



MAXIMIZE BUSINESS VALUE PODCAST - EPISODE 231 Transcript

0 (1s): Tom Bronson

Welcome to the Maximize Business Value Podcast, brought to you by Mastery Partners, where our mission is to equip business owners like you, to maximize your business value and achieve the exit of your dreams, whatever that means to you. With insights gained from over a hundred business transactions, we share real world strategies, lessons, and expert advice to help you build long term sustainable value in your business. Each episode is hosted by one of our Mastery certified partners, their seasoned experts who've helped countless business owners navigate the complexities of growth, scaling, and building value.

0 (45s): Tom Bronson Cont.

They bring firsthand experience, actionable insights, and a passion for helping you build a business that thrives. So, let's dive in.

2 (1m 1s): Christian Landers

Yeah. You know, so what does, you know, self-managing company mean? Right? I know, that's kind of a buzzword, right? So I'm basic over buzzwords. So when I use that term, I often use that term when I'm talking to other business owners. "Hey, it's a self-managing business," And so what does that mean? And the example that really comes to mind that I think really highlights, highlights on multiple levels, really what that looks like in reality, for somebody that's watching and listening to this podcast, it's simply this, you and I both know a guy, you know, bill, right?

2 (1m 45s): Christian Landers Cont.

Yeah. You've met Bill, right? Okay. Of course. So Bill built a general contracting company. He got it to 15 million a year. And this is, this is back in 2012 to 2013. He, built this business on his back, got it to 15 million a year, and had 60, 60 people working for him. And everything was flowing through him. Everybody was answering him. He was, he, he, all the policies, the processes, everything, everything was through him. And, and as he described it, as he described it to me, and we've had multiple, you know, multiple conversations in which he got really, really, you know, honest about it.

2 (2m 33s): Christian Landers Cont.

He said, you know, I was, I was running this. He says, I was making a lot of money, Christian. He's like, I had, I was making a lot of money. He goes, but, but I was working 85 hours a week. He said, nobody, nobody, nobody was making a decision without me knowing. He goes, and part of that was, part of that was I didn't want anybody making a decision without me knowing. So part of that was me just holding on too tightly. But he said, he said, he said, I, I, I had, he goes, I was carrying around three different cell phones. He said, I'd be in the middle of dinner and I'd get a call and I'd be on the phone until, you know, he said, you know, he was, he was the chief salesman.

2 (3m 13s): Christian Landers Cont.

He was the chief, you know, accountant. He was, he was doing all those things. And imagine, I mean, Darren, \$15 million a year GC business between subs, between, I mean, that's a lot, right? And he, and he said, Christian, he goes, I basically went to my wealth advisor and I said, Hey, get me to this dollar amount, or get me to this. I'm serious. This is what, this is what he said. He said, get me to this dollar amount. He told his wealth advisor, get me to this dollar amount, or get me to, or get me to this year, and then I'm out. And what Bill meant by, out was, was, was, I'm not gonna try to sell the business. It was, I'm gonna shut the doors and never look back.

2 (3m 55s): Christian Landers Cont.

And that, I mean, that's, that's heartbreaking, right? For somebody to do that. He got introduced to EOS, he hired an implementer, one of the best, Jill Young, your implementer, absolutely the best. Hey, Jill, you know, he had a, you know, he had taken on a business partner in this business, by the way. And so when he started on the ES journey, he was, everything was running through him. Fast forward eight years in 20, you know, in, in, in, in 2020, you know, COVID, you know, the year of Covid, he was, he was, he was actually in the year of Covid, he was spending about 15 hours a week in the business.

2 (4m 38s): Christian Landers Cont.

He actually bought out his business partner, okay? And about that time he started looking at acquiring and purchasing other businesses. He literally went from, get me to this number. I'm shutting it down, you know what this is. So this is so great. I think I wanna work forever because I'm not doing everything in the business. I've got a leadership team around me. I've got a process. I'm not the, he, he's, he's like, I'm no longer the base. I'm the bonus. This business can, this business. I have a sales leader that's handling my sales, holding my people accountable. I have strong financials, rock solid data.

2 (5m 19s): Christian Landers Cont.

I've got a COO that is, that is, making sure that all these moving parts are doing it. It took some time, right? It takes some time. But he got there. But, a self-managing business really comes down to this. And that is, it's a sustainable and successful business that relies little to none on

the original founder or owner. Yeah. And, and it is possible. It's absolutely impossible. You know, it's, it's, it just takes, it takes an owner making the decision. And sometimes I was guilty, you know, I've been guilty of this in my career, Darren, probably you probably as, as owners, sometimes.

2 (5m 60s): Christian Landers Cont.

Sometimes we say we want a self-managing business, but we don't. We don't, we don't. It means that we, we, we don't, we don't get to be the most important person in the business anymore, you know? Yeah,

3 (6m 12s): Darren Williams

Yeah. So, so the opposite, you know, what we call the self-managing company, the opposite concept. And again, you know, throw out some more buzzwords, right? Yeah. You know, is what we call the genius with a thousand helpers. A hundred percent.

3 (6m 23s): Darren Williams Cont.

And, and, and a lot of people liked that model. A lot of owners like that model because man, there's a lot of ego tied up in that. Yeah. Like, you're the smartest, you're the best. Nothing every, you know, nothing runs without you. Everything runs through you. So there's a lot of ego that can run through that. So you really, you have to ask yourself these hard questions. You've got to be self-aware, look in the mirror and say, what do I really want? What do I want to be true? And what is frustrating me? And this idea. And, and it's, you know, funny you mentioned Bill, I've had some recent conversations with Bill, and we were, we were kind of talking about this, and it really comes down to this concept of most business owners, or frankly, people in a job we're taught to grind to a finish line.

3 (7m 9s): Darren Williams Cont.

Yeah. Stand on your head if you have to do the hard work, grind, grind, grind until this, this thing we call retirement. And, you know, I was introduced and, and, and Bill and I know yourself, and it's this concept of man, instead of maybe quote unquote retirement, what is the thing I could do forever? What do I enjoy? What do I love? And when you, when you really use the EOS foundational tools, it starts with the right people, right seats, right? Absolutely. And then, once you have the right people, right seats, now we can talk about delegate and elevate, right? Right, right. And then, you know, in conjunction with added systems and processes.

3 (7m 50s): Darren Williams Cont.

Yeah. And when you have this idea, right, people, right seats, delegate, elevate, then you can start getting the stuff off of your plate that I don't like, I don't enjoy, I don't want to do, it's causing me pain and frustration. And, and we don't wanna delegate our garbage, right? That's not the idea. We wanna give it to somebody that loves it and enjoys it and is excited about it. Right?

2 (8m 12s): Christian Landers

And that's, that's the thing, the things that you, the things that you are frustrating. So you, the things that are frustrating, the business owner, the things they feel frustrated about and they hate to do, those are things, when I, when I, when I share this with one of my clients, especially the visionaries are just, you know, to see the look on their face when we start talking about, Hey, you know, this thing that's frustrating, you know, this thing that you hate to do, you do recognize that the reason why you're frustrated and you hate to do it is because it's not within your unique ability. It's not, it's not something you're naturally gifted at. And so, so the, you know, and, and they thought they had to do that. They thought as the business owner to run a successful business, they had to, they had to do everything that they hated and that they weren't really good at.

2 (8m 55s): Christian Landers Cont.

You know, and this idea, it's almost like I've seen, I've seen some, some moments of just, well, guilt of, well, I can't, I can't do that to, I can't do that to my COO. I can't do that, to, I can't do that to my sales leader. That's not, I mean, I hate doing that. Why would I dump that on them? And the reality is, what you don't like is something that somebody else loves to do and they're really good at. And so, so, so let's get Yeah, absolutely. Let's get that in the right place. And that is a process, right? And so, and so, and there's, so there, I wanna, I wanna stay on this for a second because I, I, I want, I want owners that might be watching or listening to this, I want them, I want them to hear this.

2 (9m 39s): Christian Landers Cont.

And that is what, what they originally had to do to get the business off the ground and get it success se successful is what they had to do. It was a time, it was a period in the business, it was a phase in the business in which that was absolutely necessary. And congratulations, you are a small percentage. You're an elite group that was able to do it and do it successfully. But you know, business owners, business owners have to ask themselves, okay, what is the value that I know, what's the most value that I now bring to the business, you know, at its stage now? And what they fail to recognize, they think their value was in doing all those things, the things they didn't like and weren't good at.

2 (10m 26s): Christian Landers Cont.

And when they find out that, holy cow, I can stop doing that stuff. In fact, it's actually better for the business for me to stop doing that stuff and spend more of my time doing this stuff. That's what really brings value. And oh, by the way, that stuff that really energizes me, I really love doing that stuff. It changes. That's the switch that flips where they go from, I want to get out and, and get, get, get away from this to, Hey, I think I could, if I could do this stuff more and only do this stuff, yeah, I'll work forever, or I'll go do this again in another business, or, you know, I might go do this. You know, that's, that's the magical thing. So I want, I want the owners listening to this, you know, what they think is building what, what they think they're bringing to the table now, you know, is, is probably not, is probably not, not truly accurate.

2 (11m 16s): Christian Landers Cont.

You know, they need to, they need to just pause, take a clarity, break another buzzword, you know, an ES buzzword. They need to pause and really think, where do I bring value? And they might be surprised at, at the answers they get from people, trusted advisors around them. They might be surprised about what they hear, and it might be freeing to them. It might release them from a lot of stuff that they don't want to do, you know? And

3 (11m 39s): Darren Williams

Man, I really, I really think that that awareness in that, that potentially that change of perspective is so valuable. Yeah. Because what it allows you to do, frankly, when you get to that point that you just described, that awareness, it, it allows you to release so much of that guilt around, we have all these ideas of what we think we should be doing, right. And what a business looks like, or what a successful business looks like, or what a, what the responsibilities of an owner looks like, right? We have all this guilt around what we should be doing. So when you can change your perspective and you can find team members that pick up where you leave off and you're not delegating garbage, you're delegating what somebody else loves, it's just not something that you happen to love.

3 (12m 21s): Darren Williams Cont.

Right? Absolutely. When you find that you're right, man, it is, it is a very powerful switch. And that's when things start to scale and really start to, they start to hum. Because you can let go of these things, these painful things that are grinding you down. Man, that's, that's awesome. So, and it's,

2 (12m 39s): Christian Landers

It's the beginning. It's the beginning of that self-managing business that we kind of were talking about. You're letting you start letting go of things. And so the, the business, the business and the people that you've hired that help you in your business, start grabbing hold of those things and, and taking those over, becoming the, the company starts becoming less owner centric, right? And that's, that's the beginning of self-managing, that is very valuable. So if somebody, you know, it's valuable for helping the owner achieve the lifestyle they wanna achieve, or if there's an exit in the future, you know, just, just it, you know, it makes that exit 10 times easier and 10 times more valuable for

3 (13m 21s): Darren Williams

'em, you know? And man, that's it. That's it. That's what I was gonna say was not only, you know, if you embrace this idea and this perspective, not only do you get your life back, you'll probably make more money in the process. That's right. And you're also gonna make your company more valuable. Yeah. Right? Yeah. So it's not either or. I'm not have to choose a lane. It's like, oh, do I get my life back at the expense of my company? It's like, man, these are two sides of the same

coin. You're making your company more valuable, you're getting your life back, and, and you're probably delegating to some, some talented quality people, and you're improving their life in the process as well. So, man, that's awesome.

2 (13m 58s): Christian Landers

I mean. So, so next que Go ahead. Yeah, yeah. I, I mean, I, I was just gonna say this, and that is, well, I can't add anything else to that. 'cause you, you, you, you put it perfectly, so I'm not even gonna try.

3 (14m 12s): Darren Williams

All Right. What, whether, whether you're wearing your hat as a business owner or you're working with EOS and you're working with other companies, what are you doing these days that's, that you find the most rewarding?

2 (14m 25s): Christian Landers

The most rewarding? Oh, man, that's, that's a great question. I, the most rewarding thing for me when I'm, when I'm, when I'm working with my, my clients specifically, so the owners and their leadership teams, it's, it's the, it's delivering, it's delivering and creating space for them to think about things and start, start taking action on things that they, they, they never thought possible. You know? And so far, for my clients and their teams, before they enter the session room for me, before they start the journey with me, they are very much inside this box of the business.

2 (15m 14s): Christian Landers Cont.

They are very much in the weeds day to day. And you and I both know what that can look like. It's, it's, it, it can, it's fighting fires and it's, it's dealing with, it's dealing with just the day-to-day business stuff that doesn't allow space for you to think high level about the business, you know, and predict further out in the future, think more than just the day ahead of, you know, day in front of you, the week in front of you. And so the thing that I, I have so much fun watching my teams and my clients go from working in the business to working on the business because they, they have so much, they have so much fun doing it.

2 (16m 2s): Christian Landers Cont.

And the, and the, the ideas and the, the conversations, sometimes they get heated, sometimes they get really in a healthy way just really pointed. There's just this spring, this, this unending spring of, of, of just momentum and new ideas and, and things, things that just had not been possible before. And when, when we're in those session rooms and, and, and a light bulb goes off, and, and you start, you start seeing these, these, these discussion happens and you, you start seeing the face, the leaders in the room start looking at each other, connecting and, and, and imagining something bigger than what's going on in front of them.

2 (16m 45s): Christian Landers Cont.

That is, that is a recipe for growth, both in terms of leadership, both in terms of processes, you know, you know, you know, value, unique value propositions, you know, sales, marketing, whatever. It's all happening in those moments. And that is, that is, that is the most fun that I have, is just I'm not doing it, you know, the answers in that room. My team, my teams know the answers they've got, the experience, they've got the skins on the wall. Nobody's just no, just nobody's ever created space for them to get out of working in the business and get to working high level 40,000 feet on the business. And I think that's the number one difference between companies that operate on an operating system like EOS versus those that don't.

2 (17m 31s): Christian Landers Cont.

And that is the ones that don't, are spending a hundred percent of their time day in and day out, never ever creating space for themselves to think high level down the road. Where are we going? How are we gonna get there? That, that, that I have seen transform owners' lives, transform the leadership team lives, just creates completely different companies. It's pretty, that's fun, man. That stuff's fun, right?

3 (17m 56s): Darren Williams

Yeah. That's awesome. You know, when you're working with teams and, you know, so I think the, the, the short version is, is this, you know, development, right? Just yeah. Development and seeing perspectives change and light bulbs and seeing options become available and, and in, you know, in my own business, you know, working with Mastery partners, you know, I often say it's like, listen, it's not my job to tell you, quote unquote tell you anything because your business is unique and your business is, is different. But what I hope to do is ask some good questions, ask challenging questions, you know, maybe put you in a position to defend your position, right? And If you can explain it and defend it, and there's a reason for it, great. But maybe there's another idea, maybe there's another perspective.

3 (18m 36s): Darren Williams Cont.

Maybe there's another way to do it. And, and the way you said, you know, to give them the space, right? To provide that space for them to, to think through those different things and make those decisions. That's awesome. That's awesome. I like that.

2 (18m 49s): Christian Landers

I mean, how, how many times have you, I mean, I'd be curious to find out when, when a business owner comes to you and you, you start taking them through your process, you know, I wonder how many of them when they, when you start asking them the questions that I know, you ask how many of them, that's the first time somebody has just asked that question and created that space for them to think about it, you know, you know, probably never, right? Probably, yeah,

3 (19m 20s): Darren Williams

A lot of times, often, and and to your point earlier, you kind of touched on this, it's like, in some cases they didn't, they didn't know or think it was possible, right? Right. Or they had some guilt associated with something they thought they had to do this forever, those kinds of things. And yeah. And to introduce that idea that maybe, maybe this isn't something you have to do forever, or maybe this other alternative is possible. And we know you and I know people that have, that have done it, right? This idea of this, this self-managing company, and, and I talk to people all the time. So at Mastery Partners, we talk about transitions. It may or may not be an exit, but it may be a transition. And one of those transitions we introduce people to is this idea of becoming more owner unless operator.

2 (19m 58s): Christian Landers

Yeah, absolutely.

Right? And it's like, maybe you don't wanna sell the business.

2 (20m 2s): Darren Williams

I love that. Yeah. Maybe you don't wanna sell the business, that's okay, but what if you became the owner, right? And what would that look like? So it's just, again, it's about options and learning. And, and so I, I'm with you to see that light bulb come on and to see perspectives change and see options become available that were previously thought to be impossible. That's pretty cool. Yeah. That's pretty cool. Well, hey, man, as we wrap up, we're kind of, we're kind of getting into our time a little bit here. So I've got one last question for you, man. What is one, the one most important thing that you recommend business owners do to build value in their business?

2 (20m 40s): Christian Landers

There's a, there's, if I just had to pick one that number, the number one way to build value in a small business, in my opinion, is to make the decision and to develop a plan for creating a business that can run and grow without your constant involvement as an owner. And so that means, that means building a company with, with documented repeatable systems and processes. A strong leadership team, you know, you need predictable financial performance, of course, a clear niche, you know, a clear niche. You've gotta have a clear niche or a unique value proposition that sets the business apart.

2 (21m 24s): Christian Landers Cont.

And customer diversification, you know, no single customer making up too much of the revenue. You have to, I mean, the number one thing is to build value, is just to create that business that can run and grow without you being as, as, as my friend Bill said, without you being the base, you're just a bonus. You know? And, and, and just start, create a plan and start that process. You know, you know, I, I think EOSI is a business operating system, even if it's not EOSI think that helps people get there. I think having conversations with, with people like you, Darren, and your firm, and what you guys are doing, I think that, I think that helps business owners develop that

plan just to get to, not to not be the base, you know, begin working yourself out of a job and just being an owner.

2 (22m 12s): Christian Landers Cont.

That's the number one thing to build value. And, and I tell people this all the time, you know, I don't, if you tell me, Hey, I've had two exits, you know, that doesn't mean anything. 'cause the next question I'm gonna ask you is, okay, what were those seller descriptionary earnings looking, looking like? And what was your, what was your multiplier? And here's what I know, I know that, I know that that multiplier is, is heavily, heavily tied to an owner not being the, the base of the business. You know, work yourself out of that spot.

3 (22m 48s): Darren Williams

Man, I couldn't have said it better myself. That's that. Like we said, those things on, they're gonna give you your life back. They're gonna make your company more valuable in the process. All those things, man, I think that is great advice. And man, thank you so much for joining us. Thank you for sharing your insights and experience with us today. Man, it's always great to talk to you. I always enjoy our talks, and I'm glad we could share this conversation with our audience. This is the Maximize Business Value Podcast, where we give practical advice to business owners on how to build long term sustainable value in your business. Be sure to tune in each week and subscribe to our channel so you won't miss a single episode. Thank you everybody.

0 (23m 33s): Tom Bronson

Thanks for joining us for another episode of the Maximize Business Value Podcast. I hope today's conversation sparked new ideas on how you can continue driving value in your business. But remember, it's not just about listening, it's about taking massive action. Visit our website masterypartners.com for more resources. Grab a copy of any of the books in the Maximize Business Value series on Amazon or via the links below. And don't hesitate to reach out if you want to know how to apply these concepts to your business.

0 (24m 14s): Tom Bronson Cont.

So until next time, I'm Tom Bronson reminding you to relentlessly execute while you Maximize Business Value.