

# **Full Episode Transcript**

With Your Host

**Allison Watts, DDS** 

Welcome to *Practicing with the Masters* for dentists with your host, Dr. Allison Watts. Allison believes that there are four pillars for a successful, fulfilling dental practice: clear leadership, sound business principles, well-developed communication skills, and clinical excellence. Allison enjoys helping dentists and teams excel in all of these areas. Each episode she brings you an inspiring conversation with another leading expert. If you desire to learn and grow and in the process take your practice to the next level, then this is the show for you. Now, here's your host, Dr. Allison Watts.

Allison:

Welcome to *Practicing with the Masters* podcast. I'm your host, Allison Watts, and I'm dedicated to bringing you masters in the field of dentistry, leadership, and practice management to help you have a more fulfilling and successful practice and life.

Thank you guys for being here this week. I am so excited to introduce Hermann and I'm thrilled that he would do this with me. This is Hermann Eben, he has 40-plus years of experience in planning and development, project management, information systems, acquisition and merger, business transformation, and executive management. He cofounded TrimTab Solutions in 1998, which is dedicated to leadership coaching, creating high performance leaders. TrimTab helps leaders achieve clarity, focus, and results.

Hermann served in various executive management roles for Pioneer Natural Resources and its predecessors. During his twelve years with Pioneer he held various vice president titles and was the managing director of Parker & Parsley Development Partners, LP. He was part of an executive group that took a \$25 million enterprise and grew it into a multi-billion dollar entity traded on the New York Stock Exchange.

Prior to joining Pioneer, his roles in companies involved corporate development and planning, as well as the evaluation and acquisition of oil and gas properties. He raised funds for

acquisitions through presentations to financial and investor institutions throughout the United States. Early in his career, he was responsible for the divestiture process that required four data rooms in Australia and two in the United States. Wow. That resulted in the sale of the Delhi International Oil Company for \$620 million in 1981. We have some bigwigs in Midland, Texas, don't we Hermann?

Hermann: [Laughter] I'm tired of listening to this. Let's get into something

important. Let's get into...

Allison: I'm sure it's weird listening to your own bio, right?

Hermann: Yes, it is.

Allison: Here we go, we got some good stuff coming up here. He has

developed and conducts relationship and marriage seminars with his lovely wife Louie and has a weekly national radio show broadcast on American Family Radio called GR8 Relationships. That course is also available online with more than 200 videos at www.gr8relationships.com.

He has also developed a comprehensive online video leadership course, GR8 Leaders, at www.gr8leaders.com. He has three grown children and eight grandchildren. He has served organization boards, chaired charitable event activities, and teaches and preaches at his church. He continues to enjoy sports such as tennis and basketball.

Hermann lives in Midland, Texas. He had a bachelors... I tried to add to your bio, Hermann, remember at the end, because I didn't see the part about your—because I didn't read it all the way through? So what I will say about Hermann, I'll just say from a personal note that I've known him for, not as well as I would like, but for several years, I've known him as a leader in our church, a well-respected leader in our community, and an

exceptional business and relationship coach. I am just so excited that you would spend your hour with us, Hermann, sharing and passing on your wisdom.

Hermann: Well, it's my privilege. There's no doubt about it. It's my

privilege. I love to talk about these types of things. I have a real passion for it and it can really make a difference in people's lives and that's why we should be living. Making a difference in

people's lives, right?

Allison: Absolutely. As a group, we in dentistry, we don't get a lot of

help with leadership and then we're kind of thrown into a

business where we've...

Hermann: Well, you don't need any help with leadership because you

know all about it.

Allison: [Laughter] I don't know about that. We start our own practices,

we're kind of like, duh, what do we do now?

Hermann: Yeah, that is a tough way to go. Sure is.

Allison: Yeah. So I thought it was interesting when we were talking

about this. You emailed me back that I had shared with you that some of the feedback I'd gotten from some of the dentists and team members that listen to this sometimes, is that one of our challenges is to get our teams to buy into our vision and to help us bring that vision into fruition. I would like to talk about that but you said something to me about first check your thinking.

Hermann: Yeah.

Allison: Are you following or leading? I wanted to follow that thread a

little bit and talk about those tools that you shared with me.

Hermann: Well, I will let you be my interactive student here, so to speak.

Let's run down that trail. You're trying to get people to buy into your vision. Now I hear this all the time. I hear people talk about it from that viewpoint. "I need them to buy into my vision." I understand what you're talking about but that very first phrase is critical. I need you to check your thinking. Are you following or leading? Because if you're waiting on them to buy into your

vision, you're following. Right?

Allison: Gotcha.

Hermann: That's a very important point because leadership is all about

three critical words, and I'll just mention this and we'll come back to it a little bit later, so we can talk about it. Three critical words: You need to have a "there"—that sounds strange. You need to have the word "committed" and then you need the word

"influence." Those are the three critical words.

Allison: Will you spell the first one for me? Are you saying there, T-H-E-

R-E, T-H-E-I-R...

Hermann: That's it. T-H-E-R-E.

Allison: Okay. There, like "over there."

Hermann: There. Like, "We're going to go there." That's right.

Allison: Gotcha. Okay.

Hermann: There, committed, and influence. The reason why I'll throw that

out real quick as it relates to following or leading, a leader has a vision, has a purpose. I like to use the word purpose, kind of all-encompassing for vision, mission, any of those type of things.

If a leader has a place that they want to go, that means they're basically saying, "I'm going to get there and I really invite you to go along with me. If you don't want to go, I need to find somebody else that is willing to go with me." Don't misconstrue what I'm saying here, that I'm ready to fire somebody just because they aren't willing to go along but I do really want you to understand, it's an invitational model.

Leadership done in the best possible way is an invitational model from the viewpoint of "I'm going there and I really want you to go with me. Please, let's go together and I'm going to help serve you, develop you, so that you can help me get there." That's a critical issue.

If you don't watch your thinking, you're going to be waiting on them and that isn't leading. You really need to be concerned or very focused on, that's the place I want to be. That's the place that the organization needs to be, and by the way, leadership is all about we not me. That's a critical distinction. You don't sit out there and dictate, you don't sit out there and make people do things. That's another big issue, freedom, is a critical component.

So that would be the first thing I'd say. Check your thinking. Are you following or are you leading? Leaders have a place they want to go and they're going to invite the people to go with them. Does that make sense, Allison?

Allison:

Totally. I do see, and I did see that actually, there was a little debate going on on Facebook about it because somebody else wanted the vision creating to be more collaborative.

Hermann: I'm totally okay with that. In fact, the five capacities that leaders need to have is a results orientation, what we call right results.

They need to have a teamwork orientation, real collaboration. They need to have an innovation component, they need to have a communication component, and they need to have that results component. So those are the five, if you want just one word for each, it's teamwork, innovation, execution, results, and communication. Those are the five capacities they must have.

You can be a good or bad leader with those five capacities. It's your values that make the difference between a good leader and a bad leader. That's going to be the huge difference. Collaborative, absolutely. Collaborative, I am very much for a leader. For every one of you that have your own practice, I'm very much for you deciding on where you want to go and then proposing that to the rest of the group. Let it be collaborative as much as possible but at the same time you need to be very careful that you aren't getting changed away from where you're wanting to go. Just because your team doesn't share the same mindset.

You really want to go someplace, let's go there. That's critical. So how do you get that into the organization? Getting purpose into an organization is a long-term process. You can't tire of it. What we talk about with getting purpose or a vision into an organization, here's the criteria that I always tell leaders: When you are sick and tired of talking about the purpose, and the vision, and where you want to go, that's the first time most people are hearing it.

Allison: [Laughter] Oh my gosh.

Hermann: That's because the typical marketing mentality. Just think about it. How many times do you need to hear something before you act on it? Do you know what those statistics are?

Allison: I've heard seven. Not before you act on it, but I've heard seven

times before you something.

Hermann: Yeah, generally three times before you really start showing

some emotion toward it. Seven times before you probably actually emotionally do something about it. We typically make decisions based on emotions not logic. Everybody thinks they make them out of logic but for the most part you do tend to make them on emotions. That's the reason why the purpose needs three critical words. Here's three critical words. It needs to be memorable, it needs to be motivating, and it needs to be

relevant.

Any vision that you have really needs to tie into being something that's very short to talk about. It needs to be something that is very easy to remember, in other words, make it as short as possible. It needs to be motivating, meaning, it has to attach to their emotions somehow. It needs, preferably not fear, I'd rather it not be fear. But it needs to have a challenge associated with it.

I can't remember the name of this book, I wish I could. It's a really good book on leadership written by a former communist. The reason why it's so good is because the way that the Communist Party grew is they grew from the viewpoint of, "We're going to take over the world." That's a huge challenge, folks, are you on with me, or are you not? That's kind of the concept that you really need to have.

It needs to be challenging. It needs to be something that would be a place that a person would want to go and it needs to tie into their emotions somehow. That takes work. That is not simple. And it's not simple to create something that's memorable. If you can say it in a very short phrase, it gives you

the opportunity to communicate it more often and gives them a chance to be able to remember it. Again, it needs to tie it to their emotions. So memorable, motivating, and relevant, obviously means it has to tie to your business. It has to tie to how you're thinking about life. How you're thinking about what's going to be beneficial for your organization. So memorable, motivating, and relevant. Does that make sense?

Allison:

Mm-hmm. Are you using the word purpose as your mission or you're just kind of combining it as a vision as well?

Hermann: I like purpose to incorporate all of them. I get tired of trying to describe, okay, is that a mission or is that a vision? Let's just talk purpose. If you want to substitute vision for purpose, that's fine, I don't care. I just want to make it as simple as possible.

> Let me throw this detail out. I know I'm going to be throwing a ton of things, a ton of details out here. If you want to think about purpose, strategy, goals, and actions, that's the simplest way to think about organizational structure, if you want to think of it that way. I need a purpose or a vision, I need a strategy, the how, that I'm going to achieve that vision.

I need goals so that I can measure whether I am moving and helping my strategy work, which is helping me get to my purpose. And I need individual actions that are being done so that my goals are being achieved so that my strategy is potentially working to get me to my purpose. See how that works? It's in a hierarchy: purpose, strategy, goals, actions.

That's a very easy way to think about how organizations need to be set up. Got to have this vision sitting out there. I need a strategy, how am I going to pull that off? I need some goals to measure whether my strategy is working or not, and I need

individual actions. Those need to support, they need to align, because if they don't align, you're doing lots of things like what I see happen in individuals and organizations all the time. Three common problems. They're rudderless, they're blind, and they're unfocused.

Allison: [Laughter] Okay, rudderless, are you talking about they're not moving toward their vision?

Hermann: Yeah, they don't have anything clearly identified. When you don't have anything clearly identified, that's bad enough. But what do you think I mean by blind? What do you think I mean by that?

Allison: That's where I was going next. I was going to, I don't know.

Blind, let's see. Blind. They don't have something clearly defined. Oh gosh, I don't know. What do you mean by blind?

Hermann: What I mean by blind is so many people live in the subjective world. Let me throw out two definitions to help you with that. Objectivity. Here's a simple definition of objectivity: how it is. If objectivity is how it is, then what is subjectivity? Well, it's how it feels. That's how too many practices, too many individuals, too many organizations, live their life. They feel like they're doing really good. It looks like they're really doing good. Or you can swing it over to the opposite side. I feel like we're doing horrible, or it looks like we're doing horrible. That's blind.

Allison: Yeah. That's like not measuring your numbers? Right? Not measuring things?

Hermann: You're not living in reality. That's what we mean by that. When you are living in a subjective lifestyle and most people live there unfortunately. We see this in the way that so many laws are being created in our land right now about regulating, trying to

manage other people's emotions based on what they say about you. This is a danger for leaders also. They are thinking that their job is to manage people's emotions. That's not your job, your job is to have clear expectations, clear consequences, to help them become more self-governing. That's what your job is.

The issue is, if I am operating subjectively, I am operating in a feelings component and I'm going to be looking at reality in a skewed way. I have a perception of reality but I don't live in reality. That's going to make me think things are better than they are, or worse than they are. Therefore, I'm blind. That's how I see many organizations. They not only don't know where they're going or they say they know where they're going but they're not measuring it to try to determine if they're getting there. They're also not living in reality, which creates this unfocused, uncoordinated actions on a regular basis.

"I'm really busy, I'm doing so much stuff. Why am I not achieving my goals?" Because it's all unfocused actions, it's not focused in the right direction. So that is what is going to kill you. That all ties into the idea of memorable, motivating, and relevant, three key words that you need to have in your purpose.

But the real way that you get purpose or vision into people's bones is a very straightforward, I would classify it as basically a simple process. You just need to come up with your purpose, your vision, you propose it to the team. Once you have proposed to the team, make it a standard part of your regular meetings, your standard team meetings. You need to think, as I said a little earlier, you need to think in months. You need to think workable, you need to think repetition, you need to be thinking that way as it relates to this.

So you come up with this basic purpose, this vision, maybe you could even talk about it on a goals level. "Okay, here's our goal. Okay, folks." Let me move it back to purpose. "Here's our purpose. We want to be a high performing leadership training organization. That's what we want to be. We want to create high performance leaders. That's what we want to be. What do you guys think about that? How would you word that differently?" So you throw something out as a draft.

Preferably some of the nice ways to do it nowadays is come up with three words. For instance, my wife is involved in a polo club here in town. They wanted to do something on purpose and so they came up with some things. I was just kind of leading the meeting and they ended up coming up with some basic words on the first meeting. It was learn, ride, play. I said, "Cool."

Allison: Cool.

Hermann: Let's just run with that and next week we'll talk about that a little

more. Kept coming back, learn, ride, play. "What are different words?" It got changed, moved around, we ended up moving different words. We did that for about three months on a regular basis. They ended up coming back to learn, ride, play. That's the process, you throw it out on a regular basis, every week in your weekly meeting. You don't sit there and go, "Now this is

the mission. Now let's do it, dadgummit."

Allison: [Laughter]

Hermann: You want to involve people because if you don't involve them, there's some great research on the difference between when you involve people and when you don't. If you involve people,

what happens is even if they don't get their ideas accepted,

they will more than likely go along with you. Even though you totally ignore some of the things that they ask for. Just think about that.

I walk in, let's say you're part of my team. I walk in and I say, "Hey team, let's come up with an idea on how to get this goal done." And we end up getting that goal thought about from the viewpoint of a variety of different ways. I keep asking for you guys, "What's your input, how would you do this?" And then by the time we end up getting all this talked about, I end up going, "You know, it looks like the better way to go is this." I state my mind. "I think we'll just go this way."

Research shows that the chances of my idea being at least operated on maybe not wholeheartedly are substantially higher than if I just walked in and said, "Here's what we're going to do. Don't care what you want to do. Basically, here's what we're going to do." People have a tendency to push back against those things.

The reason why is because freedom is built in to all of us. Because each one of us have this freedom built in, we have a tendency to go, "You're removing my freedom. I'm going to rebel against that." So you want to use that invitational involvement model. Not to manipulate people because people are going to see right through that. But you've got to involve them.

When you have this idea, the vision, you put it out in front of the team, you talk about it on a regular basis. After about three months of talking about it, you say, "Okay, let's just run with this vision for the next three months or so. If you got any changes, cool, but we'll run with this. This is how I think it makes sense for us to go." Then over a period of six to nine months, you can

declare, "Hey, that's going to be our vision for right now." That's a very collaborative approach, notice?

Allison: Yeah. I like that a lot.

Hermann: It doesn't have to be dictated, it can be yours completely. But I'm just a big believer, you throw something out that you like, and more than likely you're going to get some good feedback to help you refine it and make it even better. That's typically what happens with people.

If you want to get it bought in, memorable, motivating, and relevant. Then think long term, get people to work with it. Why does that work? Because you get people thinking about it on a more regular basis. You don't just print it up on a piece of paper and say, "Okay, here's what it is." You're asking people, "Give me some different words. How else could we say this?" And get them to be thinking about it.

It literally starts getting into their bones a little bit more. By the time you end up adopting something, they have actually thought about it a little bit at least, maybe not in depth like you have. But they've thought about it a little bit so that now that you're starting to say it, it may ring a little bit more true to them. Does that make sense?

Allison: Yeah. I like that. It's very simple.

Hermann: Yeah. Again, that's one of the key things that we always teach. We always teach the Homer Simpson version of everything. "Well, duh."

Allison: Yeah but I've never heard it before. That's awesome. That's just so, oh my gosh, I've heard it made so complicated.

Hermann: That's the problem with so many things taught, especially in the leadership realm and everything in business I guess you could say in the management realm. We try to make it too complex and it's not going to work. We need to be paying attention to things that have worked over time rather than fads. Boy, if you want the latest fad, just go to a *Harvard Business Review* or MIT, flow management, and just go to look at some of their stuff. Got lots of great stuff, but boy you're going to get tied up in some fads too. So be careful about it, be very careful.

> I want to throw out something else as it relates to this vision because I remember putting this in the email also. Inevitably, as you are working with your group, you will run into what we call three categories of people. You can probably sit there and look at your practice and kind of get an idea of where each one of your people fit in these three categories. You have your early adopters. "Hey, that's great, Hermann, I like that. That's really cool, yeah!" Early adopters.

You have the undecided majority. "Hmm, not sure how to think about that. Just I'll sit back and wait on it." Then you have the resisters. "Hermann, that's really stupid, I can't believe that you're thinking that way." They may not say it to you but that's how they're thinking. The way you want to think about those is what we call the 30-50-20 principle. You can note that's the Pareto rule of the 80-20 principle, right? We've divided the 80 into 30 and 50.

The 30, 30 percent of your team generally is going to be resisters. Don't want it, dig their heels in, not interested. They'd prefer to leave rather than stay if they could find another job. That's the 30 percent when it comes to any new idea. 50 percent are the undecided majority. They can be swayed one

way or the other. They're just not decided right now. Then you have the 20 percent that are the early adopters.

Here's the big leadership question, you've got this 30 percent resisters, 50 percent that are undecided majority, and 20 percent that are early adopters. Okay, leaders, where are you going to spend your time first? That's the question. Are you going to spend it on the 30, the 50, or the 20? What's your decision? What your decision is is going to make a huge difference. Where do you want to spend your time, Allison?

Allison:

Well, my first thought was the undecided majority. Then I thought, maybe the early adopters. If you could really get them excited they would sway the undecided majority with you and for you. But they're already on board. I don't know. I think it's not the resisters.

Hermann: Most people end up choosing the resisters. Good for you. Glad you didn't choose that. Outstanding. You're certainly in the right direction because early adopters is where you want to spend your time. That seems so counter-intuitive, doesn't it?

Allison:

Mm-hmm. But I get it too at the same time.

Hermann: Wait, wait, they're already with me. Why am I going to spend time with them? Here's the reason. More than one voice is talking about it. You want to spend your best time, if you want to use the Pareto principle again, you spend 80 percent of your time with the early adopters, giving them as much resource on how to take this vision, take this goal, take this new idea, and run with it so that you can build them up as much as possible so that they can be an additional voice to that undecided majority.

Then you take 20 percent of your time and you divide that up into 80-20 if you want to get really technical about it and you spend 80 percent of your time on the most vocal resisters. But the very first thing you do when you talk to a resister, what do you think is the very first thing that you need to talk to with a resister? Any ideas there?

Allison: I was thinking, just ask some questions to try to figure out

where they're coming from.

Hermann: Good. Very good. Here's the way that—and asking questions,

I'm a huge believer in that—share that with you in a minute. The issue is the resisters may have a point. It's very important that you sit and listen to them. Don't go in there and just try to blast them. Don't go in there and basically just go, "Well, you're just not on board and I just don't like that," or anything else. So, "What's your point, what's the deal here?" Because everybody

has a WIIFM. Do you know that marketing term?

Allison: Yes, uh-huh. [In unison] What's in it for me?

Hermann: Everybody has a WIIFM and you as a leader need to start

understanding what each one of these resisters' WIIFM is. You need to understand the WIIFM for the undecided majority also. Doesn't mean that you change your vision but you certainly need to understand how to attack their emotions to help them get on board with you. That's going to be absolutely crucial for

you.

Yes, you spend your time with the early adopters, giving them your best time so that they can be more of a voice for you. In fact, I'm a believer to be able to say, you literally need to go to them and almost rehire them. Going, "Thank you, thank you so much for being on board with this. This is awesome. I want to

give you as much responsibility as you can take because I want to give you an opportunity to grow and learn." You're just creating an environment for not manipulating people but helping develop people. That's a crucial value of a leader.

Great leaders always value people enough to develop them. That is a crucial top five value for a leader. Value people enough to develop them. That's absolutely crucial. That 30-50-20 is a great little additional thing that you want to throw in to, "I'm trying to get people to buy in to the vision." Okay, first and foremost, am I following or am I leading? Am I waiting on them to buy into this, or am I actually getting out and selling it? Okay. I better get out and sell it. Otherwise I'm following.

Secondly, I need to make certain that whatever vision I have, whatever purpose that I'm proposing, needs to be memorable, motivating, and relevant. That's the WIIFM component. What's in it for them? Is it challenging? Is it something that they really can sign onto that would be engaging for them?

Then I need to introduce it into a common, regular process that's not a single event. I don't type it up, put it on the wall, I make it a part of the business. I make it a part of everyday life almost. Especially the regular meetings that I have. I'm a big believer in regular meetings. People think meetings are horrible. I think meetings are magical, if you use them the right way. That's one of the great uses of some meetings. All of that might be a little bit of a benefit to help people buy in. Any thoughts on that, any questions on all that?

Allison:

We do have a question. Perfect timing. Let me unmute you. This is a different Lisa than the one you know. But this is another Lisa that actually works for me.

Hermann: Cool.

Allison: Hi, Lisa.

Lisa: Hi. I had a question when he was talking about the motivating

and things like that. My question is how can we continue to motivate the ones that seem to not want to be motivated anymore? Do we just keep pushing and pushing and pushing?

Or do we backtrack and just start motivating each other and

hopefully they follow the leader type thing?

Hermann: You don't push as much as you invite. I'm not against pushing,

don't get me wrong. I'm for directing. I'm for controlling when it needs to be controlled. But I am much more into an invitational model, a freedom model. Because I believe self-governance is the most important issue that a leader needs to focus on. Not only their own self-governance but also self-governance for their individuals. Why is self-governance so important? What's

your speculation on why self-governance might be so

important?

Lisa: I don't know. I guess I feel like, I don't know. I just feel like there

are times when, I feel like when there's a group that buys into what, or not even buys into it, but believes what they believe and are...But believe it with their hearts and it exudes and so therefore everybody else wants to follow because they believe

it too. Even if they have a doubt, they want to believe it.

Hermann: Yeah, I appreciate that.

Lisa: But when they're at that state of mind where it's like they've

already shut that door, how do you keep going? How do you

keep wanting to invite them?

Hermann: That's the reason why you're the leader and you need to be, and again, there's so many elements that can be talked about here. Let's talk about it first on the self-governance and then I'll introduce another term here. Self-governance is so crucial because, now just think about it this way. If I had a team of people, and every one of them were self-governing, meaning, they're accountable for their actions, they have the maximum amount of freedom that I can possibly give them so that they can operate on their own.

> What does that do for me as a leader? It gives me the opportunity to not have to micromanage or constantly look after all the things that they're doing. It frees me up to do other things. That is a tough thing. That is the highest standard that I want a leader to be focused on. How much can I create selfgoverning individuals?

> Now, how do you generate that? I think this comes from what we classify as the three daily priorities. They all tie together. The first one is self-governance. What am I doing to encourage self-governance? The way that you can encourage selfgovernance is simply this: clear expectations, clear consequences. If you are constantly giving people clear expectations and clear consequences and they're meeting them, that means they're becoming more self-governing. See how those tie together?

> If you have a person on board that just doesn't get it, well it's your job to communicate very clearly, "Here's the expectation I need out of you. I want you to achieve this by this date and you can do the smart routine. Specific, measurable, acceptable. I like acceptable better than achievable, result-oriented, and time-bound. Here's your goal, here's what we need, and here's the consequences if you don't get it. Please, I don't want you to

suffer these consequences." Or, consequences can be positive or negative, "Here's the reward." If you lean too much on rewards, though, you can get off track. So here's the clear expectation, here's the clear consequence.

Now if that is what you're going to be talking about, then that doesn't mean that they're motivated, but at least they're getting the job done. At some point, a person has to make a choice to be what we'd classify as living in the right-hand circle or the left-hand circle. The right-hand circle is a person that trusts and lives their values, the person living in the left-hand circle is a victim. "You're just a horrible boss. This business sucks. I just can't believe it." Life is dictated to them.

If you're going to end up helping them become self-governing, you start with clear expectations, clear consequences. Does that make sense?

Lisa: Oh yeah.

Hermann: Does that answer your question or did I make it more confusing?

Lisa: No, it answered my question. Absolutely.

Hermann: What I don't want you to do is fall in the trap that I fall into, that I've fallen into too many times. I believe I have what we call a me-flashing moment. I have too many of those making life all about myself. Of course that will just cripple leadership completely.

But because I've worked with individuals and enjoy trying to help them change, here's where my me-flashing moment comes. They're not motivated. I keep working with them, giving them clear consequences, clear expectations. They're still not

making it, but I value developing people. But they're not changing, what's going on here? I keep doing that and I end up using too much of my time trying to get one person to change rather than working on the organization. That's a me-flashing moment. Why? Because I believe in my ability to change people more than I believe in helping the organization get someplace.

At some point you need to say, "It's just not working and I need you to make a change." There is that concept of what we see in *Good to Great* by Jim Collins, you need the right people on the bus. Sometimes you need to stop the bus and let some people get off. That's just the way life works, unfortunately. That's tough. That's really tough.

Allison: Hermann, you said there were three daily priorities.

Hermann: Yep. Self-governance, clear expectations, clear consequences.

Allison: Okay, those are the three. Okay. I thought clear expectations and clear consequences were part of the same thing. Okay.

Hermann: Those are the three. Self-governance, clear expectations, clear consequences. Before I run on, there's so many other things we can do. Let's make certain that I haven't confused too many people about what we're talking about.

Allison: Lisa, are you good?

Lisa: Yeah, no, I'm good.

Allison: Does anybody else have a question for now before we move forward? I think we're good, Hermann. Let's see. I wanted to ask you, we had talked about a couple things that I still wanted

to cover if we could and that was the magic phrase. Have you already said that?

Hermann: So the magic phrase.

Allison: Yes.

Hermann: Okay, the magic phrase. This is something that will help Lisa in her considering motivating people also. There is a simple little phrase that teaches people both initiative and respecting authority. It goes like this, very simple. "If you have no objections, I'm going to..." Then whatever comes after I'm going to is the thing that the person wants. That's a phrase that I want you to teach everybody in your practice because that's going to help self-governance.

> Notice what that phrase does. "If you have no objections." What value is that teaching? That's teaching respecting authority. They're coming to you as the leader, as their authority, basically saying, "I respect your authority to say no to this brilliant idea that I have. I'm respecting that authority."

> At the same time, "If you have no objections, here's what I'm going to go do." What you can do with that little format, we have a little form that we give people. What you can do with that little format is, it's not just come with an idea. You come with an idea and actually how to implement it.

> So it's not just a matter of them coming to you and going, "Okay, here's an idea, I need you to try to figure out how to implement this." Now, "If you have no objections, I'm going to do this and here's the plan that I have available. Here's the plan that I thought through to help that happen." That's where you're really teaching them not only respecting authority but also initiative. Those are two critical components of self-governance.

Taking initiative and respecting the people that are in charge instead of thinking that they're always the bigwigs. People that know how to follow are some of the best people to be learning how to lead, because it requires some real submissive hearts and real humility to be a proper leader. "If you have no objections, I'm going to..." and that's a great little phrase to teach everybody. Can help on self-governance. That clear enough?

Allison: Yeah.

Hermann: What's your impression of that?

Allison: I like it. When you first said it, I was thinking that was sort of, I didn't even think about it from the standpoint of respecting authority. I was thinking we could use that with each other.

Hermann: It's a phrase that you can use with anybody. First and foremost, you really just need to make certain that you're doing the same thing with them because it shows respect toward them. If you have no objections, I'm going, there's nothing wrong with that.

Allison: I like it. I like it a lot.

Hermann: I'm a huge believer in the upside-down triangle if you know that common metaphor of leadership. You as a leader have the wrong impression if you think you're at the top of the triangle when the normal triangle has the small portion on the top. The better way to think about leadership is you turn that triangle over and you're on the bottom. You're there serving the rest of the organization. You're not the slave of the organization but you're there serving the organization, being a resource for the organization to help get things done.

A great secular study on that concept is in that same book that I mentioned a little earlier by Jim Collins, *Good to Great*. In his foreword, he talks about the fact that he told his researchers, "I don't want you coming back to me and telling me that these companies are great because of their leadership. I don't want to hear it."

Every one of the companies that they came back with, the ten that they ended up finally choosing by all the metrics, every one of them had a leader at the top that fit what they ended up calling a level 5 leader. There was one critical component in level 5 leaders, it's one of the key values, the top five values that we want to see in leaders. That's humility.

Leaders that are humble leaders are totally—that word humility is vastly misunderstood. I think one of the best word pictures of how humility can be viewed is in the old school teaching of warhorses. They taught a horse to not only be able to withstand all of the battle sounds but even the flames that they might be associated with or around. Picture this massive warhorse standing there, has its armor on, and a young little boy comes with a torch and passes that flame underneath the belly of the horse. The horse doesn't flinch. It just stands there.

Just think about that. That's the concept of humility, or even if you want to use a different term, meekness. It's power under control. Humble leaders are not leaders that are the concept of milquetoast. They're a person that has tremendous power and yet they are keeping it under control and using it for the organization, not for themselves. That's the idea, that's the reason why that word picture of the warhorse is so valid. So good. Very powerful animal, totally under control.

Totally under control though being able to withstand whatever is the circumstances and the issues that are going on around them. They are therefore going to take the power that they have and utilize it for the benefit of people, not trying to make every person serve them. They're doing this all because it's best for the organization.

There's that we not me component again. Which is a very important term for all of leadership. It's about we, it's not about me. It's for the organization. Very ambitious for the organization, not ambitious for themselves. That's the terminology that we want people to consider with that.

Allison: Can you say what the top five values are, you've mentioned a

couple of them.

Hermann: That's a secret. [Laughter]

Allison: If you have to kill me it's okay, go ahead. I'll do it for the group.

Hermann: You'll fall on the sword for the group, right. No, I've already

given you three of them, you just don't know that I've given them to you. First one is truth, and I'm not going to put these in order, but if I had to put them in order, truth would always be number one. So interesting that whenever we do a workshop called "Manage Your Own Moment of Truth" by a mentor of mine Robert Fritz, who developed "Manage Your Own Moment

of Truth." Outstanding piece of work.

Allison: You shared that with me, I loved that. Yes.

Hermann: It's an outstanding tool to use to help people achieve

excellence in their execution and performance. But anyway, one of the things that we typically talk about is if you get people to say, "What is the most valuable thing that an organization

needs to have to be very competitive and maintain its competitive edge?" Lots of people will say, purpose, goals, motivated employees, they'll talk about all this stuff.

But really the most important thing is truth. Are you willing to stand on truth and are you willing to deal with things? Not try to gloss it over and lie about it. You don't throw any deception into the mix, it's always about truth. That means truth is required about performance with individuals in the organization. "I need to share with you that you're not doing as well as you think you are." Or, "I need to share with you that you're doing awesome." So truth is the number one value.

Freedom, critical value. That requires a lot of discussion. It's the most difficult value for people to put their hands around. It's the most difficult value that relationships require. But it is an extremely powerful value. Self-governance, you've already heard me talk about that one.

Humility, you heard me just talk about that. Let me throw this little sidebar at you on humility. Humility never made sense to me. Not only because I'm arrogant but because it's so abstract. Until I was reading something a number of years ago and it made all the sense in the world. If I could just put something concrete to humility I could make some sense of it. It finally clicked, service. It's not necessarily humility but it is the key action that gives you an indication that you're probably moving in the direction of humility.

Going back to that warhorse. That warhorse is willing to serve. That warhorse is willing to do what it's asked to do. If you are a leader, you're willing to serve. You're willing to not consider yourself a slave to the organization but you're serving the organization with your talents, with your abilities. If you want to

take humility out of the abstract, all you need to do is ask, "Am I willing to serve? Who am I serving? Am I serving them for a benefit in return, or am I serving just because it needs to be done?" That's a key component of humility.

Fifth one would be value people enough to develop them. That would be the five values. I am probably going to either add a sixth one or figure out a way to turn one of these other ones into—because there's a critical value that I know that I want to get in here, it's called sacrifice. Great leaders sacrifice. Great leaders take on things and make the sacrifice for the good of the whole in every possible way. Again, they are incredibly ambitious for the organization to get where it needs to be. They may be ambitious for themselves, but they're going to put that behind the needs of the organization.

That would be the five values: truth, freedom, self-governance, humility, value people enough to develop them. In fact, the Marines, one of their top three things that they tell any leader, is "You better develop more leaders." If you're a leader, you're going to be developing more leaders. The only way you're going to develop more leaders is to value people. So those are your five values. Did I already give you the five capacities? I think I did.

Allison:

I think you did. I think that was early. Results, teamwork, innovation, communication, and execution.

Hermann: Yeah, in fact, if you really want the way we like to talk about it, it's true teamwork, healthy innovation, excellent execution, right results, and exceptional communication. If you look at Hitler, you could classify him as doing most of those five, but you'd have to remove some of those qualifiers in front of them. It might not be true teamwork; it was definitely teamwork.

Definitely wasn't healthy innovation. It definitely was excellent execution. Wasn't right results. He was an exceptional communicator.

If you take just back to one word, like teamwork, innovation, execution, results, and communication, you can take our definition of leadership and make it generic for good or bad leaders, and here's our definition of leadership. Our definition of leadership is, I'll say it in the good way, great leaders are committed to influence others to get there, T-H-E-R-E, and to true teamwork, healthy innovation, excellent execution, right results, and exceptional communication. That's our definition of leadership.

Leadership can be defined in one word: influence. You can't be a leader unless people are influenced. And you don't have to influence by your making the decision to influence. You can influence simply by being committed to going there. "I'm wanting to go there and I'm committed to going there." People start looking at you and go, they get influenced by it.

You're going to be even a better leader when you are not only committed to going there but you're also committed to influence them with the great values that we talked about, the five values. And you're committed to doing these five capacities in the way that we're talking about them also.

That's the way we talk about leadership. Committed to influence others to get there. That's the simplest phrase that you can use for getting about the five capacities, committed to influence others to get there. Does that help?

Allison: Mm-hmm.

Hermann: Good.

Allison:

So you talked about, if we were measuring ourselves to figure out how we measure up in that are we a good leader or not so much. Is that a quick answer? It's just looking at that and seeing where we fall on that?

Hermann: The quick answer, I'm not trying to give you a degree of good or bad. The difference between good or bad. A bad leader like Hitler would be, he's focused on teamwork, he's focused on innovation, he's focused on execution, he's focused on results and he's focused on communication. He's doing all those things.

> But the difference between a bad leader like him and a good leader is it's true teamwork, real collaboration. It's healthy innovation, beneficial change. It's excellent execution, maximum self-governance. It's right results using transcendent values, and it's exceptional communication, honest and clear. See how it makes a big difference when you add the words to it?

Allison: Tie in the values, yeah.

Hermann: It's all, you hit it, you nailed it, you can take all five of those capacities and if you put the wrong values on it, you're going to be a bad leader. If you put the five values or the six values that I gave to you, you will be a great leader because you're focused on taking those five capacities and using them properly. You're committed to going there, and you want to influence others through these capacities, with these great values. That's how you can think of it at the highest level. What we call our leadership quick start, which we'll have available here in the next couple of months hopefully.

Allison: I know we're out of time, now I've got a whole other set of

questions but I won't go there, about values. But anyway,

maybe we'll have another call another day or maybe I'll just go

get your materials.

Hermann: If anybody wants to get on a waiting list, we have a leadership

assessment that's going to be available. Actually the

assessment is available right now but we're just doing so much background work right now. If you go to gr8leaders.com and just click on want the assessment, it'll take you to a page that you can sign up and you'll get it when we put it out. It'll probably be September before we get anything done on that though at

this point.

Allison: It's www.gr—the letter 8—leaders.com.

Hermann: Number 8, yes.

Allison: That's what I meant, the number 8. So G R, the number 8,

leaders dot com.

Hermann: Right and the same thing on the gr8relationships if they want to

pay attention, it's gr, the number 8, relationships.com if they

want to go check that out.

Allison: Okay. And if you guys have any questions you can email me

and I can get you in touch with Hermann as well.

Hermann: I enjoyed it.

Allison: Anyway, Hermann, thank you so much, we enjoyed it.

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