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ACCELERATING ENTREPRENEURIAL SUCCESS PODCAST

EPIISODE
70

Mark Sanborn

Show Notes at: <http://www.aesnation.com/70>



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We are thrilled that you have joined us here at AES Nation, where we're dedicated to accelerating entrepreneurial success—your success.

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Best of success,



John Bowen
Co-founder, AES Nation

John Bowen: As entrepreneurs we are so excited about building great businesses, we're oftentimes though really technicians, we kind of got into this not knowing the success we had. We're great at doing what we do, whether it's widgets or professional services, but as we start scaling up, all of a sudden now we need more people. We need to provide leadership. We have to inspire our team and our team has to inspire our other employees. We're not always well prepared.

Today I've got an unbelievable, remarkable guest. He's an international best-selling author on leadership, on customer experience, on how to build a great business. One of his books sold over a million-six copies and he has dedicated his life to helping fellow entrepreneurs really provide that leadership and pump up their productivity and profit. Stay tuned, you're going to be inspired and have some real key actions to take so you can do it too.

Mark Sanborn, I am so excited to have you here. We have a good mutual friend, Bill Bachrach, that introduced us, but I've had the privilege of reading some of your books, watching your videos, following you, but this is the first time at least meeting you live, not quite in person, virtually here. Thank you for joining us, Mark.

Mark Sanborn: All my pleasure, John, thanks for having me.

John: You have inspired, I was going to say thousands, but really millions of individuals and entrepreneurs to really excel at their success, and that's what we do here at AES Nation. When Bill told me that you guys are good friends, you're on one of the top speaker roundtable together and he would introduce, it's like, "Oh Bill, need to meet you. Meet Mark and get him on our show." Mark, before we go into how they're going to pump up their productivity and their profit, because every entrepreneur loves this, why don't you give us a little bit of backstory, how did you become so passionate and really dedicate your life to this?

Mark: I got interested in public speaking at a very young age. At the age of 10 I entered my first contest and did so badly and was so mortified that I decided I was going to invest the time and effort to become a good public speaker. The reason that's relevant is because it was through speaking that I got interested in leadership, because the ability to communicate effectively, whether one-on-one or in print or in a presentation is so critical for successful leadership that it was kind of a natural evolution.

I now today believe that leadership doesn't just make a difference, it makes the difference. It makes the difference for an organization, it makes the difference for a community, for a nation, it makes the difference in your home. These principles of leadership which I developed both during college and after college as a sales and marketing executive in the publishing industry, these are principles that are transferrable. They don't just apply to your entrepreneurial efforts,

they don't just apply to your personal life, the application changes a bit but these principles apply to everything that you do.

John: That's great, and I know you've been out there, you're traveling the world sharing this message and I feel really privileged to have you with us. Mark, let's get into action because we've got all these entrepreneurs, we've got several thousand of our friends listening to us here today or watching us on the video podcast, and what I'd like to do is really dive in to some of the key lessons that you've learned as you've helped ... I looked at your website, I think you said you had over 2,400 clients along the way, some of the top firms you've had the privilege of working with, and it's one thing that you're not only sharing your insights but you're learning what really works. I want to hear what works.

Mark: Why I advise leaders at all levels and I've learned a lot both through my own experience and vicariously through the experiences of my clients. Since today we're going to focus on boosting productivity and profits, I want to focus on that slice of the leadership pie because there's a lot we could talk about, but the first thing I want to challenge listeners and those that are watching the show to do is to simplify their business. I'm a big fan of Occam's razor.

Occam was a theologian, and believe it or not, a scholastic philosopher that lived over 600 years ago. Many of you will be familiar with his famous saying which is make things as simple as possible but no simpler. What he was saying is simplistic is an oversimplification of something, and it doesn't serve as well. But if we can cut through as much unnecessary complexity as we can and really boil it down to the five or six what I call irreducible minimums that give you most of your results and most of your profits in your business, you won't be distracted and led astray chasing rabbits of little value down rabbit trails.

I think the first key is to simplify your business and your business model to know, essentially, what are the five or six things you could do or should do every day that would give you the biggest payback on your investment of time and expertise. That would include, by the way, your team to make sure that they're focused on what really matters and that they're not distracted by time and energy-wasting activities.

John: Now I see this so often as we go ahead and, Mark, we're looking at building up our businesses and initially as entrepreneurs it's simple because we're ignorant, that type thing, and then as we get doing things and opportunities come we make it so complicated. I always like to think of it as getting on the right side of complexity, that level of simple. And that's just so important. That's great, and that's one I think all of us as entrepreneurs need to take heart, and it's an ongoing battle because things get more complicated quickly.

Mark: Well, there's enough complexity in the world without us adding unnecessarily to it and I think that clarity gives you the power to move quickly and boldly and effectively, because

once you know what's truly important then you can focus on those things. Distraction is probably one of the number one killers of business success in any arena. That's the idea that you've got to do everything equally well. It's also a form of perfectionism when in reality there are some things that you need not do at all, some things you need to do and get done, but a very few things you need to do very, very well.

John: Mark, how do you get clarity? I mean you know, you want to serve, you want to be a hero to this group and you want to really take great care of them, but there's all these things going on and we can include everything in the kitchen sink. We've got all these business issues, how do we identify those key drivers that we should focus on?

Mark: In my book *You Don't Need a Title to Be a Leader* I talk about an exercise and it really involves three steps. It's simple to say but very difficult to do. If you do it, if you invest the time it'll pay back great dividends. Number one, think of the 188 different things you do every day and we all have long lists of things that we do but a majority of them don't really matter nor count. Identify your six to eight what I call MVP activities. That stands for Most Valuable and Profitable.

Those are the things that I alluded to earlier that give you your biggest payback on your investment of time and expertise. It can take you several days to really boil it down because you're going to have a lot of different activities competing for those top spots and the number six to eight is not a magic number. In my own business I'm down to four, that doesn't mean I only do four things, but it means I know there are four things that give me the biggest payback. The second step is once you know what those MVP activities are, is to schedule 60% to 80% of every day to do them. Therein is the rub.

We often know what we should do but we don't do them. The reason we don't do them is we don't schedule them. If you have an important person you were meeting with, you'd make an appointment. In the same way, if there are some key drivers of your business you need to block time on your calendar not to take interruptions from email or the phone or drop-by visitors or those that want to socialize. You still got 20% to 40% of your day to deal with those distractions and things that you don't completely control.

If you could spend 60% to 80% of every day on those key activities, you'd be laser-focused and you'd see your productivity and the resulting profits jump. The third step is to ask each of the people in your team to put together a list, and then before you sit down with them to look at their list, if you're the leader, if you're the entrepreneur, the President, the CEO, you need to do a list for each of the people that you directly lead, because you want to compare lists.

You want to make sure that you leave that meeting and the employee or the team member leaves that meeting very clear on what should be done and what you both value. It can be

very frightening to know that an employee might be spending a great deal of time on something you don't even want them to be doing, that there might be something in their six to eight or ten activities that shouldn't be there. Until you kind of compare the score or the sheet music, if you will, you won't know if people are playing the tune correctly.

John: I love it. What I find I'm thinking simplification, clarification and really involving the team. I got to tell you, Mark, I know I'm probably not that different than many entrepreneurs, at least in my early stage. I try to take it all on myself in doing this and we now as a team we're not quite as efficient as you. We have the big five that we focus on, and boy, everybody knows and those are the ones, if any of us get off-track, they remind, and the biggest danger of getting off-track is me. They're good at scheduling my time to make sure I'm staying focused on that too. That's great.

Mark: John, let me interject something because I think it's so important and it's related to pumping productivity and profits. There's only two ways to grow any business in the world. Grow yourself and grow your team. When you increase your skillset, when you clarify your focus, when you schedule key activities and you get your team members to do the same, growth is inevitable. The problem is most leaders do everything pretty well except growing themselves and their team.

Nobody grows accidentally, it requires intentionality, it requires a plan, it requires effort. If you and your team aren't smarter at the end of the year than you were at the beginning of the year, you're missing one of the biggest challenges and the most important challenges of leadership. Because if people are growing in their skills and capabilities and then they're focused on doing the right things, growth is inevitable.

John: It's not only that, Mark, what I'm seeing, too, and I mean totally I didn't do that in the beginning of my career as much, now I do. They love it, people love bigger challenges, they love moving up and they now have the skills and capabilities to do that and what I was like is they're trying to create the bigger pie for the entrepreneur. What more could we ever ask for, for our team of delivering more value for the clients, as we deliver more value, as they do well we get to do extremely well, it's very leverage part. That's really powerful. As we're doing this, what else should we be doing to pump up productivity and profit?

Mark: I think all entrepreneurs need to be continually growing their value proposition. Regrettably a lot of entrepreneurs begin with a very good idea, they develop the idea, they develop a distribution system for the idea, and they think that they can just keep selling that product or service or experience over and over and over. The problem is all your competition continues to grow their value proposition, upstarts continue to bring new value to the marketplace, and so value should be dynamic, not static. You can't rest on your laurels very long.

That means at least once a quarter if not more frequently, maybe even once a month you need to sit down with your team and look at the things you can do that will add value that your target audience, your customer, your prospect values. That's another mistake, and I don't want to go too far afield here, but adding something to your product or service mix that isn't value is a waste of your time and energy. It's got to be something that the customer finds valuable.

If you can continually look for ways to tweak what you do and add value on a regular basis, as you continue to grow your value proposition two things will happen. Number one, you'll stay ahead of those who aren't growing their value proposition, and number two, those customers who have done business with you in the past will always have a reason to come back and consider doing business again, because you're continually fine-tuning and increasing the value that you offer in the delivery of your products and services.

John: No, I see that all the time. We're always trying to raise the bar and it's really the value proposition that we're delivering. What I see is you don't have to worry about the competition as you do that. If you can listen to your clients, your customers, what they're looking for and find those things, oftentimes you can add value, one or two things in the course of the year that are not that expensive to do, that you're uniquely positioned to do that can differentiate you and make you more distinct from the competition, and it's a really powerful process, Mark, that you have.

Mark: In my book *The Fred Factor* I say the goal is to outthink your competition, not to outspend them. As you grow your business and you have more revenue, there's a tendency to throw money at problems and you go from being a bootstrap entrepreneur that's very powerful and creative to a bureaucratic dinosaur organization that uses money to make money. If you can replace money with imagination, if you can replace capital with creativity, that's the best way to grow your value proposition.

John: That comes really together with what you were talking about growing your team and yourself. That's where innovation comes about, I've found, is that working both internally and externally probably not that different, Mark, than your speaker roundtable. I'm in Mastermind groups, the AESNation.com is really a virtual Mastermind and hearing ideas like what you're sharing today, getting involved with those that resonate and taking action, that's how we just see that acceleration happen.

Mark: That's true, you've got to be open to new and stimulating ideas and the best way to do that is to surround yourself with likeminded people as you mentioned, Masterminds and collegial groups of people who are at least as good or better than you are so that you're not just reinventing the wheel or rehashing what you already know. It's always important that there are people in any group that you participate in that will stretch you and your thinking or

else you will be able to contribute a lot to those beneath you but you won't be able to grow your own business.

John: Well, I mean these are some great recommendations. Like I've got a few businesses, I always like pumping up productivity and I like profit even more when we're serving our clients and delivering value. Is there anything else that you're seeing out there that is really driving the success of these fellow entrepreneurs?

Mark: I think one of the biggest tips I could give you today is that I think there's been a paradigm shift. I think there's been a very significant shift in professional selling. In the past if you promised value someone who believed you would agree to buy on the promise of receiving value after they'd purchased. I think increasingly today, to be successful you've got to prove value before people make a buying decision.

I think one of the reasons why people involved in intellectual property, whether they're authors or speakers or consultants or coaches, why they make such good, rich information available for free online is that it lets people know that if you enjoy this information, then the information that you could have access to if you invested in our product or our book or our webinar, that's even going to be more valuable. That's what I call delivering value to prove value.

You don't just ask people to take a flier and take your word for it, but you demonstrate to them in some way that they've already gotten value before they even signed the contract. If you can do that you'll always have a competitive advantage over those that simply promise to deliver value but don't prove it.

John: I see, and I'm going to go at the end, I want to go to your website, Mark, because you guys have delivered tremendous value. I do the same in all our businesses. What I've found is that people when they're searching for your product or solution, they don't call you right away. In the old days what happened is they would call us and we'd provide them information and they'd do some research or classic auto dealer, we'd all go to the dealership first, drive a few cars, get all the brochures and then make a decision.

The last car I bought, I bought an SUV, a BMW SUV for my wife. I never went to a dealership. I did the research and then went through a concierge service and the dealership just dropped it off and I signed the paperwork electronically. It's moving more and more toward that. The concept we have is we call it the free line, you've got to give about 90% of the intellectual property out there and then really the services you're doing is you help them through whatever it is you do that final part but they can make that judgment. I see it in everything you're doing, you're providing some really valuable content to let people know.

Mark: Well, John, you're describing a concept of tire kicking. In the old days, as you referenced, we used to get frustrated when someone came in and looked around and didn't buy anything. What we forget is when somebody comes in to look around at least you've got them in the physical proximity that you're in. Today so much tire kicking is done virtually. Like you said, you didn't have to go to a BMW dealership.

By the way, research is very, very clear that more people, the vast majority of people have background of the product before they go into the store to buy it. Today the tire kicking is done virtually, which means that unless you have a way to capture that person's information online you won't have the opportunity to make the sale until they pretty much made up their mind they want to do business with you.

John: That's such a dynamic change and it's easy for us as entrepreneurs, there's always that thought if we build a better mousetrap that people are going to come to us and they're going to have to order from us. In today's world, I live in Silicon Valley, I think you're in Denver, aren't you?

Mark: Yes.

John: Yeah. In every major city there's a hotbed of a lot of competitors and if you can build something somebody else can build it there. You need to be able to start that conversation virtually, provide the information and then have that ability to get them to raise their hand to explore with you working together. Mark, what are you seeing, anything else before we go into some of the other sections that you want to mention on the Pump Up Productivity and Profit?

Mark: I would say that it's very important to, and this is an idea that my friend, John Bledsoe, very successful financial consultant and I talked about recently. I talk about the importance of relationship building, and certainly with a big ticket item or, an ongoing service that relationship building is key. I increasingly have come to believe that we do a lot of relationship building with our team members, but with customers or prospects it's about connection. When somebody decides to buy from us, they're not going to come over on Christmas and have a Christmas dinner at our home.

We may occasionally develop some really deep and meaningful friendships from our customer base, but by and large a connection is a relationship in miniature. It's about the quality of the interaction that you have in the process of doing business. I think that we can never be too attentive to those connections. I recently was doing a blog, I do a blog with four other of my colleagues called the Five Friends Blog, and we did something a little differently where we talked about our favorite restaurants.

Our favorite restaurant, one category was a restaurant that was a chain, that you could eat at almost anywhere. I had planned to write about a chain restaurant that I liked, just coincidentally I'd already written them into the blog when I had a pretty horrendous service failure experience, and it wasn't even the service failure, it was how they responded after the fact that I just pulled them from the blog and inserted a different restaurant.

They didn't manage that connection, I gave them a chance to make it right, I gave them a chance to reestablish the connection and they ignored it. They'll probably never realize and it certainly isn't going to drive them out of business, at least my dropping them from my blog, but if you multiply that times dozens or hundreds of customers, over time it really does eat into the bottom line. You can't afford to be a cavalier, a loosey-goosey with a connection because you're too busy to give it the attention that it needs.

John: I see that over and over again, we're really good at data here and we look at and I have the privilege of coaching some top financial advisors and we coach them to have as many as 50 kind of multiplier connections, if you will, and we track and we see from our top group of connectors who would write us up in their blog, that generates over half of our new business.

You were kind enough to just take them off the blog, if you had written in how bad the experience was, that would have been probably a more popular blog by everybody other than the restaurant chain. It's just we don't realize how bad this can hurt us or how much it can help us, and this is why it's got to be a focus activity for every entrepreneur.

Mark: Well, there's two things that can help or hurt you, that is word of mouth and word of mouse, because it's very powerful in social media to post something negative or something positive and have a lot of people exposed to that information.

John: Let's go and let me go from these, these are great and I want to come back to them on the takeaways, because I think these are the kind of checklists that we as entrepreneurs need to have. I would go to AESNation.com, get the transcript as well after watching this and check off each of these to make sure you're doing them, because this is things that we all need to do. Sometimes they're just ideas are floating around, these are now action steps we need to do.

Mark, what I'd like to do is go to the next segment and this is The Book of the Day. One of the things, when I've got best-selling authors, I tell them they can't recommend someone else's book. I want to go, what do you think for ... of all the books you've written, what would be the right book to really recommend to our group here?

Mark: Well, I think my book, *You Don't Need a Title to Be a Leader* would be relevant, but for purposes of specificity, I'm going to suggest that you check out *The Encore Effect: How to Give a Remarkable Performance in Anything You Do*. It wasn't written just for salespeople, I think salespeople naturally benefit and gravitate to it because of the way it was written, but it's written for anybody about how to take whatever job they do and become indispensable, how to become the kind of employee or the kind of service provider that your boss or your customer, not just wants more of, but demands more of.

I would suggest *The Encore Effect: How to Give a Remarkable Performance in Anything You Do*.

John: Well, and let's go to the next segment. That's great, I haven't read it, I will download it right after. I love the power that we can download these things instantaneous and the next flight read it. I'd like to go, I know you travel, I travel, many of our fellow entrepreneurs travel, and even when they're not traveling they have their smartphone there and the next segment is the Application of the Day.

Mark, what's one of the applications that you enjoy using that increases that productivity that you would like to recommend to your fellow entrepreneurs?

Mark: Well, I think leaders and entrepreneurs need to be informed, and that's one of the reasons I like Flipboard. Flipboard certainly not the only news curation service out there, but the way you can choose topics of interest and the way you can fine-tune the selection and get exposed to a really wide bandwidth of information, makes it very appealing to me. I like the format, you can scroll through or literally flip through story by story, hence the term Flipboard.

A lot of the high level CEOs and execs I know use that as a primary way to get their news on just the major issues of the day as well as those specific areas of interest.

John: Yeah, it's such a great tool to kind of ... I'm moving my finger across the screen here, trying to ... because you just sit there and it's very visual, it goes over all the major stories of the day and you can even insert your Facebook and you can have different areas you follow that you're interested in. Now Mark, one of the things that I told people we would go to and I want to do this is the next segment which is Resources, and you have an extremely rich website. Why don't you share what we have there? Let me pull it up here real quick.

Mark: Well, I call MarkSanborn.com the mothership because it's really the portal to my blog, all my social media, my writing as soon as it comes out, as well as the other resources we offer in our store. I would say at the very least I blog, on a weekly basis, some weeks I blog twice a week, I also blog with my other four friends, Joe Calloway, Larry Winget, Scott McKain

and Randy Pennington, that's the Five Friends Blog when you include me, that I was talking about.

Start with my blog, I would also encourage people, if you want to invest in training resources for your team, I have two DVD-based training resources around The Fred Factor, that was my best-selling book, How Passion in Your Work and Life Can Turn the Ordinary into the Extraordinary. The other DVD-based training resource, with many on our website would be You Don't Need a Title to Be a Leader, and it's designed so that anyone can facilitate these two courses, they're created to be modules that are delivered in a staff meeting or in a training environment.

You don't need to be a professional speaker or facilitator to effectively use those to grow yourself and grow your people.

John: Now Mark, if somebody wants to engage you either as a speaker or consulting, how would they reach out to you for that?

Mark: Well, it's very easy. All of our contact information is at our website and my email is just mark@marksanborn.com. All of the information, phone numbers, my agent's name and phone number are at marksanborn.com but if someone would like to reach out to me directly, mark@marksanborn.com.

John: One of the things that I'm always finding it entertaining of high profile individuals like yourself how simple we make it to contact each other, and I was with one of the top publishers in the world and he goes, "John, let me give you my private email and phone number." The phone number was private but the email was steve@, and I'll just leave it at that. Connections are very important. You can have a reason for connection but definitely it's not that hard to find each other and how to connect with today's world.

Let me go to the last section here and this is Key Takeaways. I want to go over these, Mark, because you've done a great job. I'm going to put it down through my notes, and this would be how to ... I would recommend, I know I'm going to go over this and really look to see how can I go and simplify things. What we're talking about here is this checklist as entrepreneurs. Number one, simplify your business. I call it getting on the right side of complexity, but Mark did it much more eloquently and really focused on what is important.

As we grow our businesses we make them too complicated. Focus, he talked about how to get clarity, how to take the 188 or whatever number you have different things to really focus down to the six to eight MVPs, to schedule the time, that 60% to 80% to make it happen, to go ahead and have intentional growth. This is one of the big opportunities we have, and this is why we created AESNation.com, but really there's so many resources out there.

We talked about Mark's resources, he's got some phenomenal videos, training programs and certainly a keynote and then but it's not just you, you want your whole team to grow with you and actually it'd be better if they grow faster than you, so they can help you. Get them involved in identifying what is most important. Growing your value proposition, you have a really successful business, it's so easy to become complacent. I can tell you your competitors aren't.

Mark gave us some examples of that. Surrounding yourself with talent, with great people, going ahead, professional selling, we talked about how it's changed, you got to actually deliver results in advance, prove value first and then the relationship versus connections. Mark, this has been extremely valuable. I want to thank you for taking your time today.

Mark: My pleasure, John. It's great to be with you and I hope all of your listeners will continue to achieve greater success, lead more effectively and pump up their productivity and their profits.

John: Well, they will if they follow your checklist, so make sure to go back to AESNation.com, download the transcription, make sure if you're watching it anywhere else to go and sign up on iTunes for the podcast so you don't miss any of the episodes and most important of all, go out and execute. Your clients, your future clients, they're all counting on you, don't let them down. Wish you the best of success.

A Second Opinion on Your Finances

A Complimentary Service from Financial Advisor Select for the Members of AES Nation

Dear Fellow Entrepreneur,

Like many members of AESNation, I'm a serial entrepreneur. In addition to co-founding AESNation, I'm the founder and CEO of Financial Advisor Select, a firm dedicated to helping successful people make informed financial decisions by introducing them to top financial advisors.

If you're like many successful entrepreneurs, you and your family already have a relationship with a financial advisor. You may even work with several financial advisors. If you are completely satisfied with these relationships and confident that your finances are on track toward helping you achieve all that is most important to you, we congratulate you.

However, you may not be entirely satisfied. You may be wondering if there's a financial advisor who is better-suited to address your family's very specific financial challenges. If so, you are not alone. In today's uncertain economic climate, many successful entrepreneurs are wondering if they have the right financial advisor.

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Best of success,



John Bowen
Founder and CEO
Financial Advisor Select