

Hello, this is Wayne Rivers at The Family Business Institute. Thank you for tuning in. Please subscribe to our social media, I know that our YouTube account is going up, which is terrific. And as always, we're interested to hear your comments and commentary on our blogs in general.

This week I want to talk about a subject near and dear to my heart, as those of you who dial in regularly have heard. And the question is does working harder actually pay off? And I have an answer. Finally, I have an answer, thanks to Great at Work by Morten Hansen.

He actually worked on one of the Jim Collins books, I can't remember if it was Good to Great, I can't remember which one it was. But he worked on that he's an academic and a writer in his own right. This is kind of like Good to Great ... Good to Great looked at the qualities of companies, this looks at what makes an individual productive? And so, the question that we have is if you think about our clients, can you have a great business and a great life? Because so many seem to think it's either or, and they work 80 or 100 hours a week in the business hoping to make it a great business, and they do. But then they don't have the kind of life that they want, or the kind of life that leads to a great marriage, or great child raising. On the other hand, those that spend lots, and lots of time with family and doing the things that they do to make that side work, don't have the greatest businesses. So, how do you balance out these two things? And hopefully we can give you some crystal clear direction here.

So, Hansen early on in his career went to work for a consulting firm. And there was a woman there that he refers to as Natalie. And they had the same kind of education, and came in at the same time, and were given the same kind of assignments. And yet Natalie went home at 5 o'clock every day. And she produced more work than he did, and she seemed to produce higher client satisfaction than he did. And his question was how in the world does she do this?

And this stuck with him for all those years when he was working on Good to Great and all these other things. And we all say we want to work smart, but we don't know how to work smart necessarily. Hansen actually gives us seven particular behaviors that lead to working smarter, and sort of arrest this monstrous treadmill that we get on when we just work harder, and harder, and harder.

So, the definition of working smarter is maximizing the value of your work by selecting a few activities and applying intense targeted effort. That's Hansen's definition of working smarter. Pay attention to the intense targeted effort.

So, here are the seven behaviors really quickly, read the book, it's a great one. You won't be disappointed. Number one, select a tiny set of priorities and make a huge effort. The way he refers to it is do less then obsess. And I know from 30 years of experience that our family business leaders, their list is unimaginably long. They do 162 different things every day. And if you're that much of a generalist, you can't be great at everything obviously. So, do less, then obsess. I believe in that 100%. Remember a couple of years ago we did the book review about Time Really is Money. And focusing on \$5,000 an hour, or \$50,000 an hour tasks, versus \$50 an hour tasks. Great point that both books make.

The second thing, create value, don't just obsess about hitting targets. Don't think about goals or numbers so much but create value internally and externally. And he talks about redesigning your work. And one thing that was just amazing, an example that he's got, is the school principal that took over a miserably failing school and just turned everything upside down. Nobody was doing their homework, nobody came to class prepared. So, guess what they did? They started videotaping the lessons, because kids watch video, right? And the kids were to watch those at home at night. In the

daytime, in class time, guess what they did? They did their homework, which was the practice they needed to do, to be good at the math, or the english, or whatever class it happened to be. He totally flipped the curriculum, the traditional curriculum upside down. He redesigned the kids work, and guess what? It worked, the school began to perform, kids were going off to college, it just made a world of difference for these inner-city kids and their parents.

The third thing, practice with a purpose. Our clients are so busy they don't take a lot of time to go to classes, or to take courses, or to read books, or do other things. And it's so important, even if you're a senior executive in your family business, it's so important to improve your skills. I'm taking a little bit of coaching right now to improve my speaking skills, and blog skills. So, hopefully you'll see a payoff there in the future.

But I think about Jimmy Connors, the tennis player. He would only practice an hour a day, whereas some of the guys would be out there practicing five or six hours a day, just wearing themselves out practicing. But Jimmy Connors only practiced about an hour a day, but it was super focused, and super intense. And he got as much out of one hour as the other guys did out of five or six. So, you can adopt that same strategy I think.

And then finally, when it comes to individual work, seek roles where you can be both passionate and serve a bigger purpose. Those of us that love our jobs have passion about it, but the purpose creates a more focused energy. If you can be ... if you can find a role in your company, or in your industry where you're really serving a purpose, it's a great thing.

I remember talking to a guy one night, and just sort of an acquaintance. And I asked him what he did for a living. And he said he worked for a company that developed ringtones for people. And I was taken aback, I was thinking how does he find purpose in life? I'm not saying he didn't, ringtones make people happy I suppose, so maybe it's a great place to work. Maybe it's a great industry to be in. But it just struck me, what are you doing to improve the lives of other people if you're in the ringtone business? No value judgments, it struck me as an odd thing. So, find a place, maybe it's the ringtone industry, where you can combine your passion about that industry with a purpose that makes people lives better.

The fifth thing, seek out advocates. No man is an island, you need people to be allies in your business, in your company, in your family. To have real advocates you need to evoke emotion, you need to share emotions about, again, getting back to passion, emotions about serving your customers, or putting up buildings, or selling automobiles, or manufacturing products, or whatever it happens to be.

The sixth thing, fight and unite. I love this. This is a great tactic. One of the problems that family businesses have, is because they're family, and even employees who are not blood family feel like family, they really avoid conflict. Now, I'm not talking about the kind of conflict where you're at constant war with each other, and you disagree over every little thing, and you feel like punching people in the nose. It's not that at all. There should be some disagreement, there should be robust debate in your meetings. When you're trying to decide on alternate course A, or B, or C, there should be robust debate. There shouldn't be unanimity, and everybody says oh yes sir, yes sir, yes sir. It should absolutely not be that way. You should actually bicker over things.

Now, after you do, that causes you to have to defend your positions. It creates a constructive, not a destructive, but a constructive kind of conflict. So, that actually leads to better outcomes believe it or not according to some other reading that I've done, than just having everybody agree on a common course of action. The big thing there is once you fight, come back and unite. Once decisions are made, you need to rally back together as a team and support the decisions.

And the seventh thing is disciplined collaboration. One of the things Hansen talks about is that women tend to benefit from disciplined collaboration even more than men in his study. So, that's an interesting side note I suppose. Over collaboration is just as bad as under collaboration. Too many meetings, too many heads in a meeting, wasting time. Meetings are just such horrible time wasters in the view of most people. So, under collaboration is bad, over collaboration is just as bad. Learn to say no, especially if you're a leader in your family business. Learn to say no. Guard your time jealously, protect your time. Only do things, only go to meeting that have potential for high pay off.

Now, getting back to hard work, the question about hard work. Oh, the first four of those, the first four of those characteristics that I outlined tend to focus on you and your own how to get the most out of yourself. The next three tend to focus on how to get the most out of meetings and other people, and interactions with other people. So, kind of a distinction between the four and the three out of the seven.

Now, finally, getting back to this idea about hard work. What does Hansen find in his studies about hard work? Well, working over 50 hours a week leads to declining productivity. That's it, that's his answer. We've always tried to find that sweet spot, is it 40 hours? Is it 50? Is it 100? And in lots of family businesses, 80 hours a week is kind of the norm. Hansen says that especially over time, 50 hours is about your sweet spot. Once you get past 65 hours, there is a precipitous decline in quality of life. And after 50 hours, your productivity begins to decline too.

So, focused effort, thinking back to the other book, Time Really is Money, \$50,000 an hour things, or \$5,000 an hour things, not \$50 an hour things. And hard work doesn't always pay off. This is Wayne Rivers at The Family Business Institute, I'd love to hear your comments. Thank you.