



JIM HARSHAW JR.

Revealing Failure as the Path to Success

Success Through Failure Podcast

Action Plan Episode #233

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You check email the moment you lift your head off the pillow in the morning. You bring work with you on vacation, sneak glances at your smartphone during family dinners, and take business calls and texts at your kid's sports games. It's as if you've been forced to make a choice between your company or your life, sacrificing time for yourself and your family for the sake of career success.

But it doesn't have to be that way.

In *The Freedom Formula*, Wall Street Journal bestselling author and successful entrepreneur David Finkel will help you *operationalize* working smarter. No fluff, no theory, Finkel shares the detailed blueprint to create maximum value for your company without working nights, weekends, or while on "vacation."

David Finkel is the CEO of Maui Mastermind®, one of the world's premier business coaching companies, which has worked with over 100,000 business leaders, helping them grow their companies and get their lives back. David's work has been featured in media outlets such as The Wall Street Journal, Bloomberg Businessweek, Fox Business, MSNBC, and Inc. Magazine.

Quotes

"When done right, you can have more career success and better family/personal/health life. But we have to change the model. The model right now is broken."

"Most of us are filling our business schedules with junk 'calories.'"

"It's so often people are working hard on the wrong thing. Working on the right thing is more important than working hard." - Caterina Fake

About The Value Economy 11:19 - 13:50

"In the business world, there are people who operate in two different economies. I use this just as an analogy. The first economy is the time and effort economy. This is the economy that says, 'I want to get ahead. I work harder, I work longer, I work nights and weekends and bring stuff with me on vacation,' which kind of defeats the purpose. That works to a certain point, and then it caps out. One extra hour producing one extra hour of output caps out. At a certain point, there's a degrading relationship. One extra hour in doesn't even give me one extra hour out. The time and effort economy had a poster child probably like Rocky Balboa. 'Hey, I'm still up here after 15 rounds. I'm battered and bruised, but I'm still standing.' There's another economy and we'll call this the value economy. If the time and effort economy says, 'To be a good, committed team player, you've got to put the hours in, even if it means interrupting your family time, etc.,' the value economy says, 'What you're on the payroll to do is to create results. Your hours matter, but they matter only for the result you generate.' Think about it. We did a survey of roughly about 600 or 700 business leaders. These were executives who worked at companies and entrepreneurs. A mixed audience. We asked them to figure out how many hours per week they were wasting on 10 particular things. We went through a list. The average was 18 hours a week going on these low-value tasks. That's not unusual. You think of how much of your day doing low-value email. The value economy says, 'Look, what matters is the result we generate. We need time, no question. But we need a different type of time. We don't need these massive, raw, undifferentiated hours. What we need is we need some of our best time back in blocks. What most people do is they invest their time, 5 minutes here, 10 minutes for that. What they do is they treat all things the same just to tick off the task on their to-do list. It has a very limited result. So instead, it's how can I put my very best 3 hours or 2 hours a day on my highest value-creating activities?"

About A,B,C, and D Time 16:05 - 18:03

Everyone that's listening to this has probably heard of this 80/20 rule; 80% of what I do gives me 20% of the result. We call that D-time. It might be an email that's not important, it might be unsolicited phone calls that we don't care to get, it might be errands that we're running for our business or our personal life, social media, it's low-value junk. If's that's true, then 20% of what we do gives us 80% of return, then we call that C-time. That's valuable work but for most people that's their only distinction D and C-time. Let's take that 80/20 rule and apply it again. If 20% of what I do gives me 80% of the result, then 20% of that 20% will give me 80% of that 80%. I'll do the math for your listeners. This 4% sweet spot gives me 64% of my output.

Now we're talking qualitatively different stuff where C-activity might be me as an attorney doing a billable job. B-activity might be me speaking at an industry convention where I might generate 20-30 client opportunities for our firm. So if 20% of the 20% of the 20% gives me 80% of that 80% of that 80%, that's that magic 1% I put in that literally gives me half the result. We call that the A-time. Here's the thing. I need to make sure between 5 to 10 hours of my week are spent on A and B-activities. They can't be done in slivers of remnant times. If I do that, I won't do them."

About The Freedom Formula - Based On The Book 27:09 - 29:40

Step 1: Commit yourself and your team to operate in a time and effort economy.

Step 2: Reclaim some of your best time.

Step 3: Reinvest blocks of my best time in what I call your fewer better. It could be a one-page action plan for you and your team every quarter, to what we call 'Weekly Big Rock Reports' to doing what you call sweet spot analysis.

Step 4: Sustaining the gains made by creating strategic depth. For example, every quarter in my company, we ask each of our key departments, 'What are one or two steps we can take in our department this quarter to increase strategic depth?' It might be a new hire, it might be something that we need to cross-train our number 2 person on, it might be something that only your number 2 person knows how to do so she has to document it and cross-train a few other people.

About Handling Emails 30:41 - 32:55

"For anyone who's got the book *The Freedom Formula*, I refer to page 68 where we talk about 12 different tips to manage your inbox. I'm going to give you two right now. The first thing about email is we get obsessive about it.

Here's my **first advice** to you. Age your email, especially the less important emails. The faster I hit reply, the more emails I get back. If it's my boss or my number one customer, yes, I'll reply quickly. But if it's a colleague, sometimes by waiting four hours or one day, I can reduce the amount of email I get by 20% or 30% or 40%. If it's an outside vendor, maybe I'll wait a day or two. If I want to respond, maybe I'll use the delayed delivery function so I do it now, but it doesn't send it until a day or so. Here's what it does. If you ever found yourself having an instant message conversation in an email, you're not delaying/aging your email enough.

Second advice, most of your emails come from internal sources. What I do is I look at it internally. We have a rule that we use inside our company. We call it the One, Two, Three Method. When we do internal email, we make sure the subject line is labeled with a one, two, or three. One means 'This is urgent and you have to take action. Look at this first.' Two is 'This is something you need to take action on. Do it in a reasonable period of time.' For us, that's usually between four to maybe eight hours. Typically, one business day. And three is, 'I just want to keep you in the loop. You don't have to do anything with it.' What that lets me do is I can send an email to you and I CC over to Kim because she needs to be aware of it. So I might say, '2-Jim, 1-Kim: Update on the schedule for our Interview on Skype.' So now, when you scan your inbox, you know how to process it better."

About The Freedom Accelerators 35:40 - 37:40

1. Be a better coach to my team

If I've got four people that I work with and manage, and two of them are extraordinary, how do I coach them to get the most from them? Most people don't know how to be a coach at all. So I'm not just building good doers, but I'm building people who can put their decisions, their discernment, their business judgment forward and be leaders of other people. For example, one of my friends runs an \$80million a year retail business. He said, 'David, we call it can't do, won't do, don't know how.' I asked, 'What do you mean by that?' He said, 'When you have a challenge with one of your employees, is it because they can't do it, they won't do it, or they don't know how?'

I'll share another story. One of my mentors as a leader, her name is Stephanie. She had built one of the most successful medical device companies in the country, former chairperson of the National Association of Manufacturers and the co-author of one of my books, *Build A Business, Not A Job*. Nine years ago, she challenged me, 'David, grab an index card.' She made me write one question on the index card that changed how I am as a leader, 'I don't know. What do you think we should do?' When my staff comes to me, asking what to do, I ask them, 'I don't know. What do you think we should do?' I put another question on the back now which says, 'If I wasn't here and it was totally up to you, what would you decide?' When I started pushing my staff back with this, they grow and the number of things on my list shrink. This is one way you make the Freedom Formula work faster. I leverage and work through other people, and get them in the value economy, not a time and effort economy."

David's Habit 39:15 - 40:05

"There's a practice that I do each week. I keep a daily journal. Each week, I start a new page in the journal and I put in steps I took to get closer to my goals. I put a M with a circle for magic moments, like 'Last night, my son came and snuggled with me in bed. What a beautiful magic moment.' I put BL with a circle around it for blessings. All it does is it calls my attention to the fact that life is really good and I can compare myself to all kinds of people who have more, who achieved more, who seem to have it all and assure myself that I'm taking steps to things that matter. There's magic and blessings in my life, I feel fulfilled and that is more than anything else is worth."

Action Item

1. Go to your calendar right away and pick a time and day. What's the one day a week they can carve out a block of time? Make it a reoccurring appointment in their calendar.
2. Ask yourself, 'What is the best, most important thing I can fill that time with?' Ask yourself what are the A and B-level activities that I do and what are the D-level junk that I fill? No one will first know what the difference between A and B are. If I call it A or B at first, over time, it'll become clear. For the first three or four months, don't worry. A or B are obviously better than D.

Website and Social

Website: <https://mauimastermind.com/> & <https://freedomtoolkit.com/>

Facebook: <https://www.facebook.com/MauiMastermind>

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YouTube: <https://www.youtube.com/user/buildmybusiness>

Books:

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