

Announcer:

Welcome to The Carey Nieuwhof Leadership Podcast. A podcast all about leadership, change and personal growth. The goal? To help you lead like never before in your church or in your business. And now, your host, Carey Nieuwhof.

Carey Nieuwhof:

Well, hey everybody and welcome to Episode 402 of the podcast. My name is Carey Nieuwhof, and I hope our time together today helps you lead like never before. I have been looking forward to this conversation for a long time. Today, we have Mike Arrieta and he talks about a rapid rise in his leadership career, a rapid and sustained growth lessons from Silicon Valley and the pitfalls of success. I'm going to be talking a little bit more about that at the end of the podcast and the What I'm Thinking About segments signs your character may be exploding. Mike and I talk about that and it's something he has addressed in his own life and I have addressed in my life and so we'll talk about that. Today's episode is brought to you by Generis. You can schedule your complimentary generosity discovery session today at [generis.com/carey](https://generis.com/carey), and by ServeHQ, go to [servehq.church](https://servehq.church) to sign up for your free 14-day trial and use the code CAREY to get 10% off for life.

Carey Nieuwhof:

So, wow. I got to tell you, thank you everybody for listening. Thank you for those of you who are leaving ratings and reviews, that means an awful lot. When you do that, I'm very grateful. Want to thank Marky Mark for leaving a review. Yeah, Mark Wahlberg. I don't think it's the same Mark Wahlberg but anyway, Marky Mark said, "Carey always seems to read my mail. It's amazing the amount of times I've started an episode, it's just what I'm needing to process through the week. Carey's a gift to leaders, especially younger ones like myself. I don't subscribe to many podcasts, but I listen to this one each week without fail." Thank you so much Mark. I'm really grateful for that and very excited about all the young leaders who are listening as well, very thankful for you.

Carey Nieuwhof:

I try to bring you subjects that I'm interested in and I'm interested in growth. I'm interested in expansion. I'm interested in character. I'm interested in sometimes the meta of leadership and the micro of leadership. And if that's reading your mail, that makes me really, really happy to be able to do that. Hey, just so you know, too, we always talk about this at the end, we have transcripts and show notes, so you can find everything that you want for today over at [careynieuwhof.com](https://careynieuwhof.com). I've got a lot there, but if you go to [careynieuwhof.com/episode402](https://careynieuwhof.com/episode402) you will find notes, shareables and also some transcripts and they're all free, thanks to our partners. Speaking of which, it seems at this point to all be aligning to the point where we are going to be open and in the post pandemic era this fall. Yeah, maybe, maybe not, but are you ready for that?

Carey Nieuwhof:

That's a big question. Right? Well, Generis would love to help you get ready for that. What is your fall going to look like? If your ideal fall includes welcoming your church back fully, expanding your ministry, doubling down on online and continuing to move your vision forward. Then it's time to begin planning a generosity initiative now.

Carey Nieuwhof:

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Carey Nieuwhof:

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Carey Nieuwhof:

Now a little bit more about my guest. Michael Arrieta is a private equity investor, venture capitalist, and former technology entrepreneur. He currently serves as founder and CEO of Garden City, a purpose-driven buyout holding company that buys, grows and forever holds service companies across the Southeast. He is also voted in 2016 as one of Forbes 30 Under 30 for his social entrepreneurship. He was an early employee at DocuSign where he served as Global Vice President, General Manager and Chief of Staff to the CEO. DocuSign by the way now has a \$40 billion market cap.

Carey Nieuwhof:

In 2016, he founded MAV Ventures, a venture capital group that has invested in over 20 hyper-growth companies ranging from technology to healthcare. He's also a co-founder of New Story, a nonprofit that has built 2000 new homes in developing countries and is known for creating the world's first 3D home printer. I saw that up close at South by Southwest a couple of years ago insane. He's a great guy, also a listener. So Pat Gelsinger, who was a former guest now the new CEO of Intel introduced Mike and I. It's been great to get to know Mike and I can't wait for you to hear my conversation with Michael Arrieta. Mike welcome to the podcast.

Michael Arrieta:

Thank you Carey, super fired up to be on it.

Carey Nieuwhof:

This was fun because we got introduced by a past guest and yet I found out you're also a listener, which is fun, nice to have listeners who we get to turn the microphone on. And you've got a fascinating story and fascinating leadership journey. So really excited.

Michael Arrieta:

Absolutely. I've listened to a lot of your episodes and have been a loyal fan and I share to many people. I love what you're putting out there. Hopefully this is going to be another episode that impacts others.

Carey Nieuwhof:

Well, and you've had a fascinating life. So you're how old right now, as we're doing this interview?

Michael Arrieta:

When this goes out, I'll probably be 32. So I'll turn 32 next month.

Carey Nieuwhof:

So barely 32, which is amazing. But you came from a very tough background, working poor, great parents, but just not a whole lot of money in your background. Tell us about Cutco knives because your life changed when you were a teenager with Cutco knives and that kind of launched a trajectory that has defined your last 15 ish years. Do you want to tell us about that?

Michael Arrieta:

Yeah, absolutely. My father got sick when I was in my teens and at 17 I felt the call to help provide for my family and lighten the burden. A friend told me about Cutco knives and they said I can make a good career for myself or I can make a lot of money. I was forced to grow up faster than other people. I started selling Cutco knives, woke up at the crack of dawn every morning and started making cold calls as the teachers go to the bathroom during class, sat outside of the lunch room, make cold calls and I became one of the top salespeople on Cutco's history.

Carey Nieuwhof:

In their history at 17. So you've got like 40 year olds who are selling Cutco knives too, right?

Michael Arrieta:

Yeah. There was about, from what I understand, 5000 to 10,000 people per year that sell Cutco knives.

Carey Nieuwhof:

At 17, you become one of their top salespeople.

Michael Arrieta:

At 17, yeah. That year I was the number one salesperson in the company at 17. I just learned how to build and run a true business. So while other friends were playing high school sports and X-Box, I was learning how to build pipeline and building cold calls scripts and how to build rapport with people and do a sales pitch, negotiate and get referrals and learn how to do time management and facing objections. Just like people say that a child like Justin Bieber when he faces such difficulties, because he started his career at such a young age, I think the same went for me. I started my career at such a young age. I started making six figures in high school and gold and glory really became my God and my identity.

Carey Nieuwhof:

I mean, there's so many places I could go. I want to ask you, how do you teach yourself at 17? How do you learn that stuff a lot of 35-year olds have trouble trying to figure out how to build a sales funnel. A

lot of 55 year olds have trouble figuring that stuff out. How did you teach yourself? Or did they teach you? Or what did that look like?

Michael Arrieta:

I think it was a plethora of a lot of things. One was my father was a salesperson. So I saw it firsthand. I never got to see his skills at work in terms of how to negotiate and build rapport and all of that, but I did see the work ethic and the perseverance and the grit and the hustle. I knew or I believed that in order to be good at anything, it's going to take a lot of effort. So I probably got that from him. I was surrounded by a lot of books. I read Rich Dad Poor Dad. I read other sort of sales books like Zig Ziglar and anything I get my hands on that was available at that time.

Michael Arrieta:

I was always very, very meticulous and relentless at being surrounded by the best people in the company. I would reach out to the prior salespeople that were always number one and I would just say, "Can you teach me?" And many times when you ask people, "Can I just come alongside?" And "Can you teach me?" They many times say, "Of course I'm willing to do that." Then probably lastly is I had to succeed. We had no other option. So when your back's against the wall, that's when your true colors show. So probably a mixture of all of that.

Carey Nieuwhof:

You obviously had a lot of yeses, but I'm always curious because if you look at one of the themes for a lot of our guests, there had to be some nos along the way. I imagine you didn't close every sale. As a 17 year old, how did you handle the nos when they came your way? The limits.

Michael Arrieta:

My manager got me into a mindset that she made me obsessed with nos. I mean, we would celebrate nos. I mean, it would be-

Carey Nieuwhof:

Really? Okay. I knew there was something there just intuitively, but tell me more.

Michael Arrieta:

It was amazing. It really was. I mean, I remember I gave a keynote once at an annual conference at Cutco and I started off by saying, "I guarantee you by all the money I've made this year, that I have had more people hang up on me, not show or say 'no' to me than anyone in this room. So I've experienced failure this year, more than anyone in the room yet, I was still the number one sales person." It was this whole mindset that, again, going back to my manager, that she taught me that Michael Jordan or Kobe Bryant, she could guarantee has missed more shots than anyone on the planet. It's simply because they've taken more attempts by naturally, obviously their convergence is going to go higher, but they've taken so many attempts and they've mastered the skills so well that their mindset is becoming obsessed with failure because failure is an equation to success. I would know that if I had eight 'no's that would average out to two yeses. It was just all a numbers game and I still treat it like that even today.

Carey Nieuwhof:

Isn't that fascinating? That is a pattern of early success for a lot of people. I'm thinking about Ryan Hawk, who was a previous guest and we'll link to that in the show notes. He had the tough job when his football career didn't work out of having to sell LexisNexis cold, I think that's a legal product. I'm pretty sure that was his brand and he's like a whole bunch of nos. Right? And that actually made him one of the most successful people in his thirties that you'd want to meet. Interesting. How did you not, was it your manager? How did that not get into your head?

Michael Arrieta:

Oh, it definitely gets into your head. That's why it's so critical having good coaches. Right? For me, I mean, I grew up with low income. I was overweight, Spanish, very bad stutter. I was on disability so in my mind I've always had a lot of these little boy complexes. I was always just trying to prove myself. And so when I got a no it really rocked me. But along the way, what you realize, one of two things. One is that not everyone has to say yes. Right? So that's just fact not everyone has to say yes, so failure's okay. It's okay to take a couple of strikeouts. So that's just the fact of it. The second thing was, this is more of the relentlessness in me, is when I got a no, I would do everything in my power to convert it to a yes. I would just not lose hope on the no, I guess is the premise of it.

Carey Nieuwhof:

How would you do that? If I tell you 'no', how do you change that into a 'yes.'

Michael Arrieta:

I would just try to understand why. Even now with my current company and we have investors, when I speak to some investors and they're just like, "No, I'm not interested in investing." I'm just like, "Okay, that's totally fine. I'm just curious why." When you keep asking, "Why? Oh, that's interesting. Why? Oh, tell me more." They'll quickly tell you something that may have been misconstrued or misunderstood. It's just they misunderstood what you were trying to portray to them. Many times my investors would say something that I would say, "Oh, no, no, no. That's not our model. That's maybe what you would think in a private equity model. That's the opposite of our model." And they go, "Oh really?" The more and more and more that you try to understand the true root cause of why they're saying no, the higher likely hood that there is to it yes. If should be a no then it should be a no.

Michael Arrieta:

So a lot of times I would have people tell me, while selling Cutco knives, "I'll be completely honest with you. We are in a very difficult financial situation. We're in debt up to our eyeballs. My husband just lost her job." And I would say, "I completely understand and here's a knife or here's a scissors just to remember me." When you just ask the why, ask the why and what that does that builds trust. And then later when you asked for recommendations referrals, now that you built a relationship with them, they want to help you support what you're doing.

Carey Nieuwhof:

And they'll forget that knife even if it was a \$20 knife or a \$30 pair of scissors or whatever, I don't know how much that stuff costs, but they'll never forget that.

Michael Arrieta:

I remember when I was single and I was dating and courting around and I would be dating girls and I got a lot of nos. I would just bring Cutco straight into school and into my university and if I would ask a girl on a date and she would say, no, I'd say why? Why? Why? Why? And I was always finding out the true reason why. I would never just take a no, and walk away.

Carey Nieuwhof:

Isn't that great? You mentioned you were overweight and I know when we talked about it, when we first met, you'd mentioned that. I would say you're thin. You're not just like, "Oh yeah, I lost 20 pounds." You look fit, you look thin. When did that happen? How did that happen? Why did that happen?

Michael Arrieta:

How did that happen? I grew up in a Puerto Rican family that had my family should feed me rice and beans and anything else and five servings of it because to my mother, food is love. So that's how it happened.

Carey Nieuwhof:

I guess I meant it the other way. How did you decide to, because there's somebody who's always been like, "Boy, I should lose 5 pounds, 10 pounds." I'm just curious how you lost the weight more than anything.

Michael Arrieta:

I remember reading this book by Matthew Kelly and the first line of the book is, "Everything in life is a choice." And that rocked me when I was a young kid, I think it was probably 14 or 15 years old at that point. I was just like, okay, it's a choice. I said, what kind of, lets move backwards.

New Speaker:

If I want to be 170 pounds, what has to be true? I said, well, I have to work out and I have to eat good, and it was more of a lifestyle change. I just made the decision and just reverse engineered it. I just said, "Okay, I'm going to stop eating bad. I'm going to get on the treadmill every day." That's just what I did. It wasn't much more to it. It just became a lifestyle. Now many years later, I'm probably 175 pounds and it's just a lifestyle. It's not a diet.

Carey Nieuwhof:

How old were you when you made that decision?

Michael Arrieta:

Probably about 13 or 14.

Carey Nieuwhof:

Wow, good for you. Good for you. So there's a profile here. Lots of success. You had a lot of money. Six, seven figures ish by the time you were, what, how old?

Michael Arrieta:

I was making six figures ever since I was 17, I made my first seven figures there in my mid twenties.

Carey Nieuwhof:

Wow. And like so many headlines, it almost ruined you early success. Right? Almost took you under. Do you want to walk us through what happened? What does that kind of income, options, success, fame, you're speaking across the country, you're being profiled. What did that do to you and what happened?

Michael Arrieta:

I mean, the positive impact of that early on success was that I was able to ease the financial burden on my family and I was blessed enough to discover my God-given ability of networking with others and selling at a young age, which I believe there's a beauty in sales. If you go about it a redemptive way, which I know many in their Forties and Fifties that have yet to discover their God-given ability. I thank God every day that he put me into situation where I was forced to figure out what it was that I was naturally skilled at. That was a positive thing.

Michael Arrieta:

On the negative part of having that early on success was that I was my own god. Someone recently asked me when it's the most difficult to trust, to need and rely on God. I quickly answered when everything is going well from the outside and you're experiencing worldly success, right? Because you don't need a God, if you have the money, if you have the connections, you have the resources. So it became a pursuit of pride, pleasure, and possessions, which ultimately became just a never ending spiral of dissatisfaction. Once you have that fancy car you've always wanted, or once you could travel to those fancy places internationally, that you've only seen online and once you sit on the stage delivering the keynote to thousands of people, you realize that we all have this God's-sized hole in us that none of those things in this world could fill. That there has to be something more fulfilling and purposeful.

Carey Nieuwhof:

Wow. You've been around a lot of successful people and you've seen the good and the bad and the ugly with successful people. What did you see because you ended up working with... And I don't know whether you want to name names or whatever, but with some very successful people whose names we would know, and you saw the shadow side of success as well. What did you see, when you were in your twenties and getting up in to those circles? Because I feel like I saw some of that in law, in downtown Toronto for the year I worked in law and I saw some of the most successful people in the country making ridiculous amounts of money and on the inside, it was like, exactly what you said. They weren't happy. What did you see in your journey?

Michael Arrieta:

That was the same exact thing that I saw. Was from the outside in, I mean, I worked directly for a couple of billionaires that we all know their names and, or many of us know their names. From the outside in, I was blown away that I had the opportunity to be their right hand person their Chief of Staff. I remember just bragging about it to my now wife, for my mother, father, best friends and so forth. Then once you're there for a week, a month, a year, five years, you realize when you get up close and personal, it's not all that it's made out to be, that it's made out to be. There's a lot of messiness. There is a lot of brokenness there. There's a lot of emptiness there.

Michael Arrieta:

Someone recently told me, if you look at someone they're wildly, wildly successful, the first question that you should ask yourself is, "what is it that is truly driving that?" What is it that is truly driving that? I just got an up close view that these families, many times that these leaders were not being well cared for. That the wives were not spending a lot of time with their husbands, that they were the first ones in there in the last ones out. That their health was going down the drain. They were not very generous. That there was not a lot of joy.

Michael Arrieta:

All of these things that I saw that I said, I don't want that. Those were the bad things that don't make the cover of Business Insider or The Wall Street Journal. Then of course the good things about them is there's many great things about them and how they built companies and scale and care for people at their companies and great investors and all of that great things, but in terms of what matters most at the end of our lives, when we're in the rocking chair in eighties and nineties, I learned a lot of what I don't want.

Carey Nieuwhof:

What would you, because this is a question that really haunts me too. I would characterize myself as a driven person and one of the questions you have to ask is like, okay, what does drive you? What would you say was driving you in your teens and early twenties and how is that different from what you would say is driving you now?

Michael Arrieta:

I wanted to prove myself that I mattered. I wanted to prove myself that I was worthy, that I wasn't this overweight stuttering kid on disability, that his parents went to private school because the only way I'm there is on disability and we have one hubcap with no air conditioning. I wanted people to respect me. I wanted to be admired. I wanted to be just looked at for my accomplishments. I would run through a brick wall regardless of what shattered around me, just to get the approval of others. Which it's the saddest thing ever because it's never stops. You're never satisfied. You're just running on margin and those around you are just seeing you disintegrate before their very own eyes. So that's what was driving me, you're just little child, boy insecurities that haunt you until you really have someone, I believe usher you through your deepest insecurities and they help you rebuild your foundation from sand to rock. That's what radically changed my story.

Carey Nieuwhof:

How did that happen? That pivot that change.

Michael Arrieta:

There were a couple of things. When we sold our first company to Dell, the money hit my bank account and I thought that was going to be a euphoria and nothing changed at that moment. All the change is a different number on your Chase app.

Carey Nieuwhof:

So you had built a new company after you left Cutco and then sold it to Dell?

Michael Arrieta:

Correct. That's correct. I was part of the new startup and we sold that to Dell. When that happened, I was like, "When that happens, my parents get a new house, we get a new house." That's when I just kick my feet back, I'm just so happy and then it happens, you're just like, man, the hole just got bigger. And this whole thing in my mind is "you're not enough. You're not enough. Take more control. Take more control, be busier, meet more people." I mean, think the future don't be present. Perform, perform, perform, be a machine, prove yourself. All of these things just never stopped and it's like this talk show in your head that just never turns off. A hamster on the wheel that's just going to die on that wheel.

Michael Arrieta:

The way that I got well was one of my best friends, Brett Hagler, the CEO, my co-founder of New Story. He invited me to Haiti and that's where I just had a new profound faith in Jesus and I just stopped following my last way of life, and I just started following him. That just allowed me down this journey of just saying, "who is this man named Jesus? What does He say about me? How did He walk? How did He live? What is that He believed?" And let me start living and acting more like that. I've done just a lot of things, I do some silent retreats every year and I just get still, which for someone like me that's so hyper at all time going, going, going, getting those healthy rhythms are really important, spiritual direction counseling. It's silly that we see all these football players and athletes and musicians they have so many coaches yet we look at ourselves and we don't have any. I mean, it's the most unbelievable thing.

PART 1 OF 4 ENDS [00:25:04]

Michael Arrieta:

And so I look at my life and I say, "I need a spiritual coach. I need a business coach. I need a family coach. I need a marital coach." And so by getting a lot of that help I'm on this path to sanctification and just becoming a healthier version of myself.

Carey Nieuwhof:

Just a quick note to leaders, those of you who don't know Brett Hagler, he'll be on the show at some point. I met him a couple of years ago and we got together at South by Southwest 2019. He does some incredible work at News Story. So you'll hear from him. It's really, really cool. So that is a massive change. And you do have some ministry leaders listening in. They're like, "Wow, that's what I hope for. That's what I pray for." That's what you want to see in your church. That's what you want to see in people's lives.

Carey Nieuwhof:

Sometimes a value set doesn't change that quickly. I feel like for, what sounds like happened in a couple of years for you, I've been decades in the making, redeeming those motivations and all that. Any thoughts on why that change or how that change became relatively rapid for you?

Michael Arrieta:

Yeah. I mean, I hate to say it because this is not going to relate to probably the majority of listeners, but for me I heard the true Gospel, and I experienced the true gospel in 2013, and it radically changed everything. And I just naturally told myself, "If this is the truth, then I'm going all in. If it's not, I'm just going to keep living all in the way I'm already doing."

Carey Nieuwhof:

Wow.

Michael Arrieta:

And so I kind of wish because I just went to a retreat in Colorado as you know, Carey, last week and there's many people there they grew up in the church, and it's just sad to see how the Gospel story and the power of Jesus, it's just is like, "Yeah, I've heard that forever. I know that His burden's light. I know that He's the living water and I won't thirst no longer." And everything else. "And that He's the way and the truth, everything, but what other book can I read or what else can I do?" And for me, when I experienced it, I was like, "Oh my goodness, this is like gold. I'm all in. Nothing else matters. I'm all in." So I kind of wish that nobody had heard the Gospel until they truly experience living the world for like 20 or 30 years. Because if they did, I think there will be a lot higher probability that they would just be so all in and so down. Does that make sense?

Carey Nieuwhof:

Yeah, it does. And you know, I wonder if a brush with success, and I more saw it than experienced it in that year in law, but being in those bank towers, those office towers in our financial center for my country, Canada, and seeing the poverty as you saw, when you met some of the people who make headlines and it's like, "Oh, it's not what seems like from the outside." That was like a slap in the face for me, Mike. And it was like, this gospel thing is something utterly different and it made it easier to walk away.

Michael Arrieta:

It is. The number one summary of, I love that you said the poverty of call it the C-suite or the poverty of the ultra rich, the number one verse that I love is, "For what good is it to gain the whole world and forfeit your soul?" I mean, that is it. And we can just stop that entire conversation there because that verse is so spot on. "For what good is it for a man to gain the whole world." Enter the name here. "And forfeit his soul." Right?

Carey Nieuwhof:

I hear you.

Michael Arrieta:

And so once you experience that, you're just like, "All right, I don't need the whole world. I just want to focus on the soul."

Carey Nieuwhof:

So here's, what's interesting. All right. You had a set of drivers as a child and a teenager that made you radically successful at 17 into your mid 20s. You had this massive life change that happened as a result of this meeting of Jesus going to that trip in Haiti, radical life change, but you're still driven. I mean, we're going to talk about your journey from your startup to Dell to DocuSign to your new venture. And that's a lot of miles in just a few years. In seven or eight years, that's a lot of change. What would you say drives you now? How has that drivenness been redeemed? Because you're still starting things. You're still very driven. What's the difference?

Michael Arrieta:

Absolutely. I read a book by, actually the gentleman that introduced you and I, Pat Gelsinger.

Carey Nieuwhof:

Yeah. Yeah.

Michael Arrieta:

CEO at VMware. He wrote a book a long time ago called *The Juggling Act, How to Balance Your Family, Faith and Work*. And in one of the early chapters, he highly encourages all the readers to create a life mission statement for their life. And so I did that years ago and that's what drives me. And so mine, I know mine. I think about it probably weekly is, "Mike Arrieta is a faithful son of God, knowing there's nothing more I can do to earn His love. I'm a faithful and loving husband to my wife. I'm a present and engaged father to my kids. I'm a loving family member, and I strive to make it a eternal impact on the world around me." And so that's what drives me is I just want to be a son. I want to be a husband. I want to be a father. And I want to strive to make a eternal impact on the world around me.

Carey Nieuwhof:

I like that.

Michael Arrieta:

So, I would encourage people.

Carey Nieuwhof:

I love that.

Michael Arrieta:

If you don't know where you're trying to go, it's impossible to get there. So set that destination very, very clearly. It doesn't have to be perfect and then everything else steers it. So sometimes I ask myself if I'm going deep in a hole of my little boy self, I call it, to try and prove my little boy self. I look at my mission statement. I go, "Am I trying to earn more of God's approval? Am I actually a faithful husband right now? Am I actually even present or engaged in my children? Am I loving with my family right now or not? I'm not even spending time with them. Oh, okay. I'm just focusing on work and it's not even a eternal impact." And so it's that true North that always fixes your gaze on the direction that you know you want to go.

Carey Nieuwhof:

Yeah. And ministry can do that as easily as business. I think a lot of us can be driven for, I know that's part of my own story. You got to always redeem the motives. So you go from-

Michael Arrieta:

Carey, just on that point, I just want to make a quick comment. Or worse.

Carey Nieuwhof:

Okay.

Michael Arrieta:

Ministry, I have so many brothers and sisters in ministry, and the first thing that I tell anyone that's going to be a pastor or going into ministry is watch over your marriage. Be very careful over your marriage, because in the business world, if I work too much, I have brothers quickly telling me, "Hey, Mike, you're being a workaholic. Your family's at risk. Your marriage is at risk." In the ministry world they don't call it many pastors workaholics.

Carey Nieuwhof:

"He's so faithful. Look at how hard he works."

Michael Arrieta:

"You're so faithful. Look how hard you're working. Your congregation needs you right now." There's this divorce happening, and there's this happening, there's this. We got to raise money for another ministry, a new building, all this things. So it's it, "Hey, I'm just doing this for the glory of God, man. He just calling me right now in the season." And their marriages, their spouses, are being neglected many times. And they never went out trying to do that. So be just as careful as us in the marketplace have to be of not becoming workaholics and staying true to our original design, I call it, and that true North sort of mission. In the ministry world you need to be almost doubly as purposeful and as on guard as that, to not be a workaholic and not get your identity in what you do.

Carey Nieuwhof:

It's way more subtle. But it may actually be way more deadly too. When you think about the implosion that happens, because in business, sadly marriages come and go. People move in or out and people get hurt, but it tends to be a smaller circle. In ministry when that happens, hundreds, thousands of people get hurt. Tens of thousands of people get hurt.

Michael Arrieta:

Absolutely.

Carey Nieuwhof:

I hear you.

Michael Arrieta:

One of our family values is "give it your best, not your all, because if you give anything your all you have nothing left to give." So give it your best, not your all. Because if you give anything your all, you have nothing left to give. So don't give work your all, just give it your best, and let God handle the rest.

Carey Nieuwhof:

Well. And it's your ministry, not your faith. There's a distinction. Like at a certain point, I am a Christian, but I am not, yeah, I am the church, I know that theologically, but you know what I mean? There is a point at which you will not lead a ministry perhaps as actively as you do, but you will always have your personal ministry. So. Wow. Okay. Fun, fun, divergence to talk about that. And I think you touched a lot of leaders with that, so let's pick up if you're ready to go to your journey again. So you go from your startup to Dell Computers and then you acquire this little startup in Silicon Valley, DocuSign, and you get assigned as one of the first staff to a company that I think a lot of us know, DocuSign?

Carey Nieuwhof:

So what were some of the lessons you learned in the early days of a startup in Silicon Valley almost a decade ago?

Michael Arrieta:

Yeah. And just for clarification, Dell Computers acquired our first startup called Wise and then I left Dell and then I joined a little startup called DocuSign.

Carey Nieuwhof:

Got you. Okay. Got you.

Michael Arrieta:

Yeah. So, but yeah, I learned a lot of things. I learned a lot as working in these companies, and then now as an investor in metric capitalist and private equity. I'll boil it down to I think probably four things. The first thing I learned is that you must hire very smart people. If you want to tackle very complex problems, you have to hire wicked smart people. Coming up through Cutco I thought it was all about grit and drive and perseverance, as I mentioned. However, when you're trying to build a global company that touches hundreds of millions of people, and that's the vision, you must build a high-performance team comprised of people that are high capacity. High IQ.

Carey Nieuwhof:

Can I ask you, as we go along just one or two sub-questions on these, because this is a question we get a lot around here, which is like, "How do you find those people?" I know there's a talent war going on, particularly if you're like hyper smart, hyper strategic people. Did you have any keys to help you identify, find and recruit those people?

Michael Arrieta:

Yes. Anything and everything. So anything and everything. So I'll give you an example now, just a real life example from a couple of weeks ago. So at my current company Garden City, we're hiring a Vice-President. And so what's the strategy on hiring people that are the ideal team player? That Patrick talks about. Hungry, humble, and smart. And so one thing that we do is we just post it online, post it on our website. Now that's what most people do. But guess what, as much as you think, people are not going to your website that much, so it's not going to get them that much attraction.

Michael Arrieta:

Number two is we post it on all social platforms. Now the path of least resistance does not work well when you want to attract the best people. So just going on LinkedIn and Facebook and Twitter, and just saying, "We're hiring" and putting a bunch of texts, that does not work. So we recorded a video. That I went on a video, it took me 90 seconds. I just said, "Hi everyone. Mike with Garden City. And here's the position that we're hiring for." That video, Cary, got nine or probably by now 10,000 views.

Carey Nieuwhof:

Wow.

Michael Arrieta:

We got 200 applicants on that video alone. Number three is we reach out to anyone and everyone, and we say, "Hey, if you know anyone that fits these specific criterias, please forward it to them." So we engage our network. And then lastly, we reach out to a lot of recruiters and we just say, "We're not going to sign a retainer with you. We're not going to do anything like that. But if you bring us someone and we end up hiring them, we're glad to pay you that fee." So you have to turn over any and all rocks. And obviously we have a very small staff, but at DocuSign we had a very large staff. We had a very, very generous incentive that if you recruited anyone and you referred anyone, you would get a couple thousand dollars for recruiting that person. So you would have all of our 5,000 employees always try to make a couple of thousand.

Carey Nieuwhof:

They're always recruiters. It's like, "Here's our Christmas money, honey."

Michael Arrieta:

Always.

Carey Nieuwhof:

Yeah.

Michael Arrieta:

Always recruiters. And they don't want to recruit bad people because then it falls on them, which so they don't want to.

Carey Nieuwhof:

That's a great idea.

New Speaker:

You just have to have many tools in the arsenal and figure out what works best for you, but the whole go on Career Builder and post it on there and go on LinkedIn sales navigator or whatever, and post it on there, those days are long gone and you're only going to get people primarily that you're not going to want 90% of them.

Carey Nieuwhof:

Okay. That's great. So that's lesson number one. Super helpful right there.

Michael Arrieta:

Yeah. So it's all about having very wicked smart people. The second thing I learned in Silicon Valley is start small. So there's riches in the niches. Don't be everything to everyone. We had a consultant, an author named Jeffrey Moore. He created something called the bowling alley strategy. And this is where you find a niche where there's a problem and it's more easily able to overcome, and then find ways to hop from that niche into other niches. And eventually you're in the whole broader market.

Michael Arrieta:

So we did this at DocuSign. We started off by just doing e-signatures in just real estate. If you're buying a house, you use DocuSign. I would wear a DocuSign hoodie. People would say, "DocuSign. I love DocuSign. I bought a house with DocuSign." Now, if I were a DocuSign hoodie, people would say, "I just bought my Tesla with it. Or I just signed a new loan with it. Or I bought a cell phone." There's a 100 things. So once we knocked down the pin of real estate, we went into banking and insurance and automotive and telecommunications. And now that all the pins are knocked down, we're the global standard. Uber did the same thing. They started in one city and then two cities and then three. And that's the way they continue. They did the same exact thing with Uber Eats. Last one is eBay. eBay started with collectibles, like a flea market.

Carey Nieuwhof:

Right.

Michael Arrieta:

And they had this thing called an other category. They monitored this other category for trends. And once they saw a momentum behind a particular trend or behind a particular niche, they then built an infrastructure to cater to that niche. And that's how they became the largest electronics marketplace, the fashion retail warehouse, and the biggest car dealership in the world. If you would've asked me in the early days, would eBay sell cars and fashion? You'd say, "You're crazy." And so the rich is in the niches, knock down one pin, and focus on the others.

Carey Nieuwhof:

Can I just ask you one supplement on that because we run into this all the time on our channels, too. People are saying, "But Mike, I want to reach everybody. We want to reach everybody. You can't just exclude people." What would you say as a leader who's thinking, "Yeah, I get that. I get that. But that's too small. I want to reach everybody."

Michael Arrieta:

Yeah. It's just a tipping point. I suggest you read about the bowling alley. I suggest you read Peter Thiel's book Zero to One. I'd rather be impactful to a loyal 100 than unloyal 50 or unloyal 1000. So figure out how you could build a raving group of fanatic fans that they love your offering and they gladly will pay anything that you charge and they gladly will share what you're doing with others so that your marketing dollars are as low as possible. So I would say, if you want to be everything to everyone, show me a case study where that has worked well. And until then I could show you 1000 that when they follow this bowling alley specific, your podcast, Cary. You have a very specific focus. And that's probably one of the reasons why it's so well thought of. When I listen to it, I immediately know who else I want to share this with. And you immediately know who else you want to interview on it. You know your gaze, you know your focus.

Carey Nieuwhof:

Yeah. Yeah. And that is really hard because the path to everyone starts with one or two. It's like, I don't know, you've probably read Kevin Kelly's 100 True Fans, something I recommend over and over again. But it's that whole idea that all you need to do is build a small tribe of 1000 people and you probably have a viable organization. And you that doesn't mean 1000 attendance if you're a church leader, but just 1000 people who are affiliated, it's not that hard to do. But the enemy of that is trying to reach everybody and please everybody. So, great lesson. Okay. Anything else from Silicon Valley?

Michael Arrieta:

Yeah. I think number three is very important is, I've learned that instead of competing against your biggest competitors, find creative ways to partner with them. Even if it's inviting them to invest in your company.

Carey Nieuwhof:

Wow.

Michael Arrieta:

At DocuSign, instead of viewing FedEx, which everyone said, "Oh, well, you're taking FedEx out of business because you no longer need to send things to get signed." we reached out to them and we said, "Would you like to be strategic partners of ours?" And they invested in our company and they became large equity owners.

Carey Nieuwhof:

Wow.

Michael Arrieta:

Lyft did the same exact thing with General Motors in 2016. They invested half a billion dollars. It's very creative. You do not want to be the Blockbuster that had a chance to purchase Netflix for \$50 million but they passed because they thought they could do it better and on their own. They would have benefited much greater together. So that's just a very big learning lesson I realized in Silicon Valley is that many people think that they're all competing, but what they're really doing is they're all partnering together for the most part.

Carey Nieuwhof:

Does that somehow, and maybe it's a totally different theme, but it does that somehow tap into scarcity versus abundance mentality?

Michael Arrieta:

I absolutely think so. Yeah.

Carey Nieuwhof:

Okay.

Michael Arrieta:

Think about in the church world, I have a friend that's planting a new church here in Atlanta. And one of the things we talked about is in order, I mean, like focus on an abundance mindset, not scarcity. The entire populations in millions here. It's not a competition of your church is going to be at 8,000 their is going to be at 10, and maybe they go to nine and you go to 10. There's abundance out there. We have a generous God. Let's find a way that we could figure out what each other's strengths are and let's divide and conquer and be stronger together. Heck, let's even refer people and tell them you might be better suited at this specific church family. I mean, that's unheard of. And so again, partnering rather than competing, we're stronger together in the end.

Michael Arrieta:

And then the last point is, this is specific to entrepreneurs raising capital, but when you're raising capital, or actually this goes to churches as well. When you're raising capital integrate your corporate go-to market strategy into your financing/fundraising strategy.

Carey Nieuwhof:

So what does that mean?

Michael Arrieta:

So what I mean by that is if you want to partner with a specific organization, invite those organizations, or the executives at those organizations, to invest in your company, to participate in your fundraising round. So at DocuSign, we always sat in the room and said, "Man, one day Salesforce and Google and Microsoft and Visa and T-Mobile, one day they'll use our product, and one day they'll call us a partner and one day, they'll be on stage at our user conference." And we said, "Well, instead of saying one day, why don't we just call them and say, 'Hey, do you want to write a check and be an investor in our company?'" And naturally they all became customers and partners thereafter.

Michael Arrieta:

Instead of just saying, "Give us money." Anyone and everyone, okay? This bank or there's venture capitalists? They don't provide much value. So why don't you first start to go after the impossibles that if they invested in your congregation or in your company or in your non-profit, right after they invest, they could also add value by becoming a customer or a partner or an advocate or a marketing engine or whatever it may be. And then whatever is remaining left to fundraise, then you go to those that everyone starts with.

Carey Nieuwhof:

That's really counterintuitive, also a little bit bold. Did you make any of those calls or were you close to the people who made those calls to Google or how would a call like that go?

Michael Arrieta:

Yeah. Our CFO and I were the two responsible for that, and we would just call them and we would say, "Hey, Microsoft, a lot of people use Microsoft. A lot of people use DocuSign. We've been trying to call you guys for a long time to partner, but I know you guys have a lot of other things going on. We're currently raising some money to continue to build DocuSign. We're going to go to venture capitalists and raise a bunch of money. But before we do that, it would be our dream, if you wanted to partner." And again, a lot of these companies, they have a large reserve of cash sitting there, so they're looking to make great investments. They go, "Yeah, I'll invest \$5,000,000, \$20,000,000. And so now they're a little tiny part owner of DocuSign."

Carey Nieuwhof:

Wow.

Michael Arrieta:

After they invest, we call them and we go, "Hey, partner, that you're an owner part of our own company, who should we talk to to see if they want to buy DocuSign for the entire Microsoft

corporation?" They go, "Oh, you need to call Jim. He buys all of our software for Microsoft." We're like, "Well, that was a lot easier." So I tell every startup I speak to, I tell every single one, even church leaders that are thinking about raising their launch capital to launch a church. I go, "Instead of just asking anyone and everyone, who would be your dream 20 people in the city, that if they invested in helping launch this church you know for the next five to 10 years they would be the most influential people and helpful to help the sustainability of this church? Go after those first. And whatever is not yet fulfilled then you go after everyone else." But just this whole missional focus on being targeted, of integrating your go to market strategy with your fundraising strategy.

Carey Nieuwhof:

Well, those are some great lessons on just the general thing. What did you learn about growth while, and you think not just about Silicon Valley, but Garden City, your time at Dell, the other companies, what have you learned about growth and scale in your time in leadership?

Michael Arrieta:

Yeah. Know who you are and know who you're not. And then go find the best person to fill your gaps. Bill Gates is a technologist. He needed Steve Ballmer to be the sales and marketing guy.

Carey Nieuwhof:

Right.

Michael Arrieta:

Right. So from day one. That's one is know who you're not. Something else is be diligent, talking about growth, be diligent about building repeatable standard operating procedures. You're the innovator. Then find the integrator that can help you set up your reoccurring one-on-one meetings, your weekly kickoff meetings, your management meetings, your OKRs, your KPIs. So again, if you are the innovator, find someone that's the integrator to set up these repeatable standard operating procedures.

Michael Arrieta:

And the other thing I've learned about growth is surround yourself with trusted, like-minded advisors who have been there before. Learn from their mistakes and they will save you the headaches so that you don't have to be under the desk in the fetal position like they've been many times.

Carey Nieuwhof:

How did you figure out who you're not? Because we have a lot of people who lead smaller organizations, smaller churches, smaller businesses and so they tend to attract generalists. "Well, you don't understand, but when everybody leaves, I got to clean the bathroom or I got to do the email myself." So how did you figure out who you're not? because I've found I've gotten a lot better as I've discovered, "Oh, I'm actually only good at one or two things." I thought, when I was in my 20s, I thought I was great at everything. And I'm like, "Oh, I'm actually terrible at most things. And if I stick to my lane, I do better." So how did you figure out who you're not? And then what are you not?

Michael Arrieta:

Yeah. I just entered this journey probably a year and a half to two years ago. Until then I replicate what you just said about, "Man, well, I'm great at everything. I'm a startup guy and I'm a growth guy and I'm

also a fundraiser, and I'm operation. Heck, I'm also sales. A through Z." And now the harsh reality is, I love what you just said of I'm actually pretty terrible at a lot of things. And I feel you on that one. How did I find out what I'm not? Two things. One is by cultivating an environment around me of direct, honest, and open communication. Direct, honest, and open communication. So this whole thesis, or this whole thing, around radical candor.

PART 2 OF 4 ENDS [00:50:04]

Michael Arrieta:

If you've never heard of that, just go Google The Radical Candor book, or there's a woman in Silicon Valley that talks about this. But I really believe if you're going to be part of our company or if you're going to be part of my community in terms of my friend, I want you to give me radical, direct, open, and honest candor. Tell me the things I'm great at. Tell me the things I am not good at, at all. And together, when you tell me that, we will be stronger together. It's creating an environment like that.

Michael Arrieta:

Another rule on that is, if it's bad feedback that I could develop on, tell me behind closed doors. If it's good things you want to praise me on, you could tell me that in front of open doors. That's one, is cultivating an environment where people could give you radical candor. And the second thing is, we are in a day and age where it's phenomenal how much resource you can get around personality tests. I've taken the StrengthsFinder, I've taken the 5 Voices, the Enneagram, and all of my results all show very similar things. Challenger, pioneer-

Carey Nieuwhof:

Oh, so you're an eight?

Michael Arrieta:

Oh, I'm a hard eight, yeah.

Carey Nieuwhof:

High five. Yeah, same here. Yep.

Michael Arrieta:

And so through those two things.

Carey Nieuwhof:

Okay. Candor is hard. And I know what you mean by radical candor. That too has been a growth journey for me. We just literally had a two-hour team meeting today where I'm like, "Permission to speak freely. Permission to disagree. Go ahead, push back. What if it's a bad idea, tell me where I'm wrong." That's been a learned journey for me and you have to overcome a lot of insecurities to get there. How do you not let that get you down? Because I know so many leaders struggle with radical candor. It's like, "Tell me the truth." And then you tell them the truth and they're like, "Actually I didn't want to hear that. So thank you." Or you get fired or whatever. How do you not let that get to your head?

Michael Arrieta:

Well, I think another question that probably a lot of people maybe thinking is, okay, well I tell everyone in my organization let's have radical candor. Let's have direct, open and honest communication and then we open it up and there isn't. So how do we actually cultivate environment where people are vulnerable and transparent? I think of an ice analogy. So if you go up there to Canada and you go to a pond and it's frozen, you might have to hit that ice with a pick many, many times before you get to the water. So when you hit it the first time, you're not going to get some water, so you have to hit it.

Michael Arrieta:

So what we do here at Garden City or what we did at DocuSign is I would exercise this. So the first thing is you need to be the leader that exemplifies what you're preaching. So I give a lot of radical candor to people. I tell people, "Hey, you missed the mark on this. It was not good." Or "Hey, you did not do this well." Or "Hey, you should have done this." Or "I was expecting you to do that." It's uncomfortable for the first couple of times because they're your friends and you care for them and all that's true. But if you really care for them, you should tell them where they're missing the mark because they want to do good work that's meaningful and purposeful. So first thing is you do it.

Michael Arrieta:

Then the second thing is, on your one-on-ones. You have to ask, "Give me feedback where I could be better," to your subordinates. It's your direct report, so your team. Now naturally what they're going to do is they're going to say, "Everything's going well-"

Carey Nieuwhof:

"You're doing a great job."

Michael Arrieta:

"You're doing a great job." And then we what you have to do is you have to keep hitting that eyes and say, "Nope, I know I'm not perfect. No, one's perfect. Tell me I can do better."

Michael Arrieta:

"Nothing come to mind." And then I hit the ice again. I'm like, "Well, unfortunately we're not going to the next question until you tell me where I could do better. Because I care for you way too much. And I know I'm missing the mark somewhere." And when you just sit there and you create that environment, they know what's in their head. They're just thinking, "Am I really going to say it?"

Michael Arrieta:

And so I just asked someone there recently and he told me, "Mike, you're always late to our one-on-ones. Always. You're always late to our one-on-one. I'm always looking forward to them. I have a whole agenda and you walk in 15 minutes late. I know you're busy. I know you're dealing with other things, but I just wish you were on time." And I was like, "Wow, I never even thought about that." But I had to ask him five times Carey, "Tell me how I could be better." He would have never told me otherwise.

Michael Arrieta:

Then in terms of how does it not get to you? You just have to realize that the only reason why it matters is you're trying to accomplish a true North. It goes back to Patrick Lencioni's book, The Five Dysfunctions of a Team. Go read it, Five Dysfunctions of a Team. In order to be all rowing in the same direction, in

order to be in a Navy seal Team Six, if someone misses a left turn on the mission, you're going to tell your team member, "Dude, you just missed a left turn. The mission is now in jeopardy. I care for you and us way too much to not tell you that you just missed that left turn."

Carey Nieuwhof:

So we've come through a year. You're doing a startup. We're going to get to Garden City in a second, but we've come through a year. that's been just scrambled eggs for most leaders, hard, discouraging, unpredictable. And 2021 ... Yeah, maybe there's a vaccine on the way, which is awesome. But it's still an instability a lot of us are not accustomed to leading through. Leaders are hoping to make progress in 2021. How would you ... Are there a couple of keys for you that seem to always lead to progress? Like what do most leaders miss when they get stuck? Any thoughts on that?

Michael Arrieta:

Yeah. I think if they're getting stuck, I think that there's a lot of reasons on that. One, they may be afraid of dreaming. They themselves don't believe it's possible to turn the ship around. They only look at what can go wrong instead of saying, "What has to be true in order for this to go right?" They don't surround themselves with people that are encouraging them. They don't surround themselves with a high performance team who are saying that they're committed to achieving the impossible. In terms of how to make progress, we always have a saying here is, "Think big, break down, and execute." I got that from Brett Hagler is just think big, break down, and execute.

Carey Nieuwhof:

And he figured out how to print houses using 3D printing. So that's like thinking really big.

Michael Arrieta:

Exactly. So that's a big idea. The big idea there was, how can we build a house in 24 hours for less than \$3,000? I mean, that's thinking big. How can we build a house in a third world country for that amount, in less than 24 hours? Then after that you break it down and you go, "Okay, maybe it has to be a 3D printer." And then from there you execute. You go, "How do you build a 3D printer?" And so whatever your company, organization, ministry is going through, think big, break down, and execute.

Michael Arrieta:

It's easy to get overwhelmed and a bunch of ideas and not get any true progress. So here's a good exercise I tell a lot of people. Write down all your ideas right now. Write down all your new initiatives that are running through your head right now. Let's just say it's 10. Force yourself to cross out seven of them, force yourself. Once you have that bottom, top three ideas that you believe could truly help drive progress or help grow or sustain your organization, it is then your responsibility to bring them to your team and hear their perspectives.

Michael Arrieta:

The number one leadership lesson I believe is people support what they help create. People support what they help create. If you want your team's to support one of your initiatives, you must have them be part of the process. If they help create it, they will help support it. This alone many times will be the biggest breakthrough for leaders. Are you saying, "Well, I have many ideas that can help the organization. I pick one and then it just doesn't happen." Well one, maybe you picked the wrong idea. So

let's have a conversation with your team because they might have different perspectives. And two, they feel like it's your idea and not their own. They're not excited to work on it. So that's what I would say, give that a shot if you really want to make good progress heading into the new year.

Carey Nieuwhof:

Why do you think so many businesses get stuck or are just in that slow decline? Because you've been part of hyper growth. But when you look at others, why do you think so many people get stuck in that space?

Michael Arrieta:

I don't think they have a concise plan. I think many people do ready, fire, and then aim. So they don't have a concise plan of what is our vision? Why do we exist? What is our mission? What do we actually do day in, day out? That's our mission, what we do. What our values? How do we go and live out that mission? What are our standards? What are the 15 to 30 standards that we do daily superior to our competition, that we do in order to win? Who must I get on board in order to achieve this? Where do I find them? How do I onboard them and actually make them part of this team? And then you cannot get anyone on board unless you have that why. Which is why I started with the vision and the why in the first place.

Carey Nieuwhof:

That's good.

Michael Arrieta:

Come up with that concise plan. And if you don't have a plan, Google it.

Carey Nieuwhof:

Yeah. The internet has helped us with this stuff.

Carey Nieuwhof:

Okay, so you had a brand new venture called Garden City and my understanding you've got a lot of investors lined up and you're going to be buying up family-owned small to midsize businesses. Because a lot of people have a passion. They love doing, let's say a florist or something like that or garden center or ... What would be another example? Even I'm sure a garage. Like somebody repairs cars, or it could be a somewhat small manufacturing firm. I come from an entrepreneurial family, small family owned business. I saw my parents go through that. But a lot of people struggle with the running of the business. So tell us about the vision for Garden City and what you hope to accomplish through it.

Michael Arrieta:

Yeah, sure. Garden City is a holding company and we invest in family-owned service companies. We grow them and we hold them forever. So we have no intention of ever selling them. So it's this kind of Christian Berkshire Hathaway. Warren Buffett's model is like that, but we focus on really putting a culture where all service workers could thrive, prosper, and flourish in God's image. So we're really just trying to create amazing jobs. And we're trying to modernize these companies to be modern and innovative and tech-enabled and efficient. So that's what we do. We invest in all sorts of companies, sanitation, janitorial, waste management, staffing companies, restoration, linen, pest control, HVAC,

plumbing, all those sorts of things. Very, very sexy businesses. We actually say boring is sexy to us. We love boring. Boring is beautiful. And to be clear, these businesses are not struggling, right?

Carey Nieuwhof:

Right. They're profitable. They don't need a big turnaround. Yeah.

Michael Arrieta:

Extremely profitable. They're growing every year they have strong management teams, they have loyal customers. And I see this as the best place to drive real impact in this world. Where do we primarily spend all of our time? At work. We spend all of our time at work. So where do you think the biggest impact is going to happen? At work, I mean, just a pure numbers perspective. So we want to meet people where they spend the most of their time and we want to let them know that they matter and we want them to unlock their God-given potential. We want them to go on a career trajectory where they could go from making livable wage ... Note that I did not say minimum.

Carey Nieuwhof:

Right. Livable wage.

Michael Arrieta:

They have good benefits, good perks and through the course of their lifetime, they're getting training, they're getting development, they're getting all sorts of programs that they're hopefully go from \$17 an hour to a \$100,000 a year. And we put them on a career trajectory that they're just obsessed working there.

Michael Arrieta:

Small businesses, they don't stay small on purpose. When a company launches their dream is not to hit \$20 million of revenue and then just grow 5% there on after. So again, small businesses don't stay small on purpose.

Carey Nieuwhof:

What are some of the common struggles you see with independently- owned, family-owned businesses? What are some of the lids? Because pastors don't own churches, but we have a lot of entrepreneurs listening as well, but I find that there's a lot of common things that smaller-to-mid-sized organizations struggle with.

Michael Arrieta:

Oh, I think it's the same three. So we always say culture, tech, and sales. Culture, tech, and sales. Sometimes other things say people, processes, and technology. But at Garden City, we say the three areas that we help small businesses with, and I can put in parentheses or that I speak to my pastor friends with, is culture, tech, and marketing.

Michael Arrieta:

With culture, it's what does it look like to create and cultivate a thriving, healthy environment where everyone truly feels that they love their work. That not one day is work. A place that there are programs and trainings and resources that serve them, that they can actualize their God-given potential. And if

you think that that does not matter, look at how much it matters to the bottom line. Turnover and hiring and onboarding and offboarding ... It's one of the biggest costs.

Carey Nieuwhof:

So expensive.

Michael Arrieta:

So expensive, and such a distraction. And also if you want high customer satisfaction, if you want raving fans, have raving employees first. So that's the first thing that we look at is we go to business owners and we say, "The number one thing we want to do, is cultivate and create an environment where people will thrive, prosper, and flourish.

Michael Arrieta:

That might mean that you ask people that are in legal, "do you like being in legal?" And they go, "Between you and I, I'm obsessed with marketing, but I didn't go to school for marketing. I don't know a lot about marketing." The first thing we're going to do is figure out a way that we could put that woman or that guy in marketing, because we know that they will thrive there. They will thrive there. Not one day will feel like work and they'll give us 10 X the output.

Michael Arrieta:

The second thing is technology, helping implement new technology into the business or into the church. Technology is no longer a nice-to-have. It's a must-have in order to be competitive in today's environment. You cannot compete without a strong technology strategy. If you do not have a four-quarter or even better, a six-quarter rolling technology strategy, you're in trouble.

Carey Nieuwhof:

What is a four quarter or six quarter rolling technology strategy?

Michael Arrieta:

Sure. There's four quarters in a year, so every three months. And if you do not have a clear strategy that shows what you're doing every quarter or every year, or I prefer every six quarters right out, then you're left behind. So you have some churches that I speak to that I'm saying, "Hey, so what are you guys doing for technology?" They're like, "Oh, we rolled out Pushpay and the video platform of Resi and whatever else."

Carey Nieuwhof:

And we updated our website in 2017. So yeah.

Michael Arrieta:

Yeah, of course. So we're doing good, but we're focusing on this new campaign. And the thing is there is so much happening in technology, through giving, through marketing, through videos, through whatever else it may be, HR internally, fundraising. There's so many things, that you must have your fingers on the pulse to know what is out there. What can we do better? What's going to be less expensive? What's going to be a better member experience? What's going to be a better employee experience? And so forth. It's not just doing one or two things to check the box.

Michael Arrieta:

It's at any given point, if you're on the board of a church or you're on the board of an organization, one of the first questions you should ask them in every board meeting is, "are we going to talk today about what our strategy is in technology and what we have going on? And what's in the works?" You should always either be sunseting a technology, aka getting rid of a technology. You should either always be purchasing the technology. You should always be implementing a technology or you should always be evaluating a technology. At any given point, you should always be doing something in there.

Carey Nieuwhof:

Because that's your wheelhouse, can you tell me what the sun is setting on right now? Like what would be an example? Let's say we're going to that board meeting or that all staff meeting or the executive team meeting. What would be an example of something that's kind of 2019 and something that's rolling into the future?

Michael Arrieta:

Yeah. So I'll give you something just of today that I spoke with. So we're looking at a staffing company to invest into. And I just asked her, "Talk to me through your current technology system." And she said, "Well, we have a financial system. So we went away from QuickBooks and a couple other systems." So I said, "Okay, let's just start in 2005, do you have a CRM?" And she's like, "Oh, that means customer something."

Michael Arrieta:

"Yeah. Customer relationship management. It's like the biggest player in the world is called Salesforce. So how do you manage your top customers to know the opportunities you have currently on the docket with them, what products they're looking at, what new opportunities, the pricing, the discounts, the notes of that, who's working on that? How do you manage that?"

Michael Arrieta:

And the crazy part is that it's all through email and spreadsheets and all in your mind. So we don't even need to get into 2020 technologies of artificial intelligence or machine learning or algorithms or AI or internet connected devices. None of that. I mean, let's just go from 2005 and just work our way backwards. Do we have Facebook Ad Spend? Do we have an ERP system? Is there an HR system? For the companies we look at, do you have an invoicing system? Is there a dispatch system? All these sort of things. There's a whole plethora out there. I mean, I came from DocuSign. I asked people, "how do you send out contracts?" They're like, "We open a Microsoft Word document. We fill it out. We download it on our desktop. We send it via email. Then the customer opens it. Then they sign it and they scan it and they send it back to us. Then we have to print it."

Michael Arrieta:

I'm like, that's crazy. So there's a hundred things like Dropbox. There's so many things. So I would just say, I don't know what your space is, but again, if you do not have a strategy right now that you know what you're implementing, what you're buying today, or four quarters from now, you're in trouble. You're in trouble.

Michael Arrieta:

And then lastly is sales, or marketing. You can't sell today the way they used to sell. There's so many things competing for people's eyeballs and attention. If you have not seen The Social Dilemma on Netflix, please watch it because it will let you know, what's really highly recommended of what's really going on out there. So you need sustainable and scalable sales methodologies. And what got you from zero to 10 million is not going to get you from 10 to 50 or 50 to 100. So you need to know.

Michael Arrieta:

For us in our businesses, we help business owners think through how do you assign quotas for salespeople? Do you hire dedicated salespeople? What are their territories that they're responsible for? What are their comp packages? How do you create partners that are going to help spread the cause? So thinking through re-imagining ... As we say, re-imagining and redeeming culture, tech, and sales.

Carey Nieuwhof:

Wow. And that's the stuff that everybody ignores because it's like, "Really what I enjoy is I really enjoy selling flowers." "What I really enjoy is preaching sermons." "What I really enjoy is podcasting." "I don't want to have to think about distribution." So that's sort of like, "Okay, that's great, Mike, I get it." But I want to find the carrot here. What is the difference? Or is there a connection between a well-run business and an effective business? Do you know what I mean? To what extent does all of these things operating in the background, does that actually advance the mission, whatever your mission is? Is there a direct connection?

Michael Arrieta:

Yes. I absolutely believe that there's a difference between a well-run and an effective, scalable, or even a better word, sustainable business. I say a lot that 95% of the businesses I speak with, I call them owner hustles. If they get hit by bus, there's no business in a couple of weeks or a couple months.

Carey Nieuwhof:

And there's no church and there's no organization. Somebody's left to pick up the pieces or just close it up, right?

Michael Arrieta:

Absolutely. I have so many friends that work in churches and they say that the leader of the church, if they weren't there for a week or month, the whole place falls apart. So that is not a well-run sustainable place. Now it doesn't mean it can't exist, but it's something I ask many business owners is, "Do you believe you're the type of person who naturally wants to get a car to go from zero to 50 miles per hour, or 50 to 100 miles per hour." aka, are you more of like a growth startup kind of imaginative person or are you more of a scale process, procedures type of person? Because those require two completely different types of people.

Michael Arrieta:

If you've built your business or church to a point that you have employees and members or customers and profitability and revenue, you should be extremely proud of yourself. I mean, that's an amazing accomplishment. You're an outlier. You're an entrepreneur that has achieved the impossible. But there's a big comma however. You must now have the trust and the humility to find someone who is skilled at

taking that car from 50 to 80 or 100 miles per hour. That's not your skill set. That's not your wheelhouse. And you're doing yourself and you're doing your people a disservice by staying in that position.

Michael Arrieta:

The beautiful part is that this may actually allow you to go back to stay focused on your first love of creating new ideas, of innovation, of maintaining and cultivating those relationships that matter most to your company or to your church. But again, in order to overcome this, you must have self-realization about your strengths and your weaknesses.

Carey Nieuwhof:

You know, one of the things as you talk through this, I'm thinking about what is the connection, or to what extent is there a connection between being a well-run organization and investor confidence or donor confidence? Because I can think of, as someone who had the privilege of delivering checks to various charities at different times. I remember one instance where I was there and the executive director of the charity was too busy to come and receive the check and the place looked chaotic and I'm like, "Should we be investing in this or not?" And you're happy to do it. You're happy to. But oh my gosh. To what extent? Because I'm thinking about that.

Carey Nieuwhof:

One of the comments we had over the years at Connexus is ... I remember we were touring our new facility a few years ago and we were walking through. The mayor and some town councilors were there. They're like, "I feel like we're in Silicon Valley. Like this is impressive for a city, our size." But I have a feeling that is connected to confidence in people saying, "This is a good place to give." Because the money is going to go somewhere if you're a tither or a donor, but you want to feel good about that. Is that a connection? Am I overstating it? What do you think?

Michael Arrieta:

I think you're spot on and you're a lot more kind and compassionate than I am, because if I walked into that place, I would have gone to find a new non-profit to give to.

Carey Nieuwhof:

Yeah. I almost walked out the door. I'm like, "I don't think it's a good use of money."

Michael Arrieta:

Yeah. That's exactly it. So the way that I see it is you only fall into two buckets, turn around or further accelerate what's already in place. So that would be a good question for leaders to ask themselves. What type of organization do you truly believe that you're running? If someone else came in, are they going to have to turn this whole thing around? Or are they just going to want to say, "Wow, I want to put more gas on this. I want to further accelerate what's already in place."

Michael Arrieta:

Me personally, I'm a further accelerate what's already in place. There's a lot of good companies out there. There's a lot of good leaders out there. I want to just further accelerate what people have already built. If you want to raise more capital from investors or donors, be committed to building a well-run affected, excellent organization, Colossians 3:23, I think. And whatever you do, whether in word or

deed, do it as a representative of Jesus. Giving thanks to God through Christ. So in whatever you do, whether in word or deed, do it as a representative of Jesus. I mean, that's a pretty big thing.

PART 3 OF 4 ENDS [01:15:04]

Michael Arrieta:

So if you're going to do it, I don't know about you, but if I was wearing a badge that said, I'm on the team of Jesus, I'm going to do a pretty excellent. I'm going to cross my T's, dot my I's, and not my office is going to look like Silicon Valley, right?

Carey Nieuwhof:

Yeah, yeah.

Michael Arrieta:

If it's well run, you will have no problem raising capital, right? People want to further accelerate what you're doing. In regards to donor confidence, I don't know many donors who seek to invest in organizations that are not being run with excellence. Donors are looking to be stewards of their hard earned capital and they want to see their fruits multiply.

Michael Arrieta:

I recently heard of a church that purchased over \$10,000 of Christmas trees a couple of years ago. And the pastor change a theme last minute. And they threw away that money. When I heard of that, it did not inspire me to want to invest there. So to me, that's not a well-run thing. They should've thought that out better. They shouldn't have been more thoughtful around that. And so, however, there's many nonprofit organizations that are better run than for-profit organizations.

Carey Nieuwhof:

Truth.

Michael Arrieta:

They have a clear charter, they have a clear charter, they have a strong management team. And they look at themselves like a for-profit organization. The only thing is they take the profits and they distributed out to other causes. And so they're investing in people, processes, and technologies. And it's clear, it's always clear to see the health of an organization carry from the outside. In last thing I'll say is, my mother always told me this and I don't know how healthy it is, but I do believe in it. What others probably think of you, they're probably right. You know? And, and I just think of,...

Carey Nieuwhof:

That's a really interesting thought.

Michael Arrieta:

Right? Because I mean, from the outside, it speaks a lot. I mean, Carey, if you don't know me and we're at a restaurant and you make a first impression of my children and my wife and I, whatever you probably think chances are, you're probably right. I mean, there's some outliers. Yeah,

Carey Nieuwhof:

Yeah, yeah.

Michael Arrieta:

Probably right.

Carey Nieuwhof:

And my life's kind of flashing through my, the decades and I'm like, oh yeah. People would say different things to me in my twenties, thirties, forties, fifties, like, yeah. Yeah. There's, I'm going to think about that. That's kudos to your mom. You're young Mike, barely 32. You have a lot of influential investors in Garden City and you've curated a lot of relationships. How do you curate and cultivate those relationships?

Michael Arrieta:

Yeah. This is by far my greatest strength. In life, I believe it's all about having real authentic relationships. So whenever I first meet anyone, regardless of their title or position, I've always had this mindset that everyone is equal. Even before being a believer. I've always had this mindset that everyone poops and pees. I always say that everyone poops and pees and then everyone dies. It's just the truth.

Carey Nieuwhof:

Yeah.

Michael Arrieta:

So I've met, I've met two presidents now. And even when meeting with and shaking their hands, I'm like he poops, he pees, and he's going to die. You know, we're equal for the most part. So that allows me not to put anyone on a pedestal. So even, or not put them on a pedestal. So even if I speak to a service worker, I speak to him or her in the same fashion as Horst Schulze, Pat Gelsinger, you, or Lecrae, or anyone.

Michael Arrieta:

so I don't approach the conversation with fear or with pride or ego. I believe you're just as fortunate spending time with me as a son of God, as I am with them. We both have something to offer each other. I show my imperfections out of the gates. I'm not scared to say things about my past. I have a stutter problem. I'm new to private equity. I'm young, right? I'm learning how to be a father of three children. So forth. I call this the gunfight and all relationships, I strive. The sooner I can put my gun down, the other, party's going to put their gun down.

Carey Nieuwhof:

Oh, that's interesting. That's what vulnerability does.

Michael Arrieta:

Completely. Right. So I try to put my gun down as quick as possible so that we could quickly start building a real, meaningful relationship. And once you put your gun down, they'll quickly do the same. I mean, Drew Brees is one of my investors on the New Orleans Saints and someone introduced us and out

of the gates, I just started talking about my vulnerabilities. I mean, it would be the stupidest thing to do if you were a private equity investor trying to raise capital. I mean, why would he ever do that?

Carey Nieuwhof:

You would think it would undermine confidence, but it doesn't.

Michael Arrieta:

Of course, exactly. I'm like, "yeah, everything was super expensive here. I took the call from the beach. I was like, everything's super expensive here. I got this really crappy little condo here. It's really bad. It didn't have any air conditioning, we can only stay here for four nights, you know, blah, blah, blah. Everything was sold out. Also, this has happened." I mean, I'm out of the gates and he's like, "Oh man, let me tell you about what just happened to me with the media." All of a sudden our guns are down quickly. We're building authentic relationship. I'm truly curious. I asked more questions and I'm going to make it ever ask that me, people call this building rapport. There's many books on it. Leaders Eat Last, right. And all these other things.

Carey Nieuwhof:

Simon Sinek's book.

Michael Arrieta:

Yeah, but for me, it's just authentic. I mean, there's life is short. People have lived many years. I just want to get to know them. So I ask a hundred questions. Like I asked you, Carey, where, "where do you live? Oh, on the lake. How far from the lake? What do you do on the lake?" And so it's just naturally building rapport, but it's got to come from a place of authenticity. And then last kind of the last two things is if I feel prompted, I invite them on the journey that I'm on right now, I'm on this journey of Garden City. So I naturally ask people if I feel prompted, do you want to invest in Garden City? It's a holding company where all service workers thrive. And I don't see it as me asking for something. I see that I'm giving them a favor. I'm extending an invitation of, to join me on something. And I'm very excited that I believe so much about that. I've dedicated my life to, in this current season.

Michael Arrieta:

I mean, that's a big thing. If you're leading a church, when you're asking people for donation or a contribution, are you asking them like feeling bad or you've seen it as you're extending an invitation to join you on something that you so deeply believe in that you and your family are making these sacrifices.

Michael Arrieta:

And the last thing is, I do what I say I'm going to do. I follow up. If I'm the one making the ask, I'm the one following up. And I rush a follow up before they do. Many times people's actions speak louder than words. And their actions ruins all the initial input that they put in the first place. So I follow up quickly. I make it very simple. People are busy and that may even go a different route in order to be vulnerable and authentic and build a relationship. I might not even follow up on email. I might follow up on text message because now I'm breaking into them by saying, hey, the whole email world, that's an easy world to engage in. I'm not going directly into your DMs. As, as the millennials we'll call it. I'm going direct into your text message. And now immediately kicks off this true, authentic, intimate relationship that's built to last.

Carey Nieuwhof:

You, I subscribe to different newsletters. And early on when we met, it was fairly recently, but I immediately subscribed to your newsletter and it's good. I do this, I unsubscribed from a lot of stuff, but there's a few I really look forward to. And I would say you would probably be at the top of the list or near the top of the list for really curious, interesting. Huh? I didn't know that. So it's almost like if you subscribe to Tim Ferriss, "Five Bullet Friday", it's kind of a version of that where you'll bring some articles from the hustle or different things, but I'm like, there was one on like how McDonald's turned it around. And then one, an article that you link to on automation of telephone operators in the 1920s, like, I'm like, Whoa, this was like, right field, left field, all over the place. But I loved it because you took me out of my normal box and into places. I'd love to talk to you about that curiosity and your habit of curation. How do you, why do you read that stuff? Where do you find it? Why do you send that out? It's like, I really look forward to that newsletter.

Michael Arrieta:

Yeah. Einstein said, if you stop learning, then you start dying. And I don't know about you, but I don't want to start dying. And so I think it's important to know what really piques your interest for us talking about the bowling alley example, the bowling alley strategy at Garden City. We only buy service companies. That's it only service companies, only family owned. So for our newsletter, we're only going to do a newsletter on service companies. So McDonald's is a service company. The automation company is a service company. So we only focus on service company. We don't send anything out about motivation or culture or anything like that at all. You know? So just know your audit.

Carey Nieuwhof:

That's your filter.

Michael Arrieta:

Our filter is called "The Service Report". You go on our website and look at it and sign up for it. It only comes out once every two weeks. And we spent a lot of time curating it. People support what they help create. So how do we do it? People curate articles and they send them to us all the time.

Carey Nieuwhof:

Ah, so that's not just you going, Oh, I'm going to clip that and put that in the newsletter. Your team collaboratively putting it together.

Michael Arrieta:

Yep. Our team goes through all of them and we just say less is more. And so we never do more than 10. It's typically it's five to eight. We know people are busy. And so we do that, but yeah, learning's everything, right? I always have a little note pad on my phone. Every time someone tells me to read a book and I just quickly write it down. I think it's really important for people to know what it is that piques your interest. I figured that out a couple of years ago that for me, it's, non-fiction stories, non-fiction books based on the historical narrative of the historical story of someone's life lessons already. And so I'm reading Bob Iger, his book from Disney, "The Ride of a Lifetime". I love it. I love it. Love it. Warren Buffett said it's good to learn from your own mistakes, but it's better to learn from other's mistakes.

Carey Nieuwhof:

Yeah. Yeah.

Michael Arrieta:

Constant learning.

Carey Nieuwhof:

Mike, this has been so fascinating. What anything else you want to share? Or what is one question nobody ever asked you that you wish people would ask you?

Michael Arrieta:

Is all the success worth it. Yeah. I think that's the question.

Carey Nieuwhof:

And?

Michael Arrieta:

No, it's not. No, it's not. I think the real currency is looking at your children when you're older and for them to say, "dad and mom, I don't know how you guys did it, but you crushed it. 10 out of 10, come over here and give me a kiss and a hug. You're, I mean, I just hope that I could be a decimal of what you were to me." And that comes at a cost. With every yes, there's a no, right? Every yes, there's a no. And so when you say yes to success and to accomplishment and to building, you're saying no to other things. There's going to be less vacations. Going to be less times on the baseball fields, going to be less coming home. There's going to be less dinners, maybe less fill in the blank.

Michael Arrieta:

And that's the juggling act, right? Which takes so much prayer, takes so much discernment. So much wisdom from others. It takes so much humility to say, "who is my audience, truly, who is my audience?" And can I finish this ride well, and look in the rear view mirror and say, "well done. Well done." So that's the question that no one asked me is, is all of it worth it? It's a constant, constant battle. I think for anyone that is experiencing success, an athlete, a business person, a church leader, so forth, is how do you balance that well, so that it does not become your god or idol.

Carey Nieuwhof:

Mike Arrieta, it's been a joy. Thank you so much. People are going to want to follow you. You're a great follow. So, website, where are you on social? Let us know.

Michael Arrieta:

Yeah, I got off social a couple of years ago. The only social I'm on is LinkedIn. So you could find me on LinkedIn,...

Carey Nieuwhof:

The decision behind that? It was distracting, not good for you with...?

Michael Arrieta:

I, I was part of a... Quick story. I was part of a prayer group in Silicon Valley. It's a lot of people that I won't mention what companies they were at, but prior NSA and stuff like that, but all work at massive tech firms. And let's just say nobody in that group is on social anymore. Yeah. It was a pretty big thing for us. So, I just know my weaknesses and I'm not strong enough to properly have discipline to balance that out. So for me, it's just easier to not get close to it. So that's that, but yeah, but go to our website, it's [joingardencity.com](http://joingardencity.com) and you could shoot me an email at [michael@joingardencity.com](mailto:michael@joingardencity.com) or add me on LinkedIn. I'd love to connect and be helpful in any way that I can. And just always remember that life is short. Time is ticking. We don't know which page of our book we're on, you might be on the last page, last chapter. So live everyday like it's your last and trust in God.

Carey Nieuwhof:

Thanks Mike.

New Speaker:

See your brother.

Carey Nieuwhof:

Well, that was fascinating and honest and humbling and so good. And I look forward to getting to know Mike better over the years as well. If you want to access the show notes, you can do that for free over at [careynieuwhof.com/episode402](http://careynieuwhof.com/episode402). I've got a What I'm Thinking About segment coming up. I am going to talk about signs that your character may be imploding. This is something I watch really carefully. I appreciate honest conversations, like the one Mike and I have had. And of course with the headlines lately, you know, this is something we should all be watching. So definitely a hang in for that. In the meantime, I can't wait to introduce you to next week's guest. We have Cal Newport. So Cal is somebody that I have really benefited from. As you may know, he has written *Deep Work* and *Digital Minimalism* and his work has been very influential with me. And he's got a brand new book coming out soon called *A World Without Email*. And we have a fascinating conversation on productivity and knowledge work. And all of that here is an excerpt.

Cal Newport:

If I've been putting a lot of energy into Twitter, I could probably get a lot of followers and maybe it would have helped like the last book I wrote, maybe have more sales right up front or something like this. But the impact on my cognitive resources is such that instead of publishing my seventh book right now, maybe I just be out by fifth.

Carey Nieuwhof:

Subscribers like Marky Mark, you get that absolutely free. And if you're new to the podcast, you're just tuning in, please subscribe. It's absolutely free. We love doing this with you coming up. We have Adam Grant, John Maxwell, Rick Warren, Ian Cron, Annie F. Downs, Amy Edmondson, Simon Sinek, and so many more. I'm so excited to bring you all of this this year. And we love being able to do that for free that's because of our partners. And thank you so much to Generis and for ServeHQ for bringing you this episode, you can schedule your complimentary generosity discovery session today at [atgeneris.com/Carey](http://atgeneris.com/Carey) that C A R E Y and Generis is G E N E R I S. And by survey HQ, you can go to [servehq.church](http://servehq.church), to sign up for a free 14-day trial and use the code Carey to get 10% off for life.

Carey Nieuwhof:

So I am thinking about your character, my character, and what happens when your character implodes, right? Because I think we're not, we don't live in this place where people just wake up one day, they were doing great yesterday and all of a sudden, they're doing something that would land you in jail, or they're a bed with somebody they're not married to. I mean, that's not how it happens. And so, I am very committed to trying to finish leadership well, and I know a lot of you are as well. And the headlines that you see are terrifying, right? How do you know that this stuff couldn't happen to me or could happen to me? So there are five signs that, and there are more than that, but I just want to zero in on a few today and say, "Hey, pay attention to this."

Carey Nieuwhof:

So here's one, there's a growing gap between what you say publicly and how you live privately. You know, there for a lot of us, we have public roles, right? You're leading a company, you're leading a church, or onstage, or giving talks, and there can be a tendency to have sort of your private life and then your public life. And that is very dangerous. I say to my team all the time, "the good news is I get to get up every morning and be me" right. Now that comes with all the warts and all the mistakes and all the stuff. But when you notice a gap, when there are things you're not willing to talk about with people, when you are saying things that aren't a hundred percent true about you, pay attention, okay? Character rarely implodes suddenly, it's almost always a slow erosion. So you want to make sure your talk matches your walk.

Carey Nieuwhof:

And there's some guidelines. You can go a little bit deeper on my website. I've got guidelines on how to be appropriately transparent. You don't want to do your therapy on stage, but if you find that you're kind of lying about some stuff going on in your life, really pay attention to that. Any growing gap between your private walk and your public talk shows that your character is slowly imploding.

Carey Nieuwhof:

Here's another one. Your emotions are inappropriate to the situation. This can be a sign of burnout, but it can also be a sign of character implosion. You should be properly rejoicing when people rejoice. Morning when people mourn. You should be able to celebrate someone else's success and not be jealous. I had to work on that a long time ago. Oh my gosh, that was so hard. Andy Stanley's book, *Enemies of the Heart* really helped me with that. I would highly recommend it. And then you should feel compassion for someone when they're down and don't gloat or think they deserve it. The only way my character stays at this level is if I daily submit my heart and life fully to Christ as a Christian.

Carey Nieuwhof:

So if your emotions are inappropriate to the situation, like you're kind of gloating over people's success or you're nervous or jealous or all those things, pay attention. That's a character issue.

Carey Nieuwhof:

Here's the third one. You have less and less grace to give. Okay? Some of you are very successful who are listening to this podcast. And I think your success should be accompanied by a growing gratitude and a growing grace. When my character has been at its weakest, it's a sure sign that grace is in short supply. You have very high standards as a leader.

Carey Nieuwhof:

I have very high standards for a leader, but those high standards should be accompanied by high levels of grace on a spiritual level. Grace runs out in your life when God runs out in your life. So if you need more grace, you need more God. And I need that infusion daily.

Carey Nieuwhof:

Number four, your leadership has become about you. This is a very, this is something we talk about. Like, you know, this is the Carey Nieuwhof Leadership podcast. You go to my website, what's it called? It's called careynieuwhof.com, right? But I don't ultimately want my leadership to be about me. I want it to be about you. I want it to be about God. And if your leadership ends up becoming all about you, you've kind of stopped leading, right? And there are very successful large organizations, it turns out, that are built around the ego of a leader.

Carey Nieuwhof:

And I don't want that to be the case. And so we are actually looking, we're thinking about a rebrand, at some point. I've been working on this for a few years, unable to figure it out. But you know, I want to see my team succeed. I want to see you succeed. I love what Bob Buford says, and I've kind of adopted this as a mantle for the next few years. I would love my fruit to grow on other people's trees. Isn't that a neat metaphor? It's like no, push other people in the spotlight. That's what I try to do with this podcast, and I want to do more and more with my life, but don't make your leadership all about you. And I just know that's a tension to be managed. We live in an age where people tend to follow people, not institutions, right? People will follow a Transformation Church, but they're probably more engaged with Mike Todd, personally, right? And so you have to, you have to think about that and, and then just make sure that your leadership is not all about you.

Carey Nieuwhof:

And then number five, you keep justifying your bad actions and decisions. This is a real sign that your character's imploding. You know, I've heard leaders say it. I've probably said myself in bad moments. You know, "if you had this much pressure in your life, you'd act this way too." Nope, not good. How about this? "Nobody understands how lonely I am." And you're using that to justify whatever you're drinking or whatever you're doing or whatever you're smoking or whatever. You're sending on. "It's like nobody understands how hard this is." It's like, no, I don't think so. And "it's impossible for me not to be this way, my bad temperament, my bad mood, given everything I'm carrying." When you get to that point where you're justifying your bad actions and decisions, that is a problem and leaders who justify their bad behavior lose their ability to lead.

Carey Nieuwhof:

So those are some signs that your character may be imploding things to really pay attention to. Hey, I wrote a post on this and I have thousands of posts, maybe a thousand, I don't know, on my website. If you want to check it out, it's at careynieuwhof.com. I also send out a almost daily email to 80,000 leaders that just gives them a little nugget of some leadership goodness. And if it can help you, you can go to careynieuwhof.com/email. Really excited to bring you Cal Newport next time. That was a very pivotal conversation, pumped to be with you on this. Thanks so much for listening. And I hope our time together today helps you lead like never before.

Announcer:

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