

## TRANSCRIPT

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Welcome once again to Success Left a Clue. The weekly podcast where I actually take those lessons from all over the world, those clues to success, turn them into life lessons and deliver them to you.

This is episode number 58, and of course, I am your host Robert Raymond Riopel. And I am so jazzed to be here. And I'm going to continue on from a lesson from last week's podcast episode, which was Airbnb. The one I want to talk about this week is called OQP. And that means Only Quality People.

So, if you remember last week we were talking in the podcast about this story of Airbnb and how they've achieved what they have. They did it to a point where they are valued at over 31 billion dollars.

So one of the keys to that and the reason I want to do this follow up podcast is I want to expand on something I talked about. One of the smartest things they did, and again, I don't know the details of how they did it, but one of the smartest things they did is they went out and they found a high quality CEO. Someone that had skill sets that they didn't. Someone that knew something they didn't, that were able to then take the company to another level instead of trying to do it on their own. So that's one of the lessons absolutely.

But the other lesson is, and it kind of ties into, you get what you pay for. So let me say that part again: you get what you pay for. If you're looking for the most inexpensive way to do it, every once in a while you'll hit it out of the park, you'll hit that person that can help you out, that takes it to a whole new level. But for the most part, if you're trying to do it on cheap, cheap, cheap, cheap, that's what you're going to get. And again, I'm going to be very, very clear and very, very upfront. I'm coming from my own experiences

I've tried it, all these different ways and I've learned from experience. I've had people tell me how to do it. I've had people say, "Robert, you've got to go for the quality people." And I wouldn't always listen. So I paid the price, one way or the other. And I'm going to kind of put it in. I'm diving right into onto this, right quick because that's the key to this. If you are going, you're going to pay one way or the other. Either you're going to pay for the quality people, and let me be clear, I'm going to tie this in a little bit later in this episode.

It doesn't mean you have to have a ton of money upfront to do it. But are there ways that you can get the quality people, make sure that they know that they're valued, make sure that they know that it's a good deal for all parties, win-win situation. All negotiations, you want to make them win-win. So there're ways to do that. And so, you want to go for the quality people because if you're just going for inexpensive, a) it's going to cost you more in time; because usually the cheaper people don't know what they're doing so you end up paying them more over a longer period of time to get the same job done. Or because it's cheap, there's no attention to detail.

Maybe I'm going to do a whole podcast on this. I'm going to make a mental note to myself: attention to detail. I'm going to use the example of when I started training and how I started training other trainers. I think I'm going to call that Attention to Detail: How that Can Impact Your Business.

So, what's cool is, because I'm going back to one of my most used clues, which is write it down, while I'm recording this, I just started my phone on the voice recording, so I could actually record down that thought, so I know I can do it. That's how easy it works, ladies and gentleman. Just happened! While I had one thought, I had another thought, and I knew if I didn't complete the thought and get it written down, it would be gone.

Alright, I digressed. Let me come back. Because I can go all over the place on these episodes, it's what I do. So, you're going to pay one way or the other. By trying to go the cheap way, you're going to get the cheap experience. You're going to get the cheap product. You're going to get the cheap, you're going to have customers who will only be willing to pay you cheap because they're going to feel that you're trying to do it in a cheap way. But if you look for only quality people, and then you go in with the mindset that you're going to find a way to make it work, watch what can happen. So, yes, go for the people that are experienced, go for the people who are passionate about what you're passionate about and move forward on that.

So how do you find those quality people? Well, the barter system—huge. Especially in a tighter economy, when people don't have the ready cash. Find people that are willing to do service for service trade. Or there's a one word and this is a very powerful word to use, it's called equity. I touched on it on a past episode, episode 57, where I said, “The CEO that they brought in, it's reported he has 30 percent of the company.” Some people aren't willing to give that away. I've heard people teach, they say, “Don't give away the farm until you see the crop.”

I totally, totally believe in that. Absolutely I believe in that belief. But you've also got to be willing though to find a way to be able to give some of the farm so that you can entice the people to work. It's called that vested interest. Everything I've done that my wife and I have had success with, we put in sweat equity. We had invested interest in it. In our Domino's pizzas, one of the ways that some of the franchisees were able to grow and create empires is they would find a good manager.

They would find a store that was doing very, very poorly. They would end up giving the manager up to 25 percent of equity in the company with guidelines of how they could earn more equity up to a maximum of 50 percent ownership. And by doing this, couple of things happened: a) that manager now who's already good became even greater because they had a reason; they were now invested, they were part owners. So they weren't going to sit there and just slack. They put in more work, they put in more effort. They built their dreams, they went for it.

And that then, brought up the value of the store, brought up the sales of the store and the quality of the customer experience. So, the one gentleman who would do this, he would take a store out of bankruptcy, maybe pay 35-40 thousand out of bankruptcy for the store. If he used to sell it, that's all you get for. So, he put a manager in it, give him 25 percent, over the next two years they could earn another 25 percent. At the 50 percent ownership, they had the right to buy him out. Over those two years, to get to that level of meeting the criteria to get the extra percentage, the manager had them worked their butts off and make the store do well.

And so, two years later, they're now 50 percent owner and they're able to buy the franchisee out. By that time, the store's now worth 250-300 thousand dollars. So, if you're doing the math, it not only made two years of profits of the 75 percent profit of the company. But now if that manager wants to buy them out, 50 percent of 250,000 is 125. That's still a lot more than if they'd sold the store 100 percent in the beginning. I hope you see that.

So find ways to get creative. Make it work. Equity is a great one. So now, any deals I do, I want to have a really good invested partner that has some equity. I haven't found a science to it. It is a dance. It is a correct and continue. Always constantly asking those three questions that I talked about on many of the podcasts, “What worked? What didn't work? What do we do different?” So, you make a little adjustment and you go again. Make a little adjustment, you go again. If you do this, watch how quickly you can get there.

Only quality people. Have that as a mindset right now. From this moment forward, that's your mantra. Any new business you're in, any current business you're in that you want to expand, only quality people. Or another way of putting it, if it's talking about employees, something I learned back in my Domino's

pizza days—hire slowly, fire quickly. Hire slowly, fire quickly. Because holding on to people can infect your whole process if they're not good. So only quality people. I know there's a fear, “But Robert, I need the staff. I'm short staffed.” You can do more and build a stronger company with quality people if you take care of them than having a whole bunch of stuff of people that are not quality.

So with that, episode number 58, Success Left a Clue—Only Quality People. This is Robert Raymond Riopel. Again, please tell people about it. Share this podcast if you've been getting value. Leave us a comment, leave us a rating on iTunes or however it worked for Android. I'm going to have to still look at that up, find out how that works for Android. It's because of the listeners that I keep doing what I'm doing. I hope you find value. You guys are awesome. We'll talk to you on the next episode. Have a great day and always live with passion.

[Outro]