

EPISODE 757

[INTRODUCTION]

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FT: Are you searching for clarity in your life, either at work or home, welcome to So Money everyone. I'm your host Farnoosh Torabi. Have you been searching for one of those "aha" moments that will help you figure out your next step? This show is for you, our guest today says waiting for an "aha" moment might not be the best approach, in fact, clarity is available to you right now, whether you realize it or not.

Brad Deutser has gone from working for the Ringling Brothers to founding a top consulting firm called Deutser. Where he helps businesses find clarity and manage major transitions. Now, I know a lot of you don't own your own business, a lot of you aren't CEO's so we do spend a good bit of time talking to Brad about the leader in all of us.

His new book is called *Leading Clarity: The Breakthrough Strategy to Unleash People, Profit and Performance*. Brad is a huge fan of thinking inside the box, not outside the box and he's going to tell us why. If you're an entrepreneur who does want to improve culture at your business or even if you're an employee trying to find a way to engage more at work, you'll want to listen to this episode.

Here we go, here is Brad Deutser.

[INTERVIEW]

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FT: Brad Deutser, welcome to So Money. Great to have you on the show.

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BD: Thanks so much for having me, I'm excited to visit with you.

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FT: You have a very interesting background. I want to talk about your life with the Ringling Brothers but let's talk about the current exciting that you're sharing with the world which is your new book, your first book *Leading Clarity: The Breakthrough Strategy to Unleash People, Profit and Performance*. I know this book is primarily written with the CEO and top-level C Suite founders in mind but really, I think for listeners, there's a lot of take away for individuals as well.

The leader in all of us. First, tell us a little bit about what inspired you to write *Leading Clarity*. I understand this kind of was born out of your practice, your consulting business.

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BD: It is. *Leading Clarity* has been a dream of mine. I've always wanted to write a book. I really thought the first book was going to be called *From One Circus To Another*, starting back to my circus days but – you know, we live in a world that there is so much chaos and there's so much change politically, technologically, societally, things that are changing and we all are faced with decisions we have to make every single day in life and those decisions can really define a lot about where we go next.

That was really kind of the driving force behind the book and really wanting to share our view that clarity is an actual process to help leaders – all of us are leaders in our lives, in our work, wherever we are, just the leader in all of us – to help us be able to process the things that are going on in the world around us.

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FT: There are a lot of maybe synonyms for the word clarity that we hear. I'd love for you to differentiate what you mean by clarity and these other words that we get thrown around such as "Breakthrough, "aha" moment." Simon Sinek, a guest on this show massively popular consultant, speaker and he's written books about finding your "Why," right?

There's all these sorts of other ways to discuss and share the importance of finding your, I don't know what you call it. Your truest self, your vision, your clarity but you're talking about something specific, different. I'd love for you to differentiate what you mean by clarity and what we often hear as some other words that sounds similar but maybe they're not the same?

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BD: Yeah, I think that there is touches of each of those words that connect to clarity, but we look at clarity as not an "aha" moment, it's not an arrival point necessarily, but we look at clarity as a process. Clarity is found in our world and in our view inside the preverbal box. You know, we all talk about thinking outside the box and we prize – creativity is found outside the box and innovation and performance.

What we have found is that, it's actually inside the box thinking. There is a purposeful construct to the box, whether you're an organization or really, an individual can look at their own kind of framework and once we establish that framework, that clarity is found inside.

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FT: Yeah, I'm looking at your box. I have the diagram here, it has six parts, it's not four sided. You talk about the importance of having a side for direction, operations, people, engagement, identity, environment. Environment kind of popped out at me because what you say in the book which is also a little counterintuitive is that, we're not products of our environment, we are products of our expectations.

Can you dive into that a little bit more? Because I feel like our environment is so much of what influences us, especially as we're young and we're growing up. How we're raised, who we have around us, our surroundings. So back that up for me a little bit?

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BD: Sure. The line actually, we're not products of our environment, we're products of our expectation. Came from a book that really touched me in a lot of different ways, it's called the other west more. In the book, they really talked about the idea that the environment is important and I don't want to downplay the environment but what we do as a company is we create environments for people to thrive and environments where culture can be nurtured.

But what we have found is that it's actually the expectations that we set for ourselves and for our organizations that really define our ultimate success. If we believe that we can only achieve at a certain level, then that's the level we're going to achieve to. I think that there is a theory called a Flea Theory that I heard about that I have fun with. The theory that if you give a flea a box that's a foot tall to jump on, the flea will jump on it.

If you give a flea a two-foot box, they'll jump to the top of that and they'll keep jumping to the level of expectation that is set. I think that's really fundamental to how we think about ourselves individually as people, and organizations that it's all about the expectation of what we believe is achievable, both from a performance standpoint but sometimes it's from a behavioral standpoint as well.

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FT: What companies do you see as having clarity today? You're recently on a television program, I was watching your interview on Cheddar, on the day where Facebook CEO Mark Zuckerberg had to testify about his problems to put them lightly, with regard to trust and his customers and the business of Facebook and what they were hiding, sort of from its users.

There is a company there that obviously, we know that is maybe struggling with clarity but what are some examples that you often cite as the models?

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BD: There are so many high performing companies out there and we don't get to in all of them. We get to work across the country and world on different kinds of organizations. It's hard when you're not inside to really say "Hey, these people are engaged." But when I look at organizations

like Apple. That's one that I look at and on some levels, I see that they have a very clearly defined box. That the clear direction that it appears to have strong operation, there's strong engagement from its people.

You look at those four sides, you look at the bottom of the box, their identity is clear, they are who they are. I think that manifest itself in their stores, in their product design and then you look at the top as they're constantly taking queue of their environments. I look at an organization like that and from the outside, I'm a consumer, I look at that and say, "That would be an organization that appears to have clarity to me."

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FT: All right, I'd love to now go down memory lane a little bit to your back story and talk about, before you arrived at your consulting firm, you obviously, there is no secret, you can find and search that you worked for the Ringling Brothers in Barnum Bailey Circus, what did you do there and what drew you to the circus?

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BD: Well, Ringling Brothers was an interesting chapter in my life. I had graduated from college and I had started, I thought I wanted to be a lawyer and I decided to, as I say, retire early from law school. So, my parents were very supportive, and they said, well, "We'll support you, we don't understand why you don't want to finish law school, but we'll support you."

I had to go out and pass my resume out downtown Houston, literally on the streets of downtown and going in and out of businesses and I found a company that was willing to talk to me and in the interview, they said, "We think that we have the perfect job for you" and I said "Great, I'll start tomorrow."

I said, "Well, it's not with us, it's with Ringling Brothers, it's like getting your MBA at Harvard at marketing." I go and get the job at Ringling Brothers and I learned a very important financial lesson. I get the job, I was a regional marketing director or an old-fashioned promoter where I went all around the country and my lesson was, they paid me \$250 a week.

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FT: That was my salary and my dad looked at me and said, “You know, son, do you understand how much money that is” and I said “Well, yeah, but this is an incredible opportunity.” I took the job and I arrived the first day on the job and I look at my boss and said, “What’s my per diem to go with my salary” and he looked at me and I can’t use the language on this but he said, “It’s not my problem.”

“We don’t give you a per diem” and then I said, “Well how much do I get for hotels?” He said, “Did I forget to tell you that?” I said, “You forget to tell me what?” He said, “We pay you a salary of \$250.” If you can’t trade, the idea of barter was a new concept to me with money. “If you can’t barter your way to stay at hotels and pay for your food, then you’ll be living on the streets.”

That was really one of my early lessons with Ringling Brothers and how to deal with money.

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BD: What did you do?

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FT: How did you make ends meet?

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BD: I didn’t have a choice, I was out on the road, I traveled 365 days a year with everything I owned. I had hundreds and hundreds of tickets that everywhere I went, I’d trade for tickets. I’d go to hotels and I’d barter for a room and I get rejected way more than I got accepted. I learned that how to create a narrative around the opportunity for them to use the tickets and help other people.

I'd go to dinners and I'd trade for my dinners and promising managers and waiters the best night of their life at the greatest show on earth. I learned how to survive and every single day, while I was at the circus, I traded for every night except for one night of the circus where my boss told me I had to be in Tampa Florida on a certain Saturday night.

I said, "No way I can trade that night" and he said "Why?" I said, "The Super Bowl's in Tampa" and he ended up paying \$19.99 for a hotel where I had a bed that vibrated all night.

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FT: Looking back, could there have been a better way to teach you important lessons or are you thankful for that experience?

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BD: It's an experience that I wouldn't wish on anyone else, but I am extraordinarily grateful that it happened to me. It taught me lessons that I could do it and that I could get out there and when my back was to the wall, find a way to survive with as much money or as little money as I had at the moment.

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FT: I think you probably had a great experience overall because you wrote for the New York Daily News. You penned a sort of an homage to them when they ultimately closed the business recently and that was probably a sad chapter in your life when that ended, right?

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BD: I think it is a sad chapter in my life but to me, it is a sad chapter overall for all of us because we lost a show whether you like the circus or didn't like the circus. It was one of those things that families could come together and enjoy. I think that there is less and less of those opportunities that exist today that aren't about the bling and the flash and the technology. It was just good old-fashioned family fun. So yeah, there is a sadness, but life goes on.

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FT: What is your money mindset or your money philosophy today Brad? Based on what you just told me, I feel like that might have some influence on how you think about money these days.

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BD: So my money mindset really is about not being fearful of money. I have people in my life who have a lot of money and who I watched them live in fear of one day losing it and I have people in my life who don't have a lot of money who I see both sides to and so my philosophy is not being fearful. It is being grateful for what I have, not allowing what I have or don't have at the moment, to define me.

Really believing in a long-term kind of view of money and understanding that money is not always green and the whole barter system is still alive and well.

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FT: It is for sure. How did you grow up? I would love to hear a story maybe from childhood about money. We have this great sponsor, Chase Slate, and they recently did a study looking at how families communicate around money and they found that over 50% of parents haven't actually had a money talk with their kids. So, in your upbringing, was there a money talk? Did you have a financial experience that has really stayed with you all these years?

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BD: So my experience growing up is watching my parents and watching my grandparents and my dad, I watched him work every single day, whether he was sick, whether he was not and so it was always the value of hard work and really putting everything into it and that money would follow that hard work. My earliest memory of working with my dad, he gave me an old – this was early in the 70's, he gave me an old tiny calculator.

I had to on a tape create, add up a bunch of costs and expenses and I was probably seven or eight years old and I earned seven dollars. I will never forget the feeling of getting that first check for something that I worked for that I earned. I still have that check today, that seven-dollar check.

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FT: That's crazy, you didn't spend it. You didn't want to spend it.

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BD: I didn't want to spend it. there was something that was so special to me that it had my dad's company logo on it, that he had signed it and that seven dollars, it was something that the value of knowing that I had accomplished something and that I had done a job to the best of my abilities and got rewarded for it, just meant something. I think it was watching my dad and my mom work hard forever and valuing whatever they had.

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FT: That's a great story. Tell us about a financial failure, something that you goofed on money wise, it was an important thing for you to go through because it then allowed you to live your life more financially healthily, responsibly.

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BD: So I could find lots of stories on this but I think the most relevant is really my company and for probably the first 10 years of my company, I wasn't motivated by money and I was motivated by simply helping others, doing really cool things, helping them achieve great success but at the expense of me and probably as I look at it, the people around me. I look at that somewhat as a failure because as my company has evolved, as my mind set has evolved, I now understand and recognize that people can do good and still earn a fair salary.

I think that's a time where I look back at a bunch of years where I gave and gave and gave and I don't regret it because it's helped me get to where I am but I look at that as a time where I'd probably say, "You know we could have done more and I could have done more for the people around me."

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FT: What specifically do you think you could have done more of?

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BD: I think that today, you know what we have established in our company, Deutser, we have a fund that we have created that every employee has a clarity fund and so giving people in my company, each person money that they can go out and give back to the community. We could have done things to create a different environment, we always made money. Every year we were profitable.

We just weren't profitable on a level that we probably could have invested back in our company, in our community the same way that we probably do today.

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FT: And your So Money moment? Is there a moment where you were really proud of the money move that you made or the financial decision that you made?

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BD: So I think my So Money moment would be a client calling me and saying, "Brad you are going to get a FedEx today" and he said, "Right when you open the FedEx, open it, look at it and give it to an adult." I said, "Wait, I don't understand what you are saying? I am the CEO of the company." He said, "Open the FedEx and you will see exactly what I am saying," and I said, "Okay."

So I get the FedEx. I opened it and it is a check for \$600,000 and I had never gotten a check like that ever and it was written out to my company and I called him. I said, "John, I don't understand." I said, "I don't understand the check and I don't understand giving it to an adult," and he said, "Well the Brad, the check is for all the work you did for us, for all the success you helped us achieve and never charge us for."

I said, "We charged you plenty. We had a contract" he said, "Brad you went so way over and above. We want to reward that," which in today's world does that happen?

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FT: No!

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BD: No, so it's the good in people when it's trusting and doing the right thing and I said, "But help me, so I am struggling with accepting this check first of all" and he said, "That's exactly why I want you to give it to another adult in the office because they can take it and deposit it and I know that you'll sit and stare at it and not do anything."

But it was something that is definitely a So Money moment for me and it just gave me such great feeling. That people appreciate people who care and do great work and help people get incredible results with their work and their lives.

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FT: That's so much money. Did this company recently IPO and that's where they got the cash? How did they come up with \$600,000, how did they come up with that kind of valuation to give you? Why not a million, why not \$500,000? Did you ever ask? Probably not because you are too nice.

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BD: No, I didn't. I didn't ask but we helped them dramatically transformed the performance of their company and so their financial future was fundamentally changed. It happened to be a company in the healthcare space and by really looking and helping them device a system to understand payer mix, we were able to transform their ability to serve their community in fundamentally different ways.

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FT: What did you do with the money? You gave it to someone else to deposit but did you pay it forward? Did you reinvest? How did you make the most of that \$600,000?

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BD: We rewarded the people who had the greatest impact on that business and we do so much in the community giving back and we give back to just creating healthy communities and creating clarity in communities and so we invested it back in the community and in the company and then the people who made the biggest impact.

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FT: Do the good work and have no expectations it sounds like. That is a wonderful story, I love that. All right, share with us now Brad a So Money habit that you have. A financial habit that really helps to keep your finances in check.

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BD: So, this may be a different answer than you get but my So Money habit is trusting my wife and so I know who I am. I know what I am great at. I am great at helping other people and I love to create and think big and my wife is a big thinker, but my wife has an extraordinarily disciplined skillset when it comes to money and managing money. I have really relied on her to work as a team and to manage our money and to protect what we have and to make the best financial decisions. So, she is my best habit.

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FT: That's really great. Do you have money meetings and any kind of organization around your financial planning?

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BD: We have occasional meetings and we always meet once a year to kind of set the parameters for what we want to do. We try as a family with my kids to have meetings, to talk about money and specifically to talk about what we're going to do with money and how my kids will influence, how we help others who may not have resources and funds to do what they want.

So we try to be way more intentional about including our kids and in those conversations but I really, really rely and trust my wife to make sure we are doing okay.

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FT: That's great, it is usually the reverse where I feel like husbands are often the ones that are managing the big picture of finances. So, this is refreshing to hear, I love it, all right.

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BD: Well I am proud of the way we do it and I am not embarrassed at all to say that she's the one who guides it.

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FT: No, no embarrassment at all. I think this is great to be able to – I think the ideal spot is where you're both involved, and it sounds like you're communicating and that is the most important thing to sort of be the CFO of the family that usually falls upon, traditionally the man but I love that I think increasingly, it is becoming the women. So obviously I like that.

Brad Deutser, thank you so much for coming on the show. Congratulations again on your book, *Leading Clarity: The Breakthrough Strategy to Unleash People, Profit and Performance*. We love hearing your stories, keep it going and have a wonderful rest of your summer.

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BD: Thank you so much, I love listening and I am honored to be a part of what you are doing.

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