

EXCERPT



HOW GREAT LEADERS BUILD
UNSTOPPABLE TEAMS

ALL IN

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INTRODUCTION

As first days go, Alexander Vasiliev's was among the very worst. By the end of his shift working as a security guard at the Boris Yeltsin Presidential Center in Yekaterinburg, Russia, he had cost his employer more than \$3,000, faced criminal charges, and made the international news—and all it took to wreak so much havoc was a pen. Bored, Vasiliev drew two pairs of eyes on the blank faces in Anna Leporskaya's avant-garde masterpiece *Three Figures*. The painting was valued at nearly \$1 million and on loan from the State Tretyakov Gallery in Moscow. Vasiliev was fired, along with the security firm, and they ended up paying for the painting's restoration.

When asked about his little doodle, er, act of vandalism, Vasiliev said he didn't know the paintings were valuable, he didn't like them, and, oh yeah, some schoolgirls egged him on to draw on the faces. Sure, dude.

More than five thousand miles away, Ben Bjork, a security guard at the Baltimore Museum of Art, had a very different job experience.

For years, he'd stared at *50 Dozen* by artist Jeremy Alden, a chair made out of six hundred No. 2 pencils. Bjork had fantasized about sitting in the chair, but he never made a move to do so, because he knew he couldn't. He and his fellow guards had a deep respect for the art.

Then museum board member Amy Elias came up with the idea to invite the guards to curate their own exhibition, "Guarding the Art." Over the yearslong preparation, the security sentinels made all the decisions about the show, from which pieces would be on display to the color of the paint on the walls. As they gained a better understanding of the process, they learned about the need for art to work harmoniously and fluidly; they also came to better understand their role at the museum. Now they have a different view of their relationship to the art.

Traci Archable-Frederick, a security guard who chose the contemporary collage piece *Resist #2* by Mickalene Thomas, said, "I'm very proud of this piece, as if I did it myself." As for Bjork, he chose the chair he'd been thinking about for so long. He had always protected the piece, and now he wanted to celebrate it. In his label copy, he stated: "I chose *50 Dozen* in part because it's funny for me to think of a chair that would break if you actually sat on it, like it's a prank on the tired guards."

As business leaders, we search high and low for employees who give more, do more, and want more, like the security guards at the Baltimore Museum of Art, and yet we more commonly end up with people who take a Sharpie to our priceless masterpiece—if we can find any candidates at all. And because we don't have a solid team, we spend way too much time and money trying to find better people and keep the employees we *do* have. If we're lucky, we have a couple awesome people on staff, yet their work is compromised because their coworkers don't pull their weight.

Throw in disruption—a global health emergency, generational divide, shifting work standards and policies—and staffing your company, much less building a team that rocks it every day, is a relentless struggle. It seems as though most days are like managing unruly adolescents, and as soon as you get a handle on them, someone mucks it all up again for the team. All this volatility is hard enough on corporations; for small businesses, it can be devastating.

Since I wrote my first book in 2008, I have devoted myself to helping entrepreneurs like me, the people who started their businesses and ran them. Then the call came from one of those megacorporations: Guardian Insurance. Maria Ferrante-Schepis was tasked with figuring out how to build a sales team who adored their clients, cared for the company, and were all in on their job. Yes, Guardian had done years of research and found some interesting stuff. But it was big corporate stuff. What this HR leader wanted was the secret that successful small businesses—like mine, and those of so many entrepreneurs I had gotten to know—had figured out. Huh. A big company wants to know how *we* do it? At first I was surprised, but then I realized their interest made sense.

Small businesses don't offer employees huge ladders to climb. The work is not steady. Micro-enterprises can rarely win a compensation offer battle. And we can't hide hiring mistakes with "fill-in-the-blank" positions. We are underfunded and underresourced, and yet many entrepreneurs pull it off. Some small companies are stacked with "A-players," yet the reason why is not so obvious.

I thought about my colleagues and other small-business owners who have remarkable, loyal, and motivated teams. They don't have employees who kill time until they can clock out or do the bare minimum until they can find a "better" job. They have rock-star employees who can do the job they were hired to do, who love their work,

and who seek ways to contribute and solve problems. Employees who are all in, who care as much about the companies they work for as the owners do.

Stop for a moment and consider that possibility. What could you do if you had a team that cared as much about your company—its mission, customers, growth, *future*—as you do? The truth is, it's not a pipe dream. It's a necessity. You can't drive profitability, manage disruption, or scale your company if your team doesn't care about your business.

When I scratched out my first business plan at the tender-and-clueless age of twenty-three, I couldn't have imagined a team like that. Heck, I didn't even know I needed one. I figured I'd hire people who were qualified to do the work, they'd show up, and we'd all do our best to deliver good service to our customers. Wrong! Cue the annoying game show buzzer. To find and keep great employees, I tried all the (wrong) things, and then more (wrong) things, and then I invented some wacky things and tried them too. But I kept coming back to the same challenges. Regardless of my efforts, I felt paralyzed, disheartened, and helpless. Recruiting people, retaining people, let alone "raising the bar," was a constant life of frustration and feeling overwhelmed.

Having a team that cares as much about our company as we do seems unobtainable, doesn't it? And it sounds like a myth, as difficult as finding the Holy Grail. The great news is, it's not.

I used to believe that 10 percent of the population (or some other small rando number) were great workers and everyone else sucked. That all the good people were already employed, and that anyone seeking a job wasn't employed because they weren't employable. I thought I was an A-player and no one else could measure up.

After years of struggling to build a team that could not only han-

dle the work but could help grow my company, I started to think differently about my role in that struggle. I had always thought of myself as an entrepreneur. I applied business strategy to get more top clients, to achieve and maintain profitability, to refine my business so that it would run without me, and to market my business in a way that got my ideal prospects' attention. And yet when I tried to apply "business strategy" to team building, it would always crumble. I tried to build a better team by building a better business, when in reality I needed to become a better leader. Not just a decent leader, or even a good leader. A *great* leader.

If I wanted my employees to be all in, I needed to be all in on my employees. Let me repeat that with a slight rephrase, since repetition is the mother of mastery:

If *you* want *your* employees to be all in, *you* need to be all in on *your* employees.

And that's what I did. I went all in. More specifically, I learned how to go all in and then practiced it. I figured out that everyone feels like an A-player—me, you, all of us. And the truth I discovered is we are *all* A-players. Yes, everyone is an A-player. Some are just A-players in waiting. That's called potential.

Through trial, error, and a whole lot of humble pie, I identified a formula that would create the right conditions to find and nurture that potential. I trusted the process, stuck with it, and now I have a team packed with top performers. Business leaders now come to take a tour of our tiny, eight-person office, meet the team, and see how we do it. And the thing is, we just do the best of what you don't see at most other companies. We took ideas from sports teams, universities, religious practices, and, most important, psychological/behavioral research. And voilà, our team is curating art—not a single Sharpie face in the place.

I made it my mission to study the companies that had figured out how to build remarkable teams. In my research, and in interviewing, arguably interrogating, business leaders who did it right, I hoped to find the missing link, the one key difference they all applied to their organizations. Instead, I found four. And those four strategies became a leadership formula I applied to my own companies. And it worked.

I have tried to learn from great leaders, and I have implemented their ideas—sometimes clumsily. I am far from perfect, but I have found that even implementing bits and pieces has had a significant positive impact on our company. Our team continues to surprise and delight me as we work together to grow our organization.

You don't have to amplify your leadership abilities by 100 percent tomorrow—or ever. You don't have to be perfect as you try to implement new ideas. And you don't need to do all that you learn here. All that matters is you get started and commit to continuous improvement.

You can lead an extraordinary team that is all in for your company. In fact, it will happen because you are all in for them.

Adopt the Five-Star Fit

I had a “genius” idea. To streamline my vetting process and give more people a chance, I decided to “interview” them all at once. I was inspired by *Survivor*, the reality show competition that made reality show competitions famous. If you’ve never seen it, a bunch of strangers agree to live in a remote location where they must fend for themselves to, well, survive. Kind of like castaways. Each episode, they are also put through a series of tests, and then one of them is voted off. At the end of the series, the “sole survivor” wins a million bucks.

My *Survivor*-style process involved having all candidates for a position come in at once, telling them about our company and our mission, and then running a battery of tests. For grand effect I had torches representing each candidate burning outside our entrance. To be clear, this was nothing like a workshop designed to find the

candidates who had the most potential. This was a cutthroat reality TV–inspired competition, so I wore my toughest-looking outback costume, scuffed-up boots, khaki shirt, and all. I pitted the applicants against each other. If they won a comparative test, they “survived” another round. If they failed the test, their torch was extinguished and they were off my imaginary island. I thought my genius idea was so genius, even the applicants would think this was the best thing ever. Who doesn’t want to be on fake *Survivor*?

No one does. That’s who. The applicants did *not* appreciate it.

My concept wasn’t all that bad, in that I was considering many people, not just one, but it was unfair to people who are introverts and people who didn’t like public competition. They didn’t perform well, or opted out, and I missed my chance to find out if they were the best person for the job. But that wasn’t the worst part—oh, no.

As people failed the tests I gave them, I would “kick them off the island.” This made it even more intense for the remaining candidates. And just as it happens on *Survivor*, that tension brought the worst in them. They formed quick alliances. They started to backstab each other. It got *ugly*. In the end, the “sole survivor” was me. I still hadn’t filled the position; I was alone on an island of my own making.

And those torches I set up? I ran downstairs to extinguish the first one, Jeff Probst style, when the first candidate was kicked off the island, but they were all already out. Rain had passed through during round one and extinguished them all. Probably a divine indicator of the ridiculousness of my idea. And my attempt to relight the damp wicks was a demonstration of my bullheadedness.

Thankfully Danielle Mulvey taught me how to get *way* better at assessing potential candidates. No torches needed.

Danielle once had such a hard time hiring, she didn't want to come in to the office. The founder of The Maverick Group, an advertising and marketing agency in Nashville, Danielle discovered talent the way many business leaders do—on familiarity. She took recommendations and referrals from colleagues and friends and figured they'd "work out just like me."

Devon had a fresh design degree and seemed good on paper, but ultimately Danielle chose him for a graphic design position over another candidate because he was the brother of a good friend of hers from college. Almost immediately, he caused problems. Devon was combative within his own team. He believed work should be done his way or no way. He was completely wrong most of the time, and a total ass about it. So much so that Danielle did everything she could to avoid him. Despite this, she kept him on board, allowing him to show up for work while she hid out—anywhere but her office.

"I realized when it came to hiring, I was winging it," Danielle told me.

She vowed to make a change. Around the year 2000, Danielle started using the much more involved categorization system of evaluating candidates, and it helped tremendously. Over time, though, she realized she wanted to both expand the process to include assessments for an employee's potential and make the vetting process more efficient. Interviewing every single candidate thoroughly is time consuming. She needed a way to weed out people before she invested time in talking with them.

The Five-Star Fit was born. This method finds the individuals who have the innate abilities, potential abilities, and necessary experiential abilities that match the position you need to fill. Are they a good fit for the role's must-have list? Five-Star Fits have intangible qualities that complement the company.

How is the Five-Star Fit different than assigning letter grades to employees? Think of the rating system on travel booking sites. After your stay at a hotel, for example, you give it one to five stars. And your ratings are completely subjective—they are based on your needs and preferences. The same hotel, delivering the same experience, to two different people with their own unique preferences will result in very different ratings. The same place on the same day delivering the same experience can still earn both a five-star and a one-star rating.

On a trip to Florida, my wife, Krista, and I stayed at The Breakers in Palm Beach. We wanted a special once-in-a-lifetime getaway where we could relax and enjoy time together. The hotel is over-the-top swanky, so we didn't feel comfortable there. My wife said, "We were country mice in the big city." We gave it four stars because it fit our needs too much. Yes, too much.

While resting in our room, we had knocks on the door at least three times in just a few hours: once with the delivery of a special treat from the bakery, another when the manager stopped by to ensure everything was perfect, and another when room service offered to turn down our bed. The place is "great," but it wasn't my definition of relaxing. Plus, I didn't even know that "turning down" a bed was a real thing until I did some internet research.

On that same trip, we stayed one night at a Motel 6 in between destinations. We needed a clean, safe, no-frills place to sleep. We snoozed like logs. The hotel was quiet, no one knocked on the door, and they gave us two free bottles of water—all for \$87. We gave the motel five stars because it delivered on our expectations on all counts.

I wouldn't be surprised if The Breakers received multiple five-star ratings from other guests the same day we gave it a four. My definition of "over-the-top swanky" is simply mine. For those who expected

to be catered to at every turn, The Breakers nailed it for them. Similarly, Motel 6 might have forgotten to leave the light on for a guest, and that could be enough for a guest to slam them. The ratings are based on not just experience but the intersection of expectation and experience.

Just as a five-star hotel rating does not mean you will have a five-star experience, an A-player may not be an A-player for each role at your company. This is where the Five-Star Fit recruiting process comes in.

Typically, Five-Star Fits produce at least three times the investment in their payroll. They often require the least hand-holding (but do like to be engaged with and supported by management). Because her entire staff are Five-Star Fits, Danielle scaled her companies to more than \$50 million in annual revenue while spending less than ten hours a week overseeing operations.

I like to tour offices. I have been to cookie factories, audiology operations, funeral homes, real estate firms, security stores, law practices, play set manufacturers, software shops—the list goes on and on. I always pay the most attention to the employees. What is their behavior like? How engaged are they? How connected are they to their team, their mission, their company? Of all the places I have been to, and it is well into the hundreds, Danielle's company had it all.

I'm not shy, so when I realized Danielle had the team of teams and was helping assemble them for other companies, I jumped on the obvious. I said, "I see what you have done here. I know people constantly ask you for your help building their teams. What if we partnered to create a business to serve anyone in need?"

Helloooooooo The ALL IN Company. If you want help in this process, you can get started by downloading your own copy of the Five-Star Fit overview at allinbymike.com.

THE FIVE-STAR FIT PROCESS

As we dig into this process, we need to agree to a principle. Everyone is an A-player. They simply need to be put in a role that allows them to express their full potential. Again, I am not saying that everyone is an A-player for *you*. And in the same breath, I am not saying only a select rare few are A-players for you. Everyone has potential. Everyone has A-potential. Your job, as a great leader, is to empower people to express their A-potential during the consideration process and determine if you have a fit for that potential in a way that it can be maximized.

Here's how the Five-Star Fit hiring process works:

Phase 1: The ALL IN Assessment. If you aren't ready to run workshops yet, this tool is another streamlined way to find the best candidates. In the job posting, applicants are informed that the vetting process is in five phases. The first step is to fill out the ALL IN Assessment, which takes roughly thirty-five minutes to complete. Essentially, you are saying, "Don't apply if you're not going to take the time to do this." According to Danielle, roughly 60 percent of applicants do not complete this step, and of those who do, 50 percent score low enough to drop out, which means you can devote your time to the top candidates. Similar to the effort of attending a workshop, the ALL IN Assessment requires a demonstration of true desire to follow through. This requirement is the second-most effective way to gauge desire, with workshops being the first.

During an ALL IN training, one of the students said, "That's such a pain for anyone applying. I know, for one, I wouldn't fill this out unless it was a job I really wanted." Exactly the point! We only want people who want it. Not the people who are doing blanket,

click, and move-on responses to every job listing. When an applicant scores at least 70 percent on their ALL IN Assessment, they move on to Phase 2.

Phase 2: The screening interview. This is a baseline evaluation of no more than twenty minutes, done via phone or video. Most of the questions relate to the candidate's résumé, such as, "Why did you leave your last position?" "What do you like about your current position?" "What made you want to look for a new job?" Here, you are looking for interest and passion for the job they applied for. Although the max duration is twenty minutes, a screening interview could be as short as ninety seconds. No potential = no fit. Note: As you learned in the last chapter, running a workshop can be an efficient way to find the best candidates with the most potential. If you opt to run one, it replaces Phase 1 and Phase 2, so you can jump right to Phase 3.

Phase 3: The demonstration. In this phase, applicants take a skills test related to the responsibilities of their job. So if they are applying for a bookkeeping position, they would take a test to show their aptitude for debits and credits, another test for specific software, and a few tests where they have dialogue with and provide information to an individual posing as a client who has common problems real clients often have.

Phase 4: The Deep Dive Interview. By now, you have filtered out most of the one-, two-, and three-star matches. You have a good sense for a candidate's abilities. In this interview, ask about their future. What do they see for themselves, personally and profession-

ally? What do they want? What are their dreams? Is there a future together? No one works for a company from the day they are born until the day they die. And even if they are long-term, they still have a life outside of work. So we walk the path of life together. Work life and life-life are commingled. Your job, should you hire this person, is to support to the best of your ability their life goals through the achievement of their work responsibilities.

After the interview, make sure to check references. Most interviewers neglect to call references, and that is a mistake. When they do call, the reference is afraid to say anything that could impede the candidate or introduce bias. So usually you just get the dates worked and maybe a title. I have a simple hack for this. Instead ask, “We have many different roles the person can serve in our organization. Assuming they can do anything they want to do here, what role (job/tasks) do you feel this candidate would excel at most?” This one simple question opens the door for candid feedback on their A-player potential.

Phase 5: The shadow day. Candidates now have an opportunity to spend a day at your organization meeting the team and learning about the culture and how the job works. This is a paid offer. A shadow day may also involve additional skills tests in the form of small projects or assignments. If a candidate does well on their shadow day, you may then decide to offer them the position. It also exposes the candidate to your work community. They get a sense for what is expected from them and the vibe. And they can in almost all circumstances do the shadow day without having to quit employment elsewhere. They usually just take a day off. The candidate can decide if they want the position, just as you can decide to offer it.

You may be thinking, “Mike, I need to fill vacant positions ASAP. This process takes too long!”* My response is twofold: It takes roughly the same amount of time to start filling up your workshop event as it does to schedule your calendar for interviews. And the cost of bad hires is big. So slow your roll. And start looking for matches before you need to.

When you feel you are ready to get married, you don’t start looking for someone to head to the altar with you tomorrow afternoon. Instead, you typically go through multiple experiences together to ensure you are both happy, then you get engaged, and then you later get married.

According to CareerBuilder, three out of four employers say they’ve hired the wrong person for a position, and 30 percent of them said this was because they felt pressured to fill the position quickly. Don’t rush the execution of the process. But get the process started now, so you aren’t rushed then.

The Five-Star Fit method weeds out all but the top 15 percent of best-matched applicants, so by using this approach, you are already ahead of the game. Kasey Anton, one of our all-in students, refers to the vetting process as “the gauntlet.” It works. And it is light-years better than the typical “fog test” many panicked leaders use—as in, if you can fog a mirror with your breath, you get the job.

THE THREE KEY QUALITIES

Have you noticed that some travel booking websites have advanced rating systems beyond the overall five stars? They also have ratings for different categories—cleanliness, amenities, customer service,

* For help with the hiring process, visit allincompany.com to learn about services.

and so on. If I had spent a bit more time looking at those ratings, I might have figured out that Krista and I would feel like country mice at The Breakers and would be blown away by a middle-tier Hampton Inn. This is the overlap of expectation and experience.

In chapter 2, I asked you to come up with your must-have lists for your team. That list includes the qualities you need for each position. You may have different qualities for some of the positions because you have different expectations for those roles. And you likely have some of the same qualities for each position, qualities that match your company values.

I'll bet there is at least one must-have quality we all want in a hotel or motel: cleanliness. Read through the reviews for most hotels and you'll see that comments about cleanliness—good and bad—are the most common. There are some qualities that every role needs, no matter your company values. When I asked Danielle about this, she gave me the absolute must-haves for any role: limber, learn, and listen. If a candidate doesn't test well with these key three abilities, they are likely going to struggle to excel in your business, particularly in dynamic roles.

1. **Limber.** A candidate must demonstrate that they are ready and able to adapt to change. Can they adjust to changes? Are they ready and willing to be where they are needed? Will they serve the company in any way they can? A limber employee doesn't demonstrate their value through authority. They show their worth through contribution. For example, during the early months of the Covid-19 pandemic, MIT Endicott House, a conference center in Dedham, Massachusetts, had to shut down. Their entire hospitality staff of thirty maintained their salaries, because they were flexible about their jobs.

The cooking staff, maintenance, and housekeeping services all kept working. They became drivers who delivered takeout to MIT students who no longer had access to cafeterias. They became painters and renovators as they revamped the properties. They did whatever needed to be done when it needed to be done.

2. **Learn.** A candidate must demonstrate that they are willing to learn, that they are constantly looking to improve themselves through acquiring knowledge. They feel comfortable challenging their own beliefs. For example, my daughter, Adayla, studied biology in college. Now she is learning something completely different in her role at Penned with Purpose, a company that helps authors create, optimize, publish, and market their books using the methods that worked for me. Publishing is out of Adayla's wheelhouse, but because she's a learner, she has become quite the strategist. She closed her first deal with a major publisher within her first month on board. Yeah, Papa is proud.
3. **Listen.** Candidates must be good listeners. They must be able to take direction, but more than that, they must be able to listen *for* direction. Good listeners do not listen to reply or react. They listen to understand. They don't have an agenda; they are not in a rush to add thoughts. They summarize their understanding of what they've heard and conclude what was discussed. Good listeners follow up on the status of commitments. They seek to improve.

Effective listening is not passive, in one ear and out the other. It is learning, digesting, participating, and building on through response. Listening is key to any discussion, even in

intense negotiations. As Chris Voss, author of *Never Split the Difference*, reveals in his book, empathy and understanding happen when you listen and understand more than just the other party's point of view, but their emotions too.

These three key qualities are innate abilities. They can't be taught. Candidates either have these abilities or they don't. You may have other non-negotiable intangibles for your candidates. It's important to think about what matters most to you and your organization, the abilities your business can't live without.

TEST FOR KEY QUALITIES

And old friend of mine, Becky Blanton, put me in touch with Jule Kucera, an adjunct instructor at the University of Cincinnati. Becky and Jule took a course together, and Becky, whose mind is a steel trap, suggested I talk with Jule about concepts I was testing for this book. In her former job at the University of Chicago Medical Center, Jule was responsible for designing the candidate selection process for a new department, and Becky recalled a mind-blowing recurring process Jule oversaw for the medical center back in the 1990s. It brought in the best group of candidates the organization ever recruited. And it was the most equitable process to boot.

I started off our conversation with the usual perfunctory question. You know, a warm-up. "What do you think about the job interview process most people use?"

Jule's response floored me. She said, "Job interviews are the perfect way to find someone whose job will be taking job interviews. Otherwise, interviews are useless."

My gosh. One question. One stinkin' question, to which I expected

her to respond with something like, “They could be improved,” or “Here’s a great question to use.” Nope. Not even close. Instead, Jule punched my question in the face, and threw in a little eye-poke as a bonus.

She went on to explain that when someone does well in an interview, all we really know is that they are great at interviewing, not that they would be great at any specific job (minus taking interviews). And she wasn’t saying this hypothetically. She had the data. She went on to lead a real-world experience of running the same candidates through both the traditional interview process and testing just as I outlined above.

Jule told me about Chicago Medical Center’s “Fit for Hire” program, which they launched in 1991. They needed twelve new clinic coordinator positions for the high-profile department. At the time, CMC was undergoing a downsizing. The union feared that the new positions would be disproportionately given to candidates who were white, given that the hiring manager was white. The hiring manager feared that the candidate pool would be filled with poor performers who were weeded out in the downsizing process. The union and the hiring manager asked Jule’s department to come up with a better approach than traditional interviews.

For the Fit for Hire program, the hiring manager interviewed fifty-four applicants. She ranked the candidates and recorded her evaluations of which candidates to hire. But she held them in confidence until the next stage was complete.

Each candidate was then invited to participate at a series of stations that tested six key competencies such as accuracy, interaction with patients, and teamwork. Most stations could be completed in ten minutes, and the team-building station took thirty minutes. The

testing took place over two days. Of the fifty-four candidates, all signed for up for the testing day.

At one station, applicants were tasked with checking “patients” in. The recruiting staff played the role of patients. For Jule’s role, she chose to take on the characteristics of someone with cerebral palsy (CP), which she knew well, because her roommate had CP. She would take a full sixty seconds to get her clinic card out of her wallet. Some applicants waited patiently, others offered to help, and one person yanked the clinic card out of Jule’s wallet in frustration. Two people angrily walked out, taking themselves out of consideration.

Upon completion of the testing day, the hiring manager revealed her interview rankings, which were then compared to the scenario rankings. Sure enough, the people who interviewed well didn’t test well for the most part. The people who demonstrated the necessary patience and kindness needed for check-ins didn’t do so well with (the job of) being interviewed. In fact, the number-one-ranked job interviewee was one of the people who walked out.

CMC hired based on the results of the skills test. And it just so happened that the twelve people they hired were all African American. It was the most equitable process the CMC had ever deployed; people were selected on demonstrable skills, and the best got the jobs. One year later, all twelve were still employed and categorically top performers in their roles, which had never happened before at CMC.

Who’s the great leader here? Was it Jule? Maybe the union? I think the answer is yes to both. But there is one other person who showed the greatest leadership of all—the hiring manager. She had the courage to challenge her own assumptions and the confidence to believe she had a potential alternative to finding great people through interviews. She had the strength to participate in an activity that might

just have proven her process wrong. And when it did, she embraced the new and better process. The hiring manager is the very definition of a great leader. And collectively, everyone showed great leadership.

TEST FOR FRUSTRATION

I've been the host for a couple of pilot shows that didn't get picked up. Shocking, I know. One was for the Discovery Channel, called *Go Big or Stay Home*. In the show, I worked with a couple who had lifelong dreams of being entrepreneurs. They wanted to own a bed-and-breakfast, but to do that, they would need to give up their current lives.

The husband, a car salesman, and the wife, a schoolteacher, had three children. They had a nice home, two cars, and a bit of savings. They represented a typical middle-class American family. I was about to give them the opportunity to turn it all in to live the entrepreneurial life. The episode started with me whisking them away for a few days to experience what it would be like to operate a bed-and-breakfast. This was an opportunity for them to really know what they were committing to.

That's when the hook of the show was revealed. While the couple was away, a liquidator came to their house and wrote a check to take immediate possession of everything they owned: their home, their cars, their clothes, even the food in the cabinets—everything. When the couple and I returned from the practice experience they were offered a choice: to go all in on their dream business by accepting the check and saying goodbye to their past life, or to rip up the check and return to life as they knew it.

To give the couple a real feel for running a B&B *and* to make the show as TV-showy as possible, the production crew intentionally

presented problems to the couple. They switched keys, so that when it came to cleaning the rooms, they couldn't get into them. They clogged a toilet, which the couple had no idea how to fix. The couple seemed to handle those problems well. Where they lost it was breakfast. They had to cook for five couples visiting the bed-and-breakfast, and the stove burners stayed stuck on high. They burned the eggs. And the pancakes. True story: in a panic they finished off an omelet with powdered sugar. No, that problem was not staged. And, yes, that scene absolutely made it into the final cut.

After the experience, the couple decided not to go big, and instead stayed home. They gladly tore up a big old check when they saw how frustrating their dream work would be. Their curiosity was quenched, and the desire died. Frustration is the ultimate test of potential. It will arise for everyone, that is without question. The great leader observes how they respond. Does the frustration result in permanently giving up, or does it result in a break, reorganization, and trying again? And if necessary, trying again, again, and again. The latter indicates desire or even thirst; the former shows less or no potential.

You also need to run frustration tests with your candidates, since they reveal so much about their potential. Have people undergo an experience where there is a possibility of problems. Or compounding problems. The goal is to see how people respond. Do they give up? Do they get angry? Or do they rise to the occasion?

What is the leader's role? There is a popular video that circulated on the web called "Little Girl Determined to Jump the Box" or "Power of Not Giving Up," depending on where it is hosted. It shows a young girl, probably four years old or so, trying to do a standing leap to an elevated platform that is belly high. She tries again, and again, and again. Every time she fails, stumbles, and falls, she resets the platform and tries again. After nine failed tries she nails it. On her tenth

attempt, she lands on top of the platform and screams in happiness at her success. Her father runs in and hugs and kisses her, cheering with her. An athlete in the making? Heck yes—potential revealed. Frustration managed. Dad's leadership? Pretty darn great. How can you tell? The joy they both express about her success. Great leaders support through frustration and celebrate overcoming obstacles.

The most revealing part of the video is something you won't see if you blink. When the dad comes in to celebrate his daughter's efforts, they go for a double high-five and miss. She almost falls off the platform, but he catches her. The celebration continues unabated with hugs, kisses, and cheering. This is the greatest part of leadership—there is not an expectation for perfection throughout. Great leaders allow the mistakes that don't really matter and celebrate the achieved outcome even, or especially, if the path there is fraught with micro-mistakes, failures, and setbacks. That is how great leaders cultivate potential and celebrate progress.

ASK ABOUT THEIR DREAMS

In Phase 4 of the Five-Star Fit method, the Deep Dive Interview, you will determine if a candidate's goals for their future line up with your company's goals. What does the candidate want for themselves and their lives? What are their big and/or little dreams?

Everyone has a dream. Some have grand dreams, some have small dreams, some have pipe dreams. But we all have a vision for our lives. The secret to an unstoppable team is to align the goals of the business as much as possible with the goals of the individuals. I am not saying to necessarily change the company goals around what everyone wants. What I am saying is to do your best to empower the achieve-

ment of individual goals and dreams, while collectively marching toward the company goals.

The goals of an organization are typically the goal of the primary leader or leaders. I know in my own business that when I set revenue goals and other objectives, it is first and foremost about my own desires. What those numbers mean to me. What those goals, when accomplished, provide me. That is all good. But to think that my team will have the same thirst to achieve those goals as me doesn't make sense. They are on their unique life's path, just as much as I am on mine, and you are on yours.

By knowing a candidate's personal goals and aspirations, in addition to their work goals, you can effectively plan a path toward their goals as you collectively move toward your corporate goals.

TRIAL PERIOD

During your assessment process, consider a short hire. Once a candidate has passed your tests, don't offer full-time employment. Offer a trial period instead, beyond the shadow day. It could be one week or up to ninety days. They will get paid and experience the daily operations of the company, and if at any time they realize it's not a fit for them, they can leave without notice. During this trial period you can get a realistic sense whether they are a good fit for your company. If they are not, you can end the employment after the end of the agreed upon trial period. Win-win.

MAKING THE OFFER

Payroll is the largest expense for most companies. It is generally a fixed cost. Whether you have a bad revenue month or a good revenue

month, you still have to cover payroll. Before you make an offer to a candidate, you need to know compensation and expected return on payroll (ROP). You likely have heard of ROI (return on investment), but have you heard of ROP? If not, know this: ROP is a key metric to measure the health of your company and the strength of your team. This is what your company can afford and expects in return. ROP translates to the profitability and sustainability of the business. And it also reflects happiness. People can only produce at the highest levels on a sustained basis if the work is fueling them.

To calculate ROP, divide your total business revenue by the total wages. A fiscally healthy business has a minimum of three times return on wages. So if your company's annual salaries are \$100,000, you should have at least \$300,000 in revenue.

Compensation is not a motivator, but it surely is a demotivator. Meaning, yes, you can attract people with more money than the competition offers, but it won't make them work harder or smarter. They will do their best if they feel they are being treated fairly and you have an environment where they can explore and develop their potential. But if you pay less than they feel they are worth, they will be demotivated. You are taking advantage of them, in their eyes. Use what we learned from Kip of The Container Store. Pay 1.25 times to 1.5 times the industry average and it will be a rare occasion when someone leaves you due to a money decision.

To be competitive, you are best served to be "in the ballpark" on foundational expectations and needs—health benefits, vacation and other paid time off, training—but it is in the unique/extreme benefits where you will stand out. For example, flex time, personal time, the ability to take a sabbatical or work a four-day week.

Beyond time off, profit sharing, the ability to work from home, time to pursue creative interests, opportunities to grow in the job,

and access to company resources sweeten the deal. Consider all you learned about your candidate in the Deep Dive Interview. How can you help them get more of what they want through their job? How can you further facilitate their personal dreams and intentions? (More on this later.)

Also, don't save the recognition and awards for a "surprise" once they are hired. Let them know you have a reward system in place when you make the offer. And have you considered the people they will work with as a benefit? Not just coworkers, but vendors, clients, mentors, and teachers who provide training?

Once you have an offer ready to present, don't oversell the role. The nice thing is, if you followed this process, it is nearly impossible to oversell. The scenario testing, skill testing, and shadow day experiences give them a full sense of the job and its requirements. A 2022 survey by The Muse found that of twenty-five hundred US employees who left their job for an offer from another company, 72 percent said "their new role or company was very different from what they had been led to believe, and more than half of them regretted leaving their former job." Someone who regrets coming on board is an employee who will never produce optimally, and surely won't have their heart in the game. But if they have already had hands-on experience from workshops all the way to shadow days, they will be prepared for any problems or frustrations, that present themselves. And their heart will be in it.

GOOD AND GREAT LEADERSHIP

Good Leaders	Great Leaders
<p><i>Inquire About Skills</i></p> <p>Some candidates claim to have skills they may not have or may not do well. Good leaders ask them about their skills and confirm them with references.</p>	<p><i>Conduct Skills Assessments</i></p> <p>Even honest candidates may not have an accurate assessment of their skills, and references may not know the depth of skill required for the role you aim to fill. Great leaders confirm that candidates have the skills they need through demonstrations and testing.</p>
<p><i>Interview All Qualified Candidates First</i></p> <p>Once you've confirmed a candidate has the ability to fit into your role, interviewing all qualified candidates is the next logical step. Good leaders interview as many candidates as possible.</p>	<p><i>Conduct ALL IN Assessments First</i></p> <p>Not every candidate should be given equal time in consideration. Some apply for many jobs and don't have a genuine interest in working for your company. Great leaders conduct workshops, and when they opt not to do that, they require ALL IN Assessments as the first step in the hiring process.</p>
<p><i>Calculate Salary Affordability</i></p> <p>Traditional budgeting treats employees as an expense. Good leaders consider, "Can we afford to make the hire?"</p>	<p><i>Calculate Return on Payroll (ROP)</i></p> <p>Employees are an investment. Great leaders know there must be an expected return on their investment, since it is the only way the business can ensure it earns more than it spends.</p>

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