, as the title *Fusion Leadership* suggests, the idea is really thinking about those leadership behaviors that fuse people together around a shared purpose – or, some companies call it a mission.

And, I went out and took my own learnings as an entrepreneur who cofounded and ran my company for 15 years, and I also took my learnings from my entrepreneurial journey on the road, and I went out and met with eight other nationally recognized CEOs or leaders who have built amazing organizations, and their organizations were amazing because they succeeded in fusing together teams of people, so I really focused on how do you do that? What are the behaviors that achieve that outcome, and how are those different from those behaviors that drive people away from an organization? So, that's what fusion leadership is about.

Jaime: Okay. We're of course gonna dive really deep into this because we hear a lot about culture and leadership, and there's a bazillion different schools of thought, and for a lot of small business owners, they don't know what they should actually be doing. How do we actually do this? So, can you set the foundation of what these basic things are that you think every small business needs?

Dudley: Absolutely. Clearly – and, every entrepreneur goes through this – you've got to start with a compelling market idea, a product, a service, some sort of an unmet need that you convince yourself there's a significant market that is demanding or will demand that service or that product. So, it starts with that.

From there, usually, you think through the vision of how will you deliver your product or service, and really, those are kind of what I call the Business 101 fundamentals – understanding your market, understanding your product, understanding your customer is

critical – why will they buy and why will they enjoy your service?

And really, all that leads up to one of the frightening moments I had. I thought all that through in starting Integra Telecom, and we started growing where all of a sudden, we were no longer a startup with a dozen employees, but we had 50 employees, 100 employees, 500 employees, and when you get up into the hundreds and even thousands of employees, most people get to this frightening place where they all of a sudden look around the room, and they realize, “I can no longer do this on my own. Somehow, I have to get these other individuals to buy in to my vision.”

And, that’s the last piece I would really point to. Once you have the vision, once you have the market strategy, all of that Business 101 – it really comes down to leadership and how do you inspire others to buy in, to really want to take the mountaintop and be a partner with you in realizing that vision? So, those are the basic elements I would really underscore.

Jaime: Where do you think that comes in? You said you had a frightening moment. So, in my head, I’m like, “How do the people that are listening prevent a frightening moment?” So, how many employees do you really feel like we should go into fusion leadership and paying more attention to your vision and your mission and that sort of thing? What size?

Dudley: I would tell you I think it starts right away because if you don’t focus on this question of how do you inspire others to buy into your vision, then you’re alone by yourself in the desert. So, I think it starts at all levels, but clearly, once you’re over 20 people, you are at a point where you have those people there for a reason.

You need their help, and you can’t be doing their job for them, you can’t be micromanaging. You need to figure out how to let others spread their wings and soar to their abilities in a way that’s in alignment with you and your vision. So, I think it’s at all levels, but I think it becomes a really critical task once you cross over that roughly 20 percent threshold.

Jaime: I love you saying that. That’s when the pain gets so great. People are like, “I can’t do it myself” or “I have too many things to worry about,” and the pain becomes worth it for them to go back. So, if they were, let’s say – because I hear quite a bit from my clients that might have 10 to 15 to 20 where “My employees aren’t as invested as I want them to be. They start saying some things like they don’t have the buy-in.”

Now, they think it's the employee a lot of the time. So, you tell me: What are the steps we can do to make sure that we have employee buy-in and that they're invested in our company when we hire them when we're only at 15 and we're working on getting up to those bigger numbers?

Dudley: Sure. A very quick story.

Jaime: Please.

Dudley: I went to a top business school. I studied all the lessons on leadership and business, and this was not taught in business school. This was something I learned through hard knocks. So, early in our life, we thought we were on a great trajectory. We had raised the largest financing in our stage history for growth capital. We had our local media singing accolades about what we were doing, and we were really – people were knocking on our door to work there, and I thought we were on a great path.

So, we were having an open house, and I invited all of our customers, and we were celebrating some recent technology we had installed with our financing, and I thought – I was kind of puffing my chest, thinking, “This is gonna be a really fun night.” We had catered food, we had a bar. And, I found myself – about an hour after the open house started – literally cornered in a conference room, and one of our most important customers, a public company, the CIO, who was – I'm sorry, our business was fiber networking and data communications – and the CIO had me cornered, and he was going through his punch list of all the ways we had screwed up their service.

And, Jaime, I was terrified. He's a technical guy, he's very smart. This was our biggest customer, and I thought, “I'm witnessing my own downfall right here,” and I'm thinking in my mind, “How did we get to this point? We've got smart people, a good team. Where did we let him down?” And, just out of somewhat fear and not knowing what else to say, I finally said – to just defuse the situation – “Here's my cell number. Call me at home, call me over the weekend. Please, don't let this get to the place where it is now. Let's talk sooner.”

And, Jaime, the funny thing is for the next two weeks, I regretted that moment because he called me three or four times a day, and I was trying to run a business, and I found myself looking at the caller ID, asking, “Why did I give him my number? I'm the CEO.

Is this really my job?"

And, during that period of fear, something magical happened, and that was that others around me started seeing that I was the one personally taking care of our biggest customer, and I had articulated our vision, which was to provide the highest level of customer service. I had written pieces about it, I had talked in front of employees, but it wasn't until that – in some ways – watershed moment, when my team saw me on the front line, taking care of this critical customer, taking calls at home – they got it.

And so, the point of the story is – and, this was validated when I went out and wrote *Fusion Leadership* when I talked to Chip Bergh, who turned around Levi Strauss, I talked to General Robert van Antwerp, who led the Army Corps of Engineers and rebuilt New Orleans after the hurricane, and many others who had built amazing organizations, and asked them the same question – “How do you inspire others and how do you fuse teams together?” – and people – it comes down to a very simple thing, and I'll wrap up my story with this.

People want to work for a cause. Fusing people together around a mission is not difficult if they believe the leader is committed with them, but if the leader is evidencing behavior where all they want to do is make a ton of money, or the leader wants to conduct meetings so that they're the smartest person in the room, it's when the leader puts his or her own self interests ahead of the mission – that scares people away.

But, when you evidence that you as the leader are personally committed to the mission and people see that in your actions and behavior, that's what brings people together, and I learned that through trial and error. This one story on the open house was a glaring example of that. So, I hope that's helpful, but really, it comes down to your personal behaviors.

Jaime: Definitely. So, how do you orchestrate that without having to be cornered in an office? How do you do that ahead of time? You don't wanna be taking calls from the biggest person every single time. You can't do that. So, how does someone orchestrate it on purpose so they see you on the front lines without you feeling like you're pulling yourself down and doing everything yourself as the leader?

Dudley: It's a great question, and what I would encourage others to think about is when you set your calendar in the morning or when you're

looking at your work ahead for the week, ask yourself the question, “Are these things I’m planning to do – what message am I communicating? What takeaway will my organization receive when they see me undertake these things?”

And, let me give you a couple more examples. Your calendar specifically – many leaders are fixated on their board of directors, their other C-level executives, and they surround themselves with other highly paid, important people, and those aren’t the people who are gonna really get the job done for you. The people who get the job done for you are the people in the front line of your organization.

So, rather than fill up your calendar with other high-paid, well-educated people, think about where you’re spending your time and fill up your – of course, you have to deal with your other executives and investors, but set aside a couple hours each day to walk the floor, to sit down with somebody who deals directly with customers, and ask them, “What are your biggest challenges?” When people see the leader investing themselves in the mission of the organization, that’s inspiring, and it can be a whole host of – we make daily decisions every day – I’m giving the example of how you fill up your calendar.

Another one is how much you pay other people. Are you compensating yourself at 20 times what others make? And, look, I’m a capitalist, I’m an entrepreneur, I believe in getting wealthy. This is about building millionaires. I have no problem with that, but if you set a pay scale where the message you’re communicating is, “Everybody’s working hard to make me wealthier,” that’s not a shared vision. That’s not a mission that’s going to be inspiring. So, how you set your calendar, how you set compensation.

Another example is how you conduct meetings. Every decision we make, you are communicating a message to your team. So, to answer your question “What can you do ahead of time?”, it’s simply look at your own behaviors and ask yourself in an honest way, “Do my behaviors evidence my commitment to the mission or do my behaviors evidence some sort of an ulterior motive that is gonna drive people away from the mission?”

Jaime:

That is a hard question to ask yourself also, because it’s like, “Oh, wait, no.” And, that’s the thing that I see. I go into organizations and I’ll work with their employees, and their employees will tell me stuff that they will never feel like they can tell anyone else,

which is also really interesting. They feel like they're not cared enough about to talk about, "Hey, I'm planning on leaving," or all these things that are really important. How do they open up the lines of communication? Normally, especially if you're a low-level person, you're like, "The boss is here. Tell them everything is good." How do you actually open that up?

Dudley:

That's a great question. I think there's a simple test. If people – when they communicate, and even if you have to confront somebody with something challenging, if your motive – whether you're the leader, or whether you're a mid-level manager, or whether you're an entry-level worker, if your motive is the betterment of the organization, you're safe.

People – leaders at all levels will admire and respect people who are trying to make the organization stronger, but if you're motivated because you wanna one-up the person next to you or you're upset about your pay and you want to somehow take home a bigger paycheck – if that's what's motivating you, think about what that message is really gonna communicate. It doesn't mean people should be underpaid.

All of that is fair to talk about, but you need to behave in a way that is clear you have the goals of the organization in your heart, and if that's clear, everything is fair, and there are no sacred cows, and people shouldn't be afraid because you stand on the right side of the question, "Where is this person coming from?" And, if you're coming from a place to make the organization stronger, I think you can raise any topic and you'll be safe – in a healthy organization. Some organizations are very sick, right?

Jaime:

Yes. We're crossing our fingers and hoping that everybody knows the difference. And, that's the thing. Sometimes, when you're in it, you don't realize where you're at, especially as you're growing and you're an entrepreneur running around like a chicken with their head cut off. You're like, "I feel like I'm doing everything," and they don't know exactly how healthy their organization might be.

This actually brings up the question of transparency, though, especially with payroll and what you are paying people. What do you feel like – because I get this question a lot. "Do we tell employees finance stuff? Do we not? Do we keep it a secret? Do we not?" I remember back in the day when I had a job, everybody was like, "You do not ever talk about how much anybody makes because it's completely wrong." What are your thoughts on that?

Dudley: My thoughts are the opposite. I think people are smart. People will figure it out. If you're an entrepreneur, you're probably gonna have a CFO at some point who's gonna be a key part of your team. They see all the information, and there's nothing to hide. We all wanna succeed. We all wanna be financially comfortable.

And, my view is you need to be up front about that and you shouldn't be ashamed about it, so I have the opposite view. I was recently asked in another piece the question, "Well, what's the right amount? How much should you pay yourself and how much should you pay others?" I'll give you my simple answer: Figure out, as the leader, what amount of pay would begin to communicate to your team that your net worth is more important than the company, and right where that tipping point falls, pay yourself a dollar less, and that's the right number.

And, I say that somewhat tongue-in-cheek, but the point is again, that's a decision you're making, and people will watch it and observe it, and keep the company's interest at the forefront of your decision-making, and you will inspire other people, and that's true with pay, it's true with all these other decisions you make, and it doesn't mean you can't become wealthy because when you inspire other people, your organization is gonna be infinitely more successful and you'll create significantly more wealth for yourself and others than if you just scare people away and keep all the marbles for yourself.

Jaime: Exactly. Raise all the boats instead of just going, "I'm trying to squeak it out," because that's when everything will go – not always, but still, trying to have the best interest at heart of your whole team and your whole company. How do you actually create a mission that is that inspiring – or, does it have to be that inspiring for a mission? Everybody's like, "I wanna get the right one that's gonna be perfect and inspire everyone." But, tell me how you figure that out.

Dudley: So, something I really marvel at – I read every year – this has been out for 20 years, but the Gallup organization does a survey of American workers, and the sad statistic they've reported for 20 years in a row is over 70 percent of us American workers hate our job. We're disengaged. And, Jaime, what's amazing: I think of people that invent new drugs to cure diseases or people that work in children's hospitals and save young lives as being – that's a mission. Boy, wouldn't that be inspiring? And, those people are just as disengaged as the rest of us.

We at my company, Integra Telecom, built fiber networks and connective data communications. That's not saving lives – I think it's noble, but it's... And so, the point is that this question of how do you inspire and engage others is equally challenging even across the most inspiring or uninspiring industries, and the way you engage others is people want to be part of a cause that's bigger than themselves. They wanna be part of the mission. It comes down to the leader's ability to demonstrate that the culture of the organization is all about the mission of the organization and not about the leader's self-interest. And so, that's where the inspiration comes from.

Jaime: What do you tell – so, I used to work in data and telecom as an employee role when I was 19.

Dudley: You poor thing.

Jaime: Yeah, right? 19-year-old – very impressionable – that's what I did for a living. But, I guess that's the point. What we deliver, of course, is important. We wouldn't be able to have this conversation without my DSL that I worked on when I was 19. But, the question is how do we do that without necessarily being Toms Shoes where we're like, "Now, we're charitable"? I feel like when we're coming up with a mission, of course we wanna change lives, but what is that impact that the employees can see that's not, "Oh, and we take this and we do charity work with it," or "And, we take this culture and we do something that's outside of what the core company does"? Does that make sense?

Dudley: It does make sense, and it's a great question. The nuance there is really important. So, I'll give the example of telecommunications, and that was my industry. So, we connected businesses together, and our mission statement was to lead the industry in service. So, we would often – at our all-employee meetings – have statistics from third-party survey organizations that showed how does our organization, Integra Telecom, rank in terms of service and customer happiness compared to others?

And so, we would show those statistics, and we were pleased to see that we ranked at the highest end, and with that data – and, this could be a medical organization saving patients, it could be a manufacturing company building wheels for trucks, it could be any organization – with the data, you say, "This data shows that we're achieving in our goal," in our case, leading the industry in service.

And then, I would take that data and I would walk the front lines – I would go to the receptionist and I would say, “Do you understand how your role connects to this result?” And so, if you take the time with people to explain why their job is so important and why their job is part of – is one of the links in the chain that connects the overall organization to its goal, then people can do two things. They can say, “I’m here for a reason other than to make my boss wealthy, and I’m here for a real purpose, and my job matters. If I don’t show up, I’m going to be letting others around me down and the organization will be less successful.”

And, that inspires people. So, it’s all about being clear about what your mission is, measuring the results, and then connecting every employee in the organization to that. And, Jaime, you might ask yourself, “How do you do that if you have a large organization?” We grew to 2,500 people, and of course, I didn’t explain 2,500 different times how every job connects, but when my other leaders saw me walking the front lines and explaining how the receptionist’s job is important to the organization, the other leaders began to follow suit.

And, pretty soon, through the power of numbers, you’ve got many people in the organization communicating the same message, and that eventually gets to everybody, and everybody can make a choice. “Am I inspired by this or am I not?” I found that when you focus on it, when you make it a priority and you build it into your culture, people buy in.

Jaime: Through your example because you’re actually doing it. So, if the receptionist has a bad day, she realizes that it’s not connecting the whole, and she could be making those numbers go down. It actually connects way, way more. Well, how could pick service, though. You could have picked anything else. What made you pick service over everything?

Dudley: So, we started the business many years ago, and at one point, the world of communications was controlled by these huge monopoly providers – Verizon, AT&T, Comcast – and we were a young startup with money, but we were never going to be the 800-pound gorilla. So, we came to the conclusion that we wouldn’t necessarily be able to outspend those organizations, we weren’t gonna be able to have – it wasn’t our role to have the most cutting-edge technology, although we had great technology.

We looked at where we could be better, and our conclusion was those organizations aren’t the best at making customers happy, and

we thought we could do that, and that's what we built our team around.

Jaime: A glaringly obvious piece on the opposite side, yes. Everybody complains about that. I have a tech coming out tomorrow for my issues. Yay!

Dudley: You can't say it, right?

Jaime: Yeah, and that's the thing. You find out where you can compete. Like you said, you couldn't compete on tech because they have more money. You couldn't compete on certain other aspects, so it does make perfect sense that you would compete on something that you can steal the market piece from. And, you get to be happier and nicer when you get to share with customers, so it's a win-win for everybody, especially on your team. I love that. Give me one other thing, especially about fusion leadership, that people really need to resonate with, especially right at that crux of 20 employees or so.

Dudley: Well, I'll give you two quick other things. First of all, I just wanna emphasize that I went out and tested these ideas with these eight other national leaders, and so, I got eight other wonderful stories from all these different leaders. The other example I would share is I met with Jeff Pinneo, who ran Horizon Airlines, one of the most successful regional airlines in the United States, and he had a great example of investing – prioritizing your time with the front-line workers.

He used to fly Horizon Airlines around the country, and whenever he took a flight on his own airline – he's the president and CEO – after the plane landed, he would sit in a seat until all the other passengers got off, and then he would take 15 minutes to pick up newspapers, pick up coffee cups, move pillows and blankets from the seat back into the overhead bin, and he would stay on the plane and work with the cleanup crew to get that plane ready for the next boarding of passengers.

And, I asked him, "Jeff, you're the CEO, you're the president. You don't have to do that. Why did you do that?" He said, "I did it because it mattered and I did it because it demonstrated my commitment to the airline." And, to this day, when I fly Horizon, I will often look at what's happening, and I still see those behaviors in the gate crew and the people that work at the airline, and that's leadership. What's exciting to me is this notion of fusing people together is happening across many industries all over our country,

and I love it. To me, it's exciting, and I think together, we can have an impact on our world in a wonderful way.

Jaime: A million times over – I got goosebumps on that. It's funny, I just took a flight, and I remember walking through, looking at all the trash, going, "Man, they have their work cut out for them." I can only imagine the CEO going, "Yup, and I'm gonna help them." That really is inspiring to be able to see someone pick up trash on the floor next to you. I love it. So, we're gonna start wrapping up with the last question. So, after everything, what's one action listeners can take this week to help move them forward towards their goal of \$1 million?

Dudley: I would challenge listeners to – the moment they finish this podcast to look at their calendar and ask themselves the question, "Am I spending my time with the right people, the people that really matter for my organization to succeed?"

Jaime: Love it. So, he challenged everybody. So, if you're driving, don't do that, but if you're not driving, make sure you take a look at your calendar and actually pay attention. Do something with that information. Otherwise, we don't wanna waste your time here. You need to make changes in action. Thank you so much for coming on the show today, Dudley. Where can we find more? Where can we get the book, find out more about you online?

Dudley: Thank you, Jaime. It's been a delight. The book is available through all the online outlets – Amazon, Barnes and Noble – it's through brick-and-mortar stores. And, for those who want more information immediately, please go to the website fusionleadership.org.

Jaime: Thank you so much. I hope you have a fantastic, amazing day. I really appreciate it.

Dudley: Thank you, you too. It's been fun.

[End of Audio]

Duration: 28 minutes