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Announcer: The art of leadership Network.

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Carey Nieuwhof: Welcome to the Carey Nieuwhof Leadership Podcast, it's Carey here and I hope our time together today helps you thrive in life and leadership. I am so excited to have Dave Ramsey back on the podcast today and we have a personal conversation. We talked about some of the backstory, how he felt as he moved through a succession process, what it's like to work with family, and a whole lot more. I think you're going to absolutely love it.

Hey, before we get started, I want to give a big shout-out to not only our sponsors but to those of you who keep leaving ratings and reviews, thanks for doing that on Apple Podcast, also on Spotify khhoach98. Thanks so much for sharing your feedback on Spotify. Glad you loved the Richard Foster and Brendan Quinn episode. Hey, I read those, I appreciate them and when you comment and you share, guess what, we're getting out there and it helps us do this time after time. If you're new welcome, really glad to have you.

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So this episode is brought to you by a free resource I have. It's a guide called Four Steps to Engage Your Church Around Giving and Generosity. You can click the link in the description of this episode or just go to engagegenerosity.com, and you can pick it up there. And also by Compassion, you can book a Compassion alumni speaker completely free. To book a speaker at your church visit compassion.com/carey.

Well Dave Ramsey is one of those people who needs no introduction. He's the founder and CEO of the Lampo Group, now Ramsey Solutions, and we talk about what happened when the Dave Ramsey Show became the Ramsey show and what happened. Hey succession is a big issue. You know, the average senior pastor of the church is in the 50s, CEOs and business owners are going through this all the time. This is an honest behind-the-scenes look at that and so much else about the emotional journey of leadership, maybe a side of Dave that you don't see that often. Dave is an 8-time national best-selling author and host of The Ramsey Show, which is heard by more than 18 million listeners.

Under Dave's leadership, Ramsey Solutions has become a recognized brand across the country that reflects his passion for using biblically-based common-sense principles and education to help people take control of their money, business, leadership, and personal development. Well, hey, I am the first to understand that

there's a lot of hesitancy and worry when you're talking about money at your church, right? I mean, it takes a lot of confidence to call the Dave Ramsey Show and go, yeah, I got debt or whatever. But it takes a lot of confidence for you as a pastor to get up there and talk about the need to raise money at your church. It's awkward. And when you do talk about it, it's easy to have like two things you say and you say them over and over and over again.

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I've got a free guide for you, it's called Four Steps to Engage Your Church Around Giving and Generosity. In it, you'll get four practical steps in shifts you can use, starting as early as this Sunday, that don't feel repetitive, stale, or scare away unchurched people. And if you want to have better conversations around giving and raise the level of giving, here's what you have to do, click the link in the description of this episode or visit engagegenerosity.com to get free and instant access.

Well, you've heard me talk about the impact that Compassion experiences have had on churches. And one of those experiences can be having a Compassion alumni speaker share his or her story with your church. So, you know that a testimony is so powerful, right? Whether you have someone in your church, but I mean, if you're trying to really help your people have a heart for what's happening overseas, get a Compassion alumni speaker.

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Often, these speakers are born into poverty. They join Compassion's program as kids. They come to know Christ, and then they grow up. And I've met a lot of them to become doctors, pastors, teachers, and more. And they talked about the life-changing power that a local church and a caring sponsor has made in their lives. So, depending on the need, the alumni can speak in person or through custom videos recorded for your church. So, they're flexible. And if you want to learn more, go to compassion.com/carey. It's completely free and it will open up your congregation's eyes to the impact each person can make in a child's life, compassion.com/carey, and now, my personal, vulnerable, and I think delightful conversation with Dave Ramsey.

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CAREY NIEUWHOF: Dave, welcome back.

DAVE RAMSEY: Well, thank you. It's good to be with you again.

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CAREY NIEUWHOF: It's good to hang out. We just missed each other. I was at your headquarters maybe in the spring and you were out of town, but it's nice to be able to connect now again.

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DAVE RAMSEY: Well, thank you. And thanks for speaking at our devotional. Our company went crazy when you were here. It was great.

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CAREY NIEUWHOF: Well, you have an amazing team and that could be a subject for another day. But I want to drill down this time around with you, Dave, on the leadership aspect of what you do. I'd love to start because you talked about this a little bit last time. You talked about it publicly, but basically it was a radio show, right? It wasn't a company. It wasn't a thing. You didn't have dozens of employees, let alone a thousand employees. So I'd love to talk about that transition from radio show host struggling to make ends meet and advise other people on how not to go bankrupt. Like you went bankrupt, you know, back in the day, to where you are now. What was the key moment where you thought? Okay, I'm on to something here. This is more than a radio show.

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DAVE RAMSEY: Well, I mean we really were doing one-on-one coaching, counseling we would call it in those days, and we had started Financial Peace University had written a little book. So I had a few little I guess products so to speak other than just radio. And then the radio opportunity came along and gave us a megaphone to promote all of those things. That's really what it amounted to. Obviously, we had the ability to minister to help people on the air live and help the listeners by listening into discussion with another caller. But then also, from a business perspective, leadership perspective, that led into publishing and the growth of a counseling Ministry and a class of series and those days called Life After Debt and we later changed the name to Financial Peace University.

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And so, but yeah we I mean, I've always been entrepreneurial one before went broke. I was running a real estate company and I had five employees there, you know. And so I've led people, or bossed people at that point, and later on learned how to lead them. But yeah, we quickly had, you know, five or ten people on our team at this company as we were doing radio and doing those different things. And

so I'm starting again to try to figure out. Okay, how's this people thing work to get things, done to help other people through people.

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CAREY NIEUWHOF: So bossing people versus leading people. I've never heard it put that distinctly, but you're onto something. And I think there was a time where I was a boss of people. Maybe I still am on my bad days. What was your natural leadership style?

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DAVE RAMSEY: Well, on the DISC, I'm a high D, and so, high I if I'm on the stage or a microphone, but high D in a business setting, meaning get stuff done, very task-driven, not real concerned about your feelings. And so that truly is a boss. I mean, if you're an immature D, that puts you in a real position.

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But I'm also a salesman, I grew up in a salesman's household, mom and dad were in the real estate business. And so I pretty quickly figured out it was much easier to get folks to do things by persuading them to do them rather than telling them they had to do them at the point of a knife or a gun, so to speak, metaphorically. And so, you know, I mean, but we always tell people not true leadership today.

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And this, what I was doing in those days as bosses push and leaders pull and so you can either stand behind the herd and crack the whip and you move at the speed of the lowest common denominator, or you can stand in front of the herd and say, guys, this is where we're going, where there is no vision the people perish, here is the vision, here's where we're going, and if you want to go, you really need to get on the train, it's leaving now, this is a high-speed operation, we're going and so keep up. If you can't keep up then I guess you're not going with us cuz we're going and that's the persuasive. Pull side, rather than the push and the crack the whip side and then you move at the bell curve, right?

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CAREY NIEUWHOF: How do you see different generations responding to your leadership style as it's evolved? Because one thing I notice about you, you know, when I watch you on your radio show or read your books, you are very directive, right? You're in Enneagram 8, you're very directive, you know what you want.

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Boom, boom, boom, boom, boom,

DAVE RAMSEY: Ian wrote Eight after meeting me. I mean, he's a friend, and he and I have laughed and he's like, I've never met anybody that's a quintessential 8 like you. Like you check every stinking box. It's ridiculous.

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CAREY NIEUWHOF: Do you notice a difference with, because I know one thing that really hit me about your staff is how young they are. Like you got a lot of like under 35s, under 30s.

DAVE RAMSEY: The vast majority are millennials and gen Z. You're right.

CAREY NIEUWHOF: Hmm. How are they responding to your style of leadership?

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DAVE RAMSEY: You know, again, persuasive is what they're looking for because they're missional. Those two generations are more missional than any of the other generations I've ever tried to lead.

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They have a low tolerance for transactional things. They want to know why we're doing this. It's really good if I'm writing code and I'm a Gen Z that I know that this code might save someone's marriage. It might cause them to meet Jesus. It might, it's not just are we going to decrease a friction point and increase our conversion rate in the store, you know, and so they're writing code that has meaning.

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And so that makes them very easy to lead because we're a very missional organization and we're a very relational organization and I am too. So you know but it also means this and I laugh with them and they laugh with me because they know it's true. They're the easiest generation to hire because there are only two kinds of Millennials. Awesome and sucks.

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I mean, they are the best on the planet. They'll charge the Gates of Hell with a water pistol. You don't have to, they have so much initiative, they're so smart. All the

digital landscape is native to them. They automatically think that way where I don't, I have to learn it to be able to try to grasp even what they're talking about.

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They can run so fast in the current marketplace if they actually care. The ones that care but the ones that don't care. I mean, there's snowflakes in their mama's basement playing in a great act of irony, playing Call of Duty and they have no call to any kind of duty and so they're useless and there's really no middle ground. I mean Boomers at least we would lie to you and make you think we care. These guys won't lie to you, they just look at you and go. I'm useless. I'm here to take what I can take, you're the man, I'm here to stick it to you, and now you should hire me anyway, and no, I'm not gonna hire you. So we hire the good ones and they're amazing. And I love these two generations and I have high respect for the good ones, so to speak and they do require though, that you put a mission in front of them, they do require that you are authentic. They do require that you are consistent, no hypocrisy. And so if you say you're this, you need to be this on Monday and Sunday, and that kind of stuff. And so I think they're fabulous generations.

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CAREY NIEUWHOF: How do you define the mission of the Ramsey organization to your team? Give me the elevator pitch.

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DAVE RAMSEY: Well, I mean, the mission statement is we provide biblically-based common-sense education, and empowerment to every area of your life to transform it. And our vision is to do that with such scale that we impact this toxic culture and throw it back on its heels.

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And so, you know, we want to bring a Biblical truth, that sense of common sense, to your money, to your mental health, to your career. In such a way that it makes you wonder, I need to check out this biblical stuff. This God thing. And I need to know because it helped me, you know? And so we want a minister at such scale that it leaves a dent in this craziness, that's out there in the world.

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CAREY NIEUWHOF: So I want to play with a bit of a different metaphor, you probably heard the saying, you know, my wife has had five husbands. All of them happen to be me. I'm in a long marriage or in a long marriage. I'm sure you've been a

different kind of husband at different stages but that's true of leadership too, right? Dave, you've already hinted at that. You've been a different kind of boss. Want you to think back over three or four decades of leadership and you can even go back your pre-incarnation to when you're running the real estate company. What have been some of the key pivot points in your growth as a leader?

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DAVE RAMSEY: You know Covey talked about in principle-centered leadership, the idea of five levels of delegation and the first level being, you know, just go for level delegation, go for this, go for that, make a copy, get a cup of coffee, shut the chair up, you know, turn the turn, the screen on whatever it is, right?

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And that's very directional, very simple task-accomplished, easy to inspect what you expect, but, and we all had those jobs. When we first started, most of us today, we started at a gopher level at some love some way. So I kind of think your leadership might follow that. The other end of the spectrum, that that's level one. Level five is the, the, the idea that you can do a stewardship level delegation, which is your now delegating a concept that automatically implies a bazillion details and a bazillion further delegations, meaning now you're delegating leadership, you're not just delegating tasks. And of course, there's a spectrum between the gopher and the concept or the stewardship level. And so, you know, and I think my leadership has probably followed somewhat of that. I mean, I can remember, first thing is, we just had to get the stuff done. You know, it was very, very, again, task-oriented. Get stuff done, let's get stuff done. And then the next thing was, I gotta get somebody to get somebody to get the stuff done. Because there was too many of them, you know? And so we got to about 40 people and we had four leaders. And that's a one to ten ratio, that's max. I mean, one to five is preferable.

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And so we're starting to okay. We have to have this third layer of leadership, me the first layer, and then another layer, and learning how to lead those leaders. Like that was a real transformational thing and somewhere along in there is when I started recognizing the importance of what we call c-suite now, because again we were we were hand-to-mouth. We're trying to make payroll Friday, most of those early years and so it's all about did we collect the receivable? Are we making a sale? And so I didn't really care whether somebody had a strategic thought or not kill it and drag it home. I mean, come on, you got to get this thing done and that was the early days, but then, at some point you go, okay, we're wasting a lot of energy because we're

learning everything, the hard way. Because we're not up above it, looking down on it.

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Meaning, strategic thought versus tactical thought, and I actually had hired at that point of several people that MBAs. I don't have an MBA, don't have a graduate-level degree.

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And so, 100% of MBA programs, do a good job of teaching strategic thought and I'm a tactical by nature.

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I didn't have strategic thought. Again, I was just kill it and drag it home. So these MBAs were like, Dave, we've got to have a strategy and I'm like that sounds like you don't want to work. I mean, so when you mean you want to get in a room and develop a strategy, we should be doing something and but then, I became convinced over a period of time of doing these exercises with these guys and they taught me, the team taught me strategic thought, in that sense, I mean, I knew it intellectually and of the concept, but I mean taught me to actually do it and the benefits.

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You don't have to beat your head against the wall. You could just walk around the corner, hello. And so if you get above it, you can see things. And so that was a big breakthrough. And we always laugh and say, you know, the MBAs taught me strategic thought and I taught them how to work. So it was a good trade.

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But the, you know, so that was an evolution that adding the C-suite people and seeing their value as a strategic mindset. So putting in a CFO, putting in an HR director, not to do all the hiring and all the weird HR stuff. But instead, just somebody that's paying attention to the team and making sure that we're doing good recruiting. I hired those both way too late.

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I should have added them a year earlier in the process, maybe two years earlier in the process, and now of course, our operating boards have c-suite, have business unit leaders and so, now we've got a tremendous balance and outlook on that.

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But, yeah, then you move on through the whole process. And now, you're really leading from a visionary perspective, not as much Hands-On when you start to get a thousand folks. And, you know, 300 of them are in some kind of leadership capacity.

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And then I've got to cascade all of this communication through and have methods to do that, that everyone is rowing the same boat still.

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CAREY NIEUWHOF: Failures often define us as people and as leaders and, you know, it's your failure that you talk about all the time in your 20s. When you went bankrupt, that really launched who you are today, and it's easy to look at all the success of Ramsey and go. Wow. But yeah, they don't have any struggles. When you look back over your time as Ramsey, was there a moment. Like what was your hardest moment as the CEO, what was it? How did you navigate through it? And what did it teach you?

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DAVE RAMSEY: You know, I don't know exactly how to put my hand on it, but our largest pain point, for all of us and I think it's true for most leaders, is our people. Our people are our biggest, our team is our biggest blessing, and our biggest problem point, the most drama. More than some digital problem or conversion rates on the store, all that stuff. Those are just, those are dry things we can work our way through. But when you love people and we have a commitment here, our HR policy is, you know, do unto others as you'd have them do unto you. Treat other people like you want to be treated. That pretty much covers your business ethics issues.

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If you've got someone that's got cancer, what would you want if you had cancer? Well, I got a lady on the team right now that's been on our payroll for two and a half years and hasn't worked an hour. And she's trying to survive cancer. She's been here 12 years. So we don't shoot our wounded. I can afford to keep her on the payroll. It's what I would want someone to do for my mom, my sister, my daughter, if they were in that situation.

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Will there be an end to that? Sure. Someday, we'll do something to it's not in perpetuation, but that's one thing we've chosen to do to extend that log treat other people like you want to be treated, do you do all of those kinds of things? And then on the other hand, you get some doober that leaves and decides to spend their entire next three years of their life writing negative things about you on some blog, or are trolling you and this is someone who we might have taken care of their whole family when their kid was sick, we might have mowed their grass when they were in the hospital. I mean this is kind of stuff we do all the time and then you turn around get mistreated by them.

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So those pain points are definitely the biggest struggle for me. And as I talk to entrepreneurs and leaders around America, I Hear the same thing all the time and it's the largest line item in your in your P&L, your biggest investment is payroll from a mathematical standpoint.

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So it's like heart investment, a spiritual investment, a caring investment, a money investment, and it's the largest of all of those. And so that it by definition, then sets you up for it to be your biggest pain point when it goes sideways. And when you've been loyal to someone and that's not, that's not returned, it hurts your feelings. I mean, I should be more grown-up about it, you know.

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CAREY NIEUWHOF: No. But you know what? I was talking to a friend today who leads a large organization, you would know who it is, no names. But, you know, he's got an employee who's very upset with him and, you know, I said, that's kind of stuff that keeps you up at night. It is the kind of stuff that keeps you up at night. When I've had people leave our church and, you know, if I did something bad, it's like, hey, I'm going to own this, I'm going to. Yeah, okay, you were right, I'm wrong. I'm sorry. Let's fix it. But part of leadership is sometimes being misunderstood so if you're in a situation like that,

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How do you move through that Dave? Like what's the internal journey like for you? You get mad? Just talk about it at home? What do you do?

DAVE RAMSEY: Truthfully, and I again I will own the fact that it is a bit childish, but it hurts my feelings. It does, and at different levels, at different people, different

situations, different things being said, but for you to take good care of someone and then they go out into the marketplace and lie about us. And that harms our ability to help someone then because we lose perception with the amount of public they can get to and then they don't trust us because they think we're liars and we're hypocrites and we're not.

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Are we perfect? Oh good lord, no. I'm perfectly capable of owning that. I mean my goodness gracious have I messed up so I want before I got home here today. Several times I mean my gosh I mess up stuff all the time, but I am trying and I did take care of you when you were here. So I think the, somebody wrote a line that said I'm not responsible for the narrative in your head that you wrote about me, I can't fix that and so I've just got to put it in perspective and go, I was sitting with a pastor friend of mine the other day, that had the same thing happen to him and he's there in the middle of a council situation. He's probably going to lose his position or he's probably going to quit because he didn't want to deal with the way the Elders have acted in this and he didn't do anything wrong, but he had a former team member go bananas and it goes into the media and on the social media, and it's created a crisis.

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And so I told him, I said, you know, the problem is two years from now, when all this is done, there will be two people on the planet that care about this, and even remember it, you and your wife, that's it. No one else will even be thinking about it. You'll be thinking about it a lot because it's you, but in terms of, you know, did it destroy your reputation?

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No, you've got 30 years of serving God, serving the community, people really know who you are. And even the midst of this, they read the newspaper and they know that's why that's just not true. That's not who that guy is you know? And they read that stuff about me. They go I know Dave better than that. That's not who he is, he's wild but he ain't that, you know. In our little bitty brains we make it into a mountain out of a molehill.

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Perspective of time, even the things I'm thinking of while I'm talking about this, again, nobody cares. Not even the person that did it. Nobody even remembers it but me. And so then it's on me to go, I need to have some perspective and not let this thing own me, not let these people live rent-free in my head.

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CAREY NIEUWHOF: One of the challenges I think a lot of leaders have, particularly as things scale and you're looking at the stress you just talked about, which I'm pretty sure every single leader listening to this has got, I've got an equivalent in my life where I felt misunderstood. It doesn't matter. You can be leading 20 people, 2,000. You've got that where somebody leaves mad, you're like, I did everything in my power. I've had friendships dissolve. And I went to elders and I'm like, okay, what do I own of this? And they're like, no, we don't think it was you. And I'm like, ah, but those are still broken today. They're still broken today, Dave. And you're right, time. That was almost 20 years ago. I don't feel like I felt it then but it knocked me out for a year. But you've also had real success, too. So I want to look at how you balance your time. Are you taking more time off now than you used to? Did you ever reach a point of almost burnout? Do you think burnout's a myth? Like what, how have you approached that sort of work-life balance? Because I follow you, and some of your family on Instagram and Ramsey personalities, you know, you got a nice boat, you take people out, you barefoot water ski still, that kind of stuff. Like what's your R&R like and how has that changed over the years?

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DAVE RAMSEY: Well, the burnout question for me is pretty simple. I've never gotten even close to being burned out because what we do has such meaning and it's such a calling, I do get tired. That's different than burnout. When you push too hard and you too many days in a row. And okay, I got a 6:00 a.m. Fox hit and I'm signing books at 11 p.m. that night in a different city after a jet flight. Yeah, that'll get you after a while. And that's definitely a young man's game for sure. But, man, you get fatigued and you have to be careful with that because fatigue makes you do stupid things that will ruin the whole deal. And so you got to be real careful but I haven't gotten burnout. So I haven't had that problem and work-life balance has gotten better every single year as we've added more team members because, most of the stuff, I don't do it.

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CAREY NIEUWHOF: Yeah. Wait, you're one of them? Be a guys know?

DAVE RAMSEY: Yeah. Other people do the work now. So you know, and it's gotten even worse as I get older because you know I'll be 63 soon. I when I turned 60 I quit working Fridays. And this last year, my son, who's been with us 11 years, moved into the President's role, Daniel. And so he and I have the pleasure for the next season of having two offices beside each other. And we're basically running this

together as CEO and President, but he's doing a lot of the tactical stuff and stuff I might've done five years ago or 10 years ago. He's definitely got his hands on and loves doing it.

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So I've got that, but yeah, plenty of downtime. First time ever, what, four years ago, I took three whole weeks off. I'd never taken three weeks in a row off. And we did that. We liked it so much we did it again. And now we take a month and stay in Cabo for a month at a time. And that's not that unusual. So I'll be down there for most of November, as a matter of fact. So, you know, but that's, you know, so yeah, and we leave on Thursday night and go to the lake house. You've mentioned boats and that's just south of here in about an hour or so. We're down there on the weekends, I'll be down there this weekend, and teaching the kids to barefoot now, the grandkids, and so, all of that kind of stuff. So, yeah, there's a lot of, I mean, we don't even most of the people that work at Ramsey. I mean, 99% of us, we're here at 7:00, we're gone by 5:00, 5:30, and so, if I drive I'm walking through the office at 6:00 p.m. and there's somebody here, I want to know why you need to go home, you're not the Messiah. Jesus is he's the only one that needs to be working at this hour. So the rest of us, you know, you got 1,000 other colleagues in the building that will help you get this done. So what we're going to be okay, you don't have to you know you're not proving anything by being a workaholic at Ramsey. We don't do that.

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CAREY NIEUWHOF: When you look back over the, your time, as CEO of the company were there particular like, you know, we talked about a failure in the hardest part but was there an inflection point, like one decision or a series of decisions that you made that really became inflection points for the scale and growth and impact of Ramsey?

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DAVE RAMSEY: You know, I kept waiting on that, because we're in broadcast, we're in publishing spaces, we're on live event stages. So I kept waiting to be discovered and someone would come along and make it easy, and do it all. And I'm still waiting on that, it hasn't happened and so every one of these dad-blame things is a dogfight.

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Every one of these has got dirt under our fingernails from scratching and clawing and hustling and grinding. And so, occasionally we look back and we can see an inflection point of something that broke through, kind of a, oh, there's this internet

thing. Look at that, who knew? And we're actually probably seeing that right now. A recent report came out about three days ago that we got ahead of in the industry that for the first time in history right now, on-demand, podcast, YouTube-type things, on-demand broadcasting has a higher listenership than regular broadcasting. So we're in talk radio on 680 stations. We have a podcast and YouTube of the same program and we have more on YouTube, more on podcast than we do on mainstream radio. And we're the second largest talk show in America, second only to Sean Hannity.

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But it's passed. So there's an inflection point there that this, this medium that you and I are doing right now has moved the needle, it's it has shifted from me being in talk radio for 30 years, now I'm a podcaster is what it amounts to you and so I'm good with that. That's fine.

CAREY NIEUWHOF: I was gonna say, do you care?

DAVE RAMSEY: No, I'm medium agnostic. I just want the message out. So, you know, we'll put it out in a hardback paper book, if you want it as an audiobook we'll put it out that way too. If you want it as an e-book, will put it out that way too. I mean, I don't care, we just got to get it to you. That's the thing. So you can get your life changed. That's the point. So, yeah, but that's an inflection point. I'll give you an old one that's fun. We were teaching Financial Peace University every night with an overhead projector and a bad suit and a hotel Ballroom across the street from our offices.

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We'd have 300 people a night sitting there, we break up, we rented all the sleeping rooms on the first floor, flip the beds up against the wall, and break up into small groups on the whole first floor after I taught. So I teach a lesson, we go into small groups, that's the model for Financial Peace University, have a discussion after the lesson, and accountability and encouragement. And that's always been the model we were doing it very analog. And this guy working for me comes in and goes, hey, there's a lady in the weight loss space that's put these videos out on VHS tapes and they're teaching them in like, three thousand churches. He goes. We need to put this on VHS tape and I went, no, no, no. You can't change people's life on a screen. You got to be in their life. You got to be there in person. I mean the the humor won't work. The visceral connectivity that is required for heart change. It won't work. You won't it won't work and he kept on me and kept on me. We spent \$7,248.00 putting those lessons on VHS and got some of those small group leaders from those hotel

rooms to take it to their church and start a class. And I walked in the back of the church and people are back to me. They didn't know I was in there. They're watching the tape. I cracked a joke and they all laughed. I said, if this is you, raise your hand. And they all raised their hands to a video like I could see them. It was so distressing. I was so wrong.

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And that version all the way up into DVDs and Financial Peace University has been taught now in 50,000 churches to over 10 million people because we made that one change. That was an inflection point that I didn't realize at the time. And I fought it. I was against it. But I tried it anyway, because the guy, he just wouldn't let up. And I was taking input from the team, right? The frontline people. And they're like, hey, we're pretty much bottlenecked. You've done about all the overhead projectors you can do, dude.

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So we gotta do something to get some scale and all right, let's try it, it won't work but we'll try. It is only seven thousand dollars if we waste it it's okay, man, was I wrong.

CAREY NIEUWHOF: Wow, so you're getting ready for succession and it was interesting having spoken to your staff at staff chapel earlier this year, literally, you could still smell the carpet in the event center. I think I was a second speaker there, you have sunk a lot of resources that God has given you into brand new offices, brand new event, center brand new broadcast location where you're in right now, right? With your new studios, and everything like that. And as I'm walking up there, I'm thinking, my goodness as a guy who I thought you were in your 60s, you affirmed that today, you've got your foot on the gas pedal, Dave, like it's not on the brake. So how are you thinking through succession, investment, next generation? What are your plans? Because this is something so many leaders are facing right now.

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DAVE RAMSEY: You don't, we started studying that. I don't know exactly what happened, but I remember if I was 48 years old and it suddenly occurred to me, I'm gonna die someday. I don't know why it hadn't occurred to me before, but it did, I suddenly had a mortality moment and I thought, hey, I teach stewardship for a living, to not have a succession plan is like the ultimate insult to the whole stewardship message. That's the worst stewardship you can do is build something

that God owns and you don't manage it well enough for it to survive you. That is so egocentric, it's so ridiculous. And yet, almost everyone does it wrong. They don't do it well, succession is very seldom done well. So I started studying family businesses and ministries, churches, that had done some kind of successful handoff, and I studied some dumpster fires too, trying to figure out what the anti-principle is, and you know we started going okay. One principle is, the more gradual, the higher the probability of success.

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This thing of the owner or the main guy or gal grabs their heart having a heart attack falls back into the grave and tosses the keys as they go, that one doesn't work, you know figure it out after I'm dead. That one doesn't work. They almost never survive. A very low probability. So we started immediately, as soon as we discovered that, thinking about okay how's this gonna work? How's this gonna work? What does it look like? What's the flow chart? What if something goes sideways, you know, what if that then what you know and started talking that through? And then we started studying family businesses. There's a good family business material out there on operating that and that leads you into some succession things and so what we discovered was that it requires for the organization to survive, especially first-generation founder like me. We're by nature stubborn control freaks. That's how we were able to build it, but it also causes us to not let it go when we should and we kill the thing we love and even the people we love by holding on too tightly. I don't own this. God owns it. Okay God, what do you want to do with your business? If I was hired as an outside CEO, outside of this to come in and run this thing, the first thing a logical CEO that wasn't emotional would do is start to think about how to succeed, how to do succession, but, you know, when it's your little baby you have been rocking, it is very difficult to let go. And so another correlation we found between successful succession is the more noble the calling of the individual, we call it higher calling.

[00:36:14.000]

If it's all about me and what I get out of it, you're not going to do a good succession plan. If the, if the CEO's, like mine, mine, mine. If I go in the pastor says my church first thing out of his mouth. Oh you got that wrong Pastor isn't yours. Okay? But if they say that out of the abundance of the heart, the mouth speaks, you're gonna have a hard transition with that guy. He's not gonna let go, "my church," it's not your church, and so first thing I gotta do is break that so I said all right, as difficult as it is as much as the little boy Davey that lives inside of me doesn't want to do it, I've got to step up above this thing and do, what's good for my family, what's good for the

kingdom of God? What's good for these people? And that is to do a good succession plan, which requires me to systematically let go on a gradual step-by-step, iterative process.

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And every time I let go of something else, we change the show in 2020 from the Dave Ramsey Show to the Ramsey Show. It was emotional on the air the day that we changed it, you know?

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CAREY NIEUWHOF: What did you feel?

[00:37:15.100]

DAVE RAMSEY: I mean, I felt as unimportant as I am. I don't like that feeling. I want to be important. I'm a human being. I don't like that. But the noble thing to do was to set the show up that has, you know, about 30 million people tuning in a week through its various mediums for generational success, that it doesn't die when I do. I mean, Rush Limbaugh was a friend of mine, but it died when he died. It was awful. And he had a legacy. I mean, he's Elvis of talk radio. He invented it. And it died with him. He's already a distant memory and it was just a couple years ago, no plan whatsoever. Even iHeart had no plan. They were all in denial that he was ever going to die. And so, and you know, that's why I want to be the other end of that, not because I'm mad at Rush or iHeart, they're all friends. I love all of them and I wish it hadn't been, but it's very difficult to do emotionally, and it's very difficult to find the talent to step into those shoes. Those are big ol shadows. Big old shoes.

[00:38:24.700]

CAREY NIEUWHOF: Yep. So I know you're somebody who cares because last time we had a conversation here, you talked about what is your fuel for doing this radio show for 30 years and it's hey, somebody woke up today broke, they're going to call in, might be my 10,000th Rodeo, but it's their first and I want to be there for them.

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So, and we've seen glimpses of your heart, but I was talking with a friend of mine this week, who just stepped out of the CEO role and handed the reins, and he was in tears on the phone with me. And I was in tears, three years ago when I stepped down from the teaching team at our church, and I felt like, you mentioned feeling like a little kid, first Sunday when I was at our church where I was at the lead Pastor, I had this little temper tantrum, just to myself, because my office was gone and I

didn't know where to put my hat and I'm like, come on, where do I put my coat, like, this is not fair, didn't I build this thing and then, you know, God didn't smite me dead, Dave, but he should have. I didn't build that thing.

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DAVE RAMSEY: No, he's smiling at us.

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CAREY NIEUWHOF: I know he is. But like those emotions. What are some of the emotions you've gone through as you've started this journey?

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DAVE RAMSEY: You know, I think that's it. And it has helped me to incrementally let go. And so, you know, this last stage, or this current stage we're in where we just brought Daniel in as co-CEO. I didn't bring him in and step away.

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We're gonna get to do it together for a while. And I mean, there's a probability that he'll get tired of me the further into this we get, and he'll always honor me because he's a sharp young man and he's smart that way. But our long-term plan tactically is for me to stay on the air and to continue to speak and maybe even do a little bit of writing as long as I don't get in the way of the other book launches and that kind of stuff. But I would continue to do the Ramsey Show as long as I make sense.

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I did tell him if I don't make sense, take me off the air because I've got some friends that stayed on the air past when they made sense. And so yeah, you have the permission to take me off the air on that, but I could do that well up into my 80's even and that may be my thing. And I come down to the place that I built, have a place to put my hat still, but not being necessarily, but I wouldn't be in the CEO of the operational roles inside the organization. I wouldn't be making those decisions anymore, I would be only talent so to speak, in quotes, at that point. So that's an incremental thing. It's not as sudden as I just don't have, I'm gone, you know, this chopping thing.

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And so that's a luxury we have because of, because I do two things here. I'm the CEO and I'm talent, and so I can keep part of it, as long as I stay out of the way of the

Ramsey personalities, and let them step into the brand succession that we've built, which is exactly what we did there.

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And I've got the owner transferred we've already transferred the ownership, I only own one percent but I own the only voting stock.

CAREY NIEUWHOF: That was a good deal, Dave.

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DAVE RAMSEY: So so far, you know, I'm still in control but I can choose to turn that over whenever I want, or at my death, it'll be turned over instantly.

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But I have never led, even my family as grown people, except by persuasion, anyway. So I'll never lose the ability to do that because I'll lose their ear because I'm not going to lose credibility. So I can still sit down in a meeting and and make an argument I just won't be making it as the guy who owns the place at some point.

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CAREY NIEUWHOF: Well, you said it earlier those of us who start things are often control freaks and we definitely have opinions. I'm sure it's happened already in in the history of Ramsey where people have made decisions and you're like no, that's terrible. But now, you know, the c-suite is not just you anymore. Have you had a situation where the team that you appointed, have selected, has made a decision that you fundamentally disagree with, and then what do you do with your opinion or have you imagined yourself in that role? Almost everybody who's gone through a succession. I've had this conversation with Dave says that just takes Incredible self control and restraint. I'm just wondering if you face that and if so how you handled it or how you would handle it?

DAVE RAMSEY: I haven't faced it yet because I'm still in the leadership seat, and so the there's not something happening without my purview, you know, without me, knowing it's going on. So there's just somebody that went over and just went feral, went renegade and did something then came back in. Well, that was dumb. You just screwed the whole thing up.

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No, we don't operate that way, we're more or more congruent than that. And so, but I do, you know, we have managed since 2012 with an operating Board model which is not as nothing to the board of directors. These are the key players at the top of the leadership food chain that sit in a room every Monday and argue and fight. and smile and laugh and tell jokes and do life together and make all of the major decisions in this place, including setting a vision statement including strategic off-sites, including all of these things, we do all these things together. We love each other, we love each other's spouses and we argue in there, it has happened in there. I hold the trump card because I'm the owner, I can go against the whole room.

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But if there's, you know, there's 14 people in there in one setting, an executive council is, there's 8 people of that 14. In neither of those rooms of five or six or eight, who are really people I trust, I've worked with for a decade, there are intelligent. They love God, they love people, and I trust their business acumen. If the vast majority of them are coming against me, I automatically assume I'm wrong.

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And so we go with the consensus model here. Not because it's governmental to do consensus. We don't take a little vote or something, but we argue it through to the point that if someone is in the minority in the room and we go, we're going to go forward, they go, okay, I trust the eight of you more than I trust myself. I'll go with y'all because we've fought battles before together and I was wrong. And by the way, we always laugh and say, and if you're wrong, I'll remind you of it later.

[00:44:41.800]

CAREY NIEUWHOF: That's good. All right. So I'd like to talk about working with children. This is surprisingly common. So in my little company with what I do with the podcast and other stuff, my wife and I are the owners, the shareholders. One of my sons works with us along with a couple of other people. Churches. I run into so many churches where it's father-son or father-daughter succession. And you have that. You've got three children. I think they're all involved in different levels with Ramsey Solutions. Rachel Cruz, obviously, people would know her. She's a Ramsey personality. Daniel, fewer people would know, but co-CEO now. Very, I just spent a few minutes with him when I was there, but very quiet. I've heard doesn't really enjoy the microphone as much as other Ramseys. And then Denise has a different role in the company. What are you learning about the dynamics of working with children in a company?

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DAVE RAMSEY: Well, the first thing we figured out as as they were moving towards possibly being part of this team was we said hey this is hard, don't come unless God tells you to I mean just don't come. Don't come because you think this is going to be easier. It's going to be harder than you working at XYZ company, whatever. You could go to the same thing over there and it won't be nearly as emotional or dramatic. Don't come, and we had no pressure on them when they're growing up, no expectation. When they're 10 years old, Daniel someday you'll be the president. No, none of that Daniel someday you probably won't work here, and I was like you know, you do whatever you want to do, what does God's telling you you need to do. Then the second thing we did was, you know, the proverb train up a child in the way he should go. And when he is old, he will not depart from it. The Old King, James says, in the way, he is bent. So what is this kid's wiring? And so if you got a high energy people person, I mean, Rachel's the dancing poodle kid.

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I mean, she came out of the womb with a cigar and a bottle of champagne ready to go, you know, I mean we knew she was going to be on stage somewhere. We just weren't sure it was here, right?

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And so she's wired to do this, to the Ramsey personality role. But she has zero ability on detail. None and so it would drive this whole place crazy if she served on the budget committee, she can't even spell it.

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So no, she can't be in there, she's one of the three owners. She can go in there and sit, she's welcome to, but she has no desire to, no acumen to, none whatsoever. Daniel's been an entrepreneur his whole life, he's always loved business, he's been a little business nerd, he just loves it. He loves the business problems and solving them. For him, it's like building a Lego set. He's just like, we're in there arguing about a digital thing this morning, we got a digital product that's gone sideways and we're trying to fix it. And he's like, oh, this is so fun. I'm like, it's not fun, it's stupid. And he's like, he loves it.

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And so, and Denise is the big-hearted ministry kid. And so she was working for a ministry out of college, Nancy Alcorn's Mercy Ministries. And she was there several

years and we were opening up our Ramsey Family Foundation to do our philanthropy through. And I said, do you wanna come help me learn how to build a foundation, be the director, learn how to do it? I don't know how to do it, you don't know how to do it, but we'll get with some people that do, we'll figure out best practices and we'll go do it together. And she said, no, I don't think God's released me yet.

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And it was two more years and we were stumbling around with the foundation. And she said, okay, I think it's time and she decided to come and boy, her big heart. I mean, she is incredible working with ministry. She can see straight through the gobbledygook that ministries put forward sometimes and she can see the the incredible work they're doing instantly and has tears in her eyes, almost every day, it's just wonderful.

[00:48:37.000]

So when I plug them into how they're wired and those that's the three Ramsey examples then. The once they come on board, Henry Cloud taught me.

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This is fabulous and you're a good friend of Henry's as well.

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And he said, you know, wear a hat when you're at work that says, boss or CEO, so I wear the CEO hat. Rachel Cruz is a Ramsey personality. So is George Campbell. So is Dr. John Delony, I treat Rachel at work exactly like I treat them. I have the same expectations of her as I do of them. She treats me with the same respect that they treat me with. And she can argue with me just like they can argue with me, but she can't use her teenage eye-rolling 13-year-old daughter voice on me at work because that's not appropriate. And I can't use my dad voice on her. So, I have to have to keep that hat on and that's stay in your lane stay in your role. And so Daniel and I have a one-on-one as CEO to president one-on-one meeting for accountability and projects were working on, very business itinerary. We go into it every single week just like I do with my other business unit leaders that are coming into my office to show me. What's going on, what's broken, what we working on, same exact format, you know, same L10 process everything is running at all like that and then we go home.

[00:50:02.000]

They actually bought me a hat for the lake. This is best papa ever, right? And so I'm Papa Dave. I've got the grandbabies on my lap or behind the boat and I'm Papa Dave and these are my kids and my grandkids and my wife and we laugh and we don't talk business at the Thanksgiving dinner table. It's not allowed.

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The only time you can bring it up, you have to ask permission of the other people there.

[00:50:31.000]

CAREY NIEUWHOF: We have had a very similar dynamic in my family. So my son calls me Carey at work and I told him when... Yeah, they call you Dave there. When he was coming over from accounting, he was in the accounting department at BDO and then came four years ago, four and a half years ago.

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And I just threw it out on a whim. I'm like, hey, I kind of need to see a CFO, this thing's growing beyond my ability to manage spreadsheets, long story short, I said you're gonna have to work twice as hard because people are going to think you have this job because you're my son, because your last name and you're going to have to be twice as competent. Once you have the respect, it'll be fine. And I mean, he over-delivered, over-delivered over-delivered. Now he has that, and he calls me Carey at work and we don't talk about this when we're together.

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And if we do, It's permission to ask a question about business interest.

DAVE RAMSEY: It's usually permission of the other people that are sitting there having listened to it. You know, the son-in-law that doesn't work there doesn't wanna hear it, you know.

[00:51:29.500]

CAREY NIEUWHOF: Well, you're on the air in a few minutes. So I just want to point this last question to you, this has been such a rich conversation. I didn't get to most of my questions which is a sign of a great conversation.

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DAVE RAMSEY: That means I talk too much.

CAREY NIEUWHOF: No, it means it was really good. Anything else you want to share with leaders as they navigate the growth of their organizations, thinking about succession, some of the challenges that we've talked about, any final word to leaders?

[00:51:54.900]

DAVE RAMSEY: You know, I think leadership may be a little bit like money in that the biggest mistakes people make is that they're not intentional. If you sit down and say I'm going to do money on purpose, you would never do that thing. If you sit down and said, I'm gonna do leadership on purpose, you would never do that thing.

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So, if good leadership, wise leadership, and competent leadership, is a series of intentional acts, then succession is one of those.

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It's an intentional act of a good leader. Delegation is an intentional act of a good leader. Hiring and firing and creating an atmosphere of unity and a safe space, not in the woke sense, but in the sense of emotionally whole and safe. That's an act, an intentional act of a good leader. Too often we get caught up in just getting the thing done, whether it's Sunday morning service is the thing, or the product delivery is the thing, the book launch is the thing. That's just the thing.

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When you get to the end of your life, you're not going to remember the thing. You are going to have the richness of soul of the people, you've led well, if your intentional with any incrementally, constant intentionality, one little thing at a time, one little thing at a time, you win death by a thousand cuts, and I got to tell you, it's the great joy of my life. I've had a blast.

CAREY NIEUWHOF: Mmm-hmm, any particular resource you want to direct us to right now? Obviously the radio show, the podcast, or YouTube channel. Where do you want people to go if they want to learn more, Dave?

DAVE RAMSEY: If they want more on the leadership stuff, that's our Entreladership brand.

CAREY NIEUWHOF: And you're back on that podcast now.

DAVE RAMSEY: Yeah, I'm Your lady podcast now, I'm doing taking calls from Business Leaders, that brand is aimed at businesses that are 5 to 250 people. We're not aiming at 5,000 people. I can help with that but I've never led 5,000 people. I can't tell you how to do it, but this I did today, I can do the other stuff today, and I did it two years ago and I did eight years ago and and I know the feelings. So yeah, the podcast is fun. I've been doing it ever since the first of the year and took it over. It's been there for a long time but I took it over and started taking calls and it's a blast. So yeah. Just check out Entreladership. That's the brand. And we've got events and books and coaching and it will help you with your stuff if you've got a small operation like that.

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CAREY NIEUWHOF: Until next time Dave, thank you so much.

[00:54:16.000]

DAVE RAMSEY: Appreciate you my friend, thanks for having me.

[00:54:18.500]

Carey Nieuwhof: Well I really appreciate how Dave opened up. I mean, you know, he's still Dave, he's got lots of opinions but my goodness, it's nice. You know, at the end of the day, we're all humans, right? We're all people and we have feelings too, when things change and I'm really thankful that Dave went there, that he shared that with you, because you know what? I think one of the secret missions of this podcast is to let you know as a leader that you are not alone.

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You're not alone. When you go through the emotions, when you go through the ups and downs, when you struggle, when you're trying to figure stuff out, when you got a little bit of success, hey, you're not the only person.

[00:54:53.700]

And we're gonna bring you another conversation along a similar vein, very vulnerable. Actually, we recorded this. I wasn't there. It was like a virtual thing. But in their bedroom, they did the interview. Judah and Chelsea Smith are gonna talk about the personal side of leadership. I'll give you an excerpt on that in just a second. But first, if you have not yet got my free guide, Four Steps to Engage Your Church Around Generosity and Giving, get it now. Click the link in the description of this episode or visit engagegenerosity.com. And then, wouldn't it be great, either by video or live and in person, completely free to have a Compassion alumni speaker, a

child who's now an adult, raised in poverty, talk about the difference that a sponsorship made in their life. Go to compassion.com/carey to learn more.

So, Judah and Chelsea Smith we talk about the personal side of leadership, the ups and downs of marriage, and doing ministry together. What it's like to lead on empty and navigating, the world of celebrity here is an excerpt.

Chelsea Smith: I am literally, first thing in the morning, sitting on the toilet. Through a very thin door and that's not always a quiet experience first thing in the morning, if you could read between the lines. And Judah is right outside the door,

Judah Smith: I was in the closet in the closet, on a phone call.

Chelsea Smith: I just was like, nope, too much.

Judah Smith: It was Pastor Rich. Wilkerson Jr. It's his fault.

Chelsea Smith: I need to be able to go use the restroom in my own bathroom in peace.

Judah Smith: Then I'm like, I'm sensitive and I'm like my God I'm just encouraging a fellow minister, you know?

[00:56:29.000]

Carey Nieuwhof: You know, I remember we have a YouTube channel so you can check that out. It's growing and yeah this was this was a really really fun conversation. Also coming up Mike Todd, John Crist, a series on AI where we talked to some of the leading experts in the world about AI. Louie Giglio is coming back. Philip Yancey, Heather McGowan, that was a great conversation. Dr. Karen Gordon. Grant and Cheyenne Skeldon, and a whole lot more. And have you yet signed up for my newsletter? It's delivered every Friday and in it I feature some of the most fascinating and curious content that I have found that week in the world of, well, the internet. So if you'd like to start receiving On The Rise, over 100,000 leaders get it every Friday, go to OnTheRiseNewsletter.com. You can sign up completely free. Easy to join, easy to unsubscribe. But I think you'll find it really curious. I send something every week like a book recommendation that I really vouch for and also an article sort of in our field, right, which is church leadership. But then some really fun stuff, just bizarre stuff, interesting stuff, things you didn't know. A lot of them can become sermon illustrations. And if you're like me, I mean, the algorithms tell you what you should like. This is nonalgorithmic. I tell you what I think would be good for you. And it is stuff that I have found from a wide variety of sources. And it'll expand your

horizon just a little bit. So go to [OnTheRiseNewsletter .com](http://OnTheRiseNewsletter.com). You'll get my curated content, faith, culture, the future church, and a lot of fun stuff as well.

Thank you so much. I really appreciate you listening and I hope our time together today has helped you identify and break a growth barrier you're facing.