

Doug Smith ([00:06](#)):

Hey, leader, and welcome to episode number 343 of the L3 Leadership Podcast, where we are obsessed with helping you grow to your maximum potential and to maximize the impact of your leadership. My name is Doug Smith and I am your host. And today's episode is brought to you by my friends at Beratung Advisors. If you're new to the podcast, welcome. I'm so glad that you're here, and I hope that you'll enjoy our content and become a subscriber. Know that you can also watch all of our episodes over on our YouTube channel to make sure you're subscribed there as well. And as always, if the podcast has impacted your life and you've been listening to us for a while, it would mean the world to me if you'd leave us a rating and review on Apple Podcast or Spotify, or whatever app you listen to podcasts through that really does help us to grow our audience and reach more leaders.

Doug Smith ([00:45](#)):

So thank you in advance for that. Well Leader. In today's episode, you'll hear my conversation with Horst Schulze. If you're unfamiliar with Horst, let me just tell you a little bit about 'em. A legend and a leader in the hotel world. Horst Schultz's teachings and vision have reshaped the concepts of service and hospitality across industries. Mr. Schulze's professional life began more than 65 years ago as a services assistant in a German resort town. Throughout the years, he worked for both Hilton Hotels and Hyatt Hotel Corporation before becoming one of the founding members of the Ritz Carleton Hotel Company in 1983. There, Mr. Schulze created the opportunity in service standards that have become world famous today. During his tenure at the Ritz Carlton, Mr. Schulze served as president and COO responsible for the \$2 billion operations worldwide. It was under his leadership that the Ritz Carlton Hotel Company became the first service based company to be awarded the prestigious Malcolm Baldrige National Quality Award.

Doug Smith ([01:37](#)):

Twice, after leaving the Ritz Carton Hotel company, Mr. Schulze went on to found the Capella Hotel Group. This luxury hotel company managed some of the most elite properties worldwide, and gave Mr. Schulze the opportunity to further define the luxury hotel industry receiving countless awards and recognitions. Today, Mr. Schulze serves on various boards and acts as a consultant across industries. And he recently completed his seminal book on creating excellence called Excellence Wins. And if you haven't read that, you have to, It's a must read for all leaders. And in our conversation, you're gonna hear us talk a lot about excellence, what it takes to build a great organization, and why as a leader, you give up the right to make excuses. So, so good. But before we dive into the conversation, just a few announcements. This episode of the L3 Leadership Podcast is sponsored by Beratung Advisors.

Doug Smith ([02:23](#)):

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And we just love that. So if you are in need of a good jeweler, check out [henne jewelers.com](http://hennejewelers.com). And with all that being said, let's dive right in. Here's my conversation with Horst Schultze.

Doug Smith ([03:18](#)):

Welcome Horst to the L3 Leadership Podcast. This is such an honor to have you and I, I didn't know it, but you know, I didn't know it was gonna happen ahead of time, but last week we had breakfast together and I think I, I just mentioned to you, I took 10 pages of notes and was just blown away by everything that you shared. And, and really today as, as I interview, I just want to take people into that breakfast. So I have a ton of questions to ask, but thank you so much for being willing to do this,

Horst Schulze ([03:41](#)):

Doug. I'm happy to be with you. Thank you.

Doug Smith ([03:45](#)):

So I just wanna dive right in. One of the first things you said that I thought were so interesting you said one of your, your number one goals has always been to establish a great name. Cuz you said if, if you could establish a great name, you could pretty much do whatever you want. Can you, can you talk more about that?

Horst Schulze ([04:01](#)):

Yeah. Well, let's be clear. I was not talking about my name. I was talking about the name of the <laugh> where I'm working with because, well, it's all image. That's what it is. What opinion do people have about your name, about your company and if they have a well in that moment? And if you like, like in our case, and in many cases you have multi-location in a business if it was Ritz Carlton or LED Capella Hotel Company, some people may say, What is that? Well, I I, after Ritz Carlton, I formed another hotel company, which there's none of them in the us There's Europe and Asia. And by the way, that company now is rated number one hotel company in the world. Wow. Just, just to make a point here. So I want to, number one, if I have multi-locations, I want to be sure that when I have a good name, that name is a promise.

Horst Schulze ([05:02](#)):

Once you have that name, it promise you something. When you go in Ritz car, because of the image, you have a certain expectation, a certain promise. Now in order to live up to that and build that name, you have to live up to your promise anywhere where you are. Otherwise, it's just a name. In that moment, your name becomes a brand in that brand. Otherwise, if it's not reliably the same if you will, everywhere relative to expectation doesn't like in hotels, it doesn't have to be the same. One of the great compliments I got was one day somebody called me from Shanghai and said was the, the, the amazing thing, I just walked into your hotel and checked in. I knew that person. The design is totally different. It's a totally different hotel, but I knew immediately I was in Ritz Carlton because we lived up to the channel delivery of product and service promise that we make.

Horst Schulze ([06:11](#)):

So once you, there is a high expectation in the market about your name means you have a brand, then of course people will look to deal with you because they know there is a high delivery, there is a high intent in that company for you. So yeah creating a great name for your brand is a but, but, but here's more. Once I create that name, I am defining myself and create a good name. Of course not a bad name.

Once I create a good name, I am defining my company as excellent. But in that moment, everybody in the company is also defined as excellent. So a great gift for the, for the market to know who you are, but a great gift for every employee because they're all respected in that moment. They're defined by the name of the company, in fact, but in return, they find that name by being excellent. So it goes altogether. It's a long story. I know, but it's so important. My goodness. I wanna be sure. I wanna be sure. Anybody who enters our hotel leaves and has a high opinion about us, wants to come back and wants to recommend us, has a high opinion. And in that moment, he has a high opinion about the company, about the employees, about the food that we serve, about me. Even though I was sitting in the office in Atlanta. Now you have a good opinion about me.

Doug Smith (07:57):

Yeah,

Horst Schulze (07:58):

There you are.

Doug Smith (08:00):

Yeah. Well, and I want to dive a little bit deeper into that. You wrote a book, which is a must read for leaders called Excellent Excellence wins. So leaders, if you're listening to this and have not bought a copy of that, please get it. Take your team through it. It's remarkable. But to establish a great name really, that I would assume that that starts with vision. Cause you know, how's how many, how many hotels are in the world? What advice do you have for leaders when it comes to thinking through the name that they want to create for themselves before they can even execute on that, that image?

Horst Schulze (08:31):

Well, yeah, it, it, it's such a, it's such a key element. Everybody talks about vision and it seems to be not understood out there. And I, I was just sitting with the university, first class, first class, campus, everything wonderful. And I said, What's your vision? Well, we are delivering the best service to our, our students and blah blah, wait a minute. That's not a vision. That's what you do. What's your vision? What's your vision? They couldn't come up with one. I I mean literally sit down with them for three hours and they could not come up with a vision. No. Wow. But if I don't, here we talk about leadership that goes together. Leadership implies I am taking, I'm leading somebody to some place. Well, well that is the vision that you have. That's where I lead you to. But, but there's so many leaders who don't have a vision.

Horst Schulze (09:26):

So they're leading somebody to somewhere where they don't know where they're going. <Laugh>, wait a minute, wait a minute. Mean the first thing you do if you have a company or start company and say, Who do I want to be in 10 years from now? Not what I I, the rest of them, but that university told me we have, we are making sure that the, that, that the students are connected. That the students are, okay, fine. That's what you do. Hmm. Where will it take you? Who you will, Who do you wanna be? And I recommended to that university for example, why don't you say within 10 years we'll be known as the, for foremost number one mid-size university in the United States. And what, guess what they told me that would be too arrogant. Hmm. What? Wait a minute with other words. You want average <laugh> for your students?

Horst Schulze ([10:29](#)):

Don't you want to say, I'm going to do the very best for my students in 10 years. Now, they didn't want to. They found it was arrogant. Well, your vision should be a dream. Should be not, not something that you know you can do. It's something you aspire to do as long. Now, as a leader, you have to make sure your vision is good for all concerned. Your vision is you have to really, seriously question yourself is my vision. Let me give you an example. When I created Capella, if you will, or, or it's called, the vision was we will be number one in the world. The next thing I have to question myself, is that really good for the investors? Cause you know, on the end, without investors you don't have anything. You don't have, you don't have a business. People have that. Like, people have to understand that. So is it good for the investors? My vision? The next thing I have to ask, is it good for every single employee? The next thing I have to ask, as a leader, is it good for every customer, every guest in our case? Next thing I have to ask myself, is it good for society as a whole? Now I personally, and that is only person statement. Now then you can all forget that if you sensitive about person statement. Okay, I had to ask myself after that, would God approve?

Doug Smith ([11:53](#)):

Mm,

Horst Schulze ([11:54](#)):

Once the answer was yes in all points. And forget God saying if you want to, Okay, I'm not trying to push something on you, but once it was good under four points, investor, employee, guest and society, I had no, now I had the destination. I had no choice, but I could not compromise anyone. Everything I had to do from now on was to accomplish that because it was good for all concerned. If I would compromise it, I would be going against every employee. Every guest. I would go against society. And I now know where I will lead my people that are working with me. I know also. Now why do what for I hire people or select people rather than selecting them, which everybody does. Hey, my goodness, and let's be on, let's be honest with that. I talk to so many company, everybody does. What? Why do you hire people for, to fulfill a certain function in your business? Two me immoral. Two, me immoral. The chair in which you're sitting is fulfilling a function in your office too. You are hiring human beings. Now, I know many people you hire are just like chairs and they don't think just fulfill a funk.

Speaker 3 ([13:17](#)):

<Laugh>.

Horst Schulze ([13:19](#)):

But you should be more, should be selecting people that are different, that want to join you. You should invite people to join your what, your dream, your vision, and then show 'em how their, they will benefit greatly from by accomplishing that vision. Because that's why you were thinking about when you establish it, will it be good for all employees? Show them. Invite them to join you. Show them how it will be good for them so they join the purpose. And guess what? Aristotle, 3000 years ago already said as a human being, you cannot be fulfilled unless you have purpose and belonging. So, so, so why, why wouldn't we offer that to employees? Join us for a purpose. Here's the purpose. We will be the best in the world. Here's how you will benefit from it. And I want you to join, be part of that. It it's, it's different than just offering a function. Come on. That the computer fulfills fun. You are dealing with human beings, period.

Doug Smith ([14:36](#)):

And I do wanna, I wanted to go this direction. When you talk about dealing with human beings, when we, when we were meeting, you know, people were talking a lot about the great resignation. Companies can't seem to hire people, people companies can't seem to retain, you know, great talent.

Horst Schulze ([14:53](#)):

Wine. Wine, wine.

Doug Smith ([14:55](#)):

Okay. Yeah. And every everyone's whining. Can you, can you speak to that in your viewpoint? Cause I thought it was so good.

Horst Schulze ([15:00](#)):

Well, I dunno what I said at that, but I tell you my opinion. <Laugh>.

Doug Smith ([15:05](#)):

Yeah,

Horst Schulze ([15:06](#)):

But well to me it, it's, I would've not let the general manager tell me that we can't find any people. I I would not have let him do that. I mean, because this is just another poor excuse. What, what, what, what are you there for? Leader? What are you there for? To find solutions. Look outta the window. A lot of people in the street, the problem is they don't want to work for you. Okay? Create environment in which people want to work for your company or they want to work for your company. And don't invite 'em in for that and let them just not, don't say, don't come to work here. Come to join me in a beautiful dream <affirmative>. Hmm. You know, and all those excuses that, or, or, or here's the, or the guy that quit, you know, you touch on that too. The guy that quit, let's, let's say Bill quit. And so what happened to Bill? Well, because you, but he was not good. Whoa, whoa, whoa, whoa, whoa, whoa. Wait a second. He was not good. He quit. And if he was not good, why did you hire him?

Horst Schulze ([16:16](#)):

Select people. Don't just hire them. Or maybe was wrong. Maybe your hiring was wrong or your orientation, which is a key element in, in a, in a business is orientation. Or your, your work environment is not good. Or you train them wrong. Now ask, you can't do anything about Bill anymore. He's gone. But you can still look at yourself and say, What did I do wrong relative to Bill? Why did I, because he stole. Why did you hire ve Be more careful. Be be very sophisticated in your selection and your hiring of employees. It's not hiring, it's selected. Number two, be sure that day one you rein, invite them, you'll, you, what happens day, way at the chop. It's, it's a key issue. What happens day, day one and chop the, the, the boss gives the rules and regulations. Okay? Rule is all about the company rules and regulations. Here's the insurance. You is this and your way. Have to, it can do that, but he can't do the other. And so on. And as said, and forgive me one maybe not bad word here, then we, after we got put him through the rules and regulation, we said build the new waiter, whatever he is, doesn't matter. Worked with Fred over here. He knows the ropes. Send everywhere. I mean, it, it is crazy. What, what kind of ropes do you make? I mean, you know,

Doug Smith ([17:59](#)):

<Laugh>

Horst Schulze ([18:01](#)):

And on awake into the kitchen, the elevator who is 10, nine months, who knows Ropes for some reason is a way that why he has to know ropes. I don't know. But he, he now tells, build a new way that this company sucks. That's his orientation. And we have expectations of them. It's, it's ridiculous. The first and Oh, of course you made the team speech. The team. Oh the team. The team. Oh yeah, we are a team here. You know, team. Without giving again, how can you be a team without having an objective? Common? Because a team, the very definition of a team is we are working, we are, we are together for a common goal, for a common objective. And that should be the vision of the company. That objective, you know, and, and then of course is no different in the boards. And then we teach all kind of things. Then we, all we do is look for money instead of looking for that which makes money.

Doug Smith ([19:08](#)):

You, you were talking about orientation. Can you talk about, I, I think you said you opened 50 different hotels and you specifically individually, you did all of the orientations cuz you wanted to come in and share that. Can you I actually went back, I was so fired up from that. I, I, I told our HR director, I'm like, Hey, r e d has got to be in every orientation, sharing vision, sharing the dream. Can you talk about how you see orientation going? Well,

Horst Schulze ([19:30](#)):

We have to be aware of something here. Much of what you want from any employee is the right behavior, being nice to pe, being nice to each other, coming in time. Those are behavioral elements. However, behavior cannot be taught after you are 16 years old. It is set in you, you learn it for the first three years from my appearance after, from role models around you, Dennis Rodman and so on. Role models and okay, sorry, forgive me

Horst Schulze ([20:11](#)):

Role models and who knows, maybe God ones maybe bad ones. And, and after that, an, an impacts from other kids around you and so on, so on. All right. So, but 16 years set cannot be taught except when there is a significant emotional event in a person's life. You can impact m behavior in the first two days of work is a significant emotional event. So why would I talk about rules then? Why don't I talk about respecting each other? Here's what our guests expect from us, that we are friendly with them. Here's how, what it means, being friendly and et cetera, et cetera. But being helpful and all those things should be and, and explain and invite again, the first day of work to be part. And here's who we are, what it means to be part in effect. Once you start working with this, with us, that's who you are.

Horst Schulze ([21:08](#)):

And, and have these discussions the first day rather than rules and regulation and turning it on and, and teaching ropes. Yeah, it's, it, it is, it's also silly. I don't, I don't get it. I don't get it. And so in the first two days and the third day we taught the 20 key elements that will make us number one in the world. I, I I all, I had to look, is it, it's, it's, it's all very simple. Okay, I'm a hotel. How am I going to be superior as hotel to anybody else in any other hotel while I'm gone? Superior. If the guest thinks I'm superior, well, what does the guest expect from me once I elevate and study? Not, not my, not my opinion, the guest's

opinion, not your mother-in-law's opinion, guest opinion. Once and another guest opinion. Here, here it is. Here's the whole management leadership thing here.

Horst Schulze ([22:12](#)):

Here's the market. Here's their opinion, what they ideally want from a hotel or from your product, if you will. It doesn't matter what for my hotel in my case. Okay? So once I know that, I make sure I'm going to align my employees, let them know that. And so I identified 20 things that were key that had to do with, with the guest expectation, with with safety in a hotel and so on. If I do this better than anybody, I'll be best in the world. So we created processes behind each one. So now once I know that, I have to make sure my employees know what the customer wants and then I, of course management here comes one, be careful. Management now creates processes, system measurements, controls that, make sure it actually happens. That's management. Leadership though is different. Leadership now creates an environment in which the employee wants to do it, not have to do it. They want to do it because they know it's a value to them back. Because it gets us to be number one in the world, which is of great value to you because you will have better guests, more guests, more opportunities, everything you will have respect on everything you have. You will attend. We be, you will be identified of one of the greatest in the world in our business. So let's do that together and let's have fun doing it.

Doug Smith ([23:54](#)):

And you said, I believe you said every single day in every hotel managers are training on one of those 20 characteristics. So you pick out, well

Horst Schulze ([24:03](#)):

You ask a question. So I went to every hotel opening openings or takeover. And the first 50, sorry, <inaudible> hotels. I opened, I talked to the employees during orientation first day. Here's who we are. Join me, let's say fund the critic. And here's how we all benefit from that. Here's how we can be proud here, by the way, it's here. We define ourself as people of excellence. You can't do it at home when you watch tv, but we can do it together here. And I'm offering you that I'm offering you purpose to come to work, not just a chop. Come on, let's do this together.

Horst Schulze ([24:43](#)):

So, and that, so, and then I stayed with them for a couple of weeks to help training the various departments about the service and about their function. Sure. And now we have just 20 things, which we taught this the third day of orientation. After that, we sustain it. Hmm. We sustain by reminding them every day of one of the 2020 principles. And there's some very simple things in there. Take number 12, which may be discussed today, manual in before every shift in every hotel around the world. That's how it used to be. I dunno, what's today's number 12? Hypothetically number 12 is if you, if somebody asks for direction, don't point, take him there. Now. That's what's written now what we teach him then. But while you take him there, create relationship. And here's how you do that. You say, are you a guest in the house?

Horst Schulze ([25:50](#)):

If the answer is yes or no, doesn't matter. The next thing you say, Oh, if he is in the house, you said, I hope you have a wonder food. Stay with us. And and did you have a chance to try the restaurant? Because everybody seems to love it. So we have conversation, relationship while I'm telling now here is your meeting room, sir. And all of a sudden the guest says, Wow, I never experienced this so little since

we thought that we know we met impact in the mind of the guest and in the subconscious of the guest saying, We care, we care for you. There's a huge study being made very recently that the market as a whole 70% of the market get everybody better hurt as one. Because even I feel sorry for you, every the market, 70%, the market says, if you care for me, I will buy your product.

Horst Schulze ([26:53](#)):

I'll be loyal to you. Even if I knew that I could buy the same thing next door for less. Oh, you must be kidding me. Yes. And guess what? 80% of millennials say. So now if, if, if I know you will buy my product, even if I charge more, you will want to buy my product, then I better care for you, then I better show you that I care for you. And that's called service. And which, and who gives that people, not I in my office, but employees whom I have selected to do so, who have invited to want to do it because it makes us the best in the world for their benefit.

Doug Smith ([27:48](#)):

Yeah. You, you mentioned the, the 2020 characteristics that would make you great. And you talked about how you got the customer opinion, I believe, I don't know if someone said this about you or if you said this, but I believe you spent more money on, on surveys than all the other hotels combined. Can you talk

Horst Schulze ([28:04](#)):

About in one certain years that's when, that's when I started Capella, after Ritz car. I spent a lot of, lot of money to study what the upper level of the Ritz car does because I was creating an ultra luxury company. Capella Capella's, ultra luxury's, not luxury. Like Ritz car for season is ultra luxury. So I want to know, I want to really know what they think, what they feel, what they and so on, what they don't like, what they don't like, what is commonality in the market segment. So I could create processes in this new segment, Capella in ultra luxury.

Doug Smith ([28:42](#)):

Yeah. Can you talk a little bit more just about the importance of surveys for leaders and organizations? Cuz you also did this with your staff, I believe, right?

Horst Schulze ([28:49](#)):

Yeah. You, you, you, as I said, you wanna know, you wanna know what is the market market's expectation, ideally from your product. Don't create processes to be sure you deliver that and, and deliver better than anybody else. Period. So without service, you don't know without service. You invariably come up with something that a customer doesn't even like because you like it, but not, I did that in my book. I tell the story about the locks and when I started first risk card, I was all excited. There was this new way of opening doors with a plastic key. They didn't, until that time you had hard keys. I was all excited about it because I was a safety thing. That was, was great. You didn't have to carry the heavy key, blah blah. So we put it into the new hotel, our first street car, and guess what? The guest came and said plastic thing in the luxury hotel. You must be kidding me. There were so many comments about it that we actually changed the locks.

Doug Smith ([29:57](#)):

Wow.

Horst Schulze ([29:58](#)):

We didn't listen to the market. I listened to me, guess what we had to do. Three years later he said, hard key. That's the answer. Change the locks again. You have to listen to the market. Listen, careful, make studies. Listen, listen what I like. Listen what they don't like and create processes around what their expectation is, or to avoid the mistakes that they make in their mind. It's not about you, it's not about your mother-in-law. It's about the customer.

Doug Smith ([30:35](#)):

Yeah. I wanna, I want to go a little bit of a different direction now and have a few fun stories. One you get credit a lot for Chick-fil-A saying, My pleasure. Yeah. Can you, I I love this story. Can you share the story of how you got them to do that?

Horst Schulze ([30:51](#)):

Dan, who is their first class gentleman and a good friend then, then Cathy, the son of Tru Carter. Tru Carter was of course was of course the creator of Chick-fil-A. And and I, it so happened then, then tells the story slightly different than I do. I know. And listen, it's been, I told a thousand times here old. I said, Don, I know exactly what happened. We, we run actually race together. The, the, the Peachtree race London. Afterwards, Dan said, Have you been in a Chick-fil-A at that time? Mind you that 30 years ago. And he says, 20, it was 30 years ago. And were here in said, Sure, I've been in Chick-fil-A. He, he said, What you think? I said, But to be honest, you're the best of a lousy lot. Oh, what do you mean? What means? So maybe let me start talking about it should be done different in my opinion, mind you.

Horst Schulze ([31:52](#)):

And then he invited me to, to work with them and deal with his management and so on. So we had a meeting following after several meetings and on in, in the headquarters. And he had all his key staff there. And I said, Okay, now the first thing is three things. When you walk in, first of all, people don't come to a restaurant because of good food. They come, don't come back to a restaurant because of food. They come back because they felt good, which includes the food. And it's just like any other business. So I told them that. And now then of course the relationship with, with whoever serves you, I not say hi. We don't say hi in Ritz Carton. We say Welcome. Because if I say hi, I'm saying we are equal. If I say Good morning, ma'am, I'm saying I respect you, but at the same time I'm saying I'm professional.

Horst Schulze ([32:55](#)):

So we talked about those words and finally came to the word and I said, And for goodness sake, don't say, Okay, no problem, no problem. Okay, don't say we, we say in Ritz Carlton, we say, My pleasure. Now I really don't that you should not use that. Your market segment. It's too fancy stuff for your market. And we should say, you should say something only we talked. So the group was talking, What are we going to say? I'm happy to, or certainly, or what are we gonna say? And in the background was true with Cathy, the father. All of a sudden he raised his finger and said, I like my pleasure,

Doug Smith ([33:42](#)):

<Laugh>.

Horst Schulze ([33:42](#)):

And I said, Him, Yeah, but you shouldn't use it. I like it too, but you shouldn't use it because it's too fancy. He said, I like it. That was the end of it. And so he now pushed my pleasure the next 10 years nonstop in every side, says, My pleasure. And everybody thinks I did it. I said, Well, not to use it,

Doug Smith ([34:05](#)):

<Laugh>. Oh, that's beautiful. Thank you for sharing that story. And, and thank you for the legacy. You know, I, I love Chick-fil-A and obviously they're famous for that. A few other personal questions. Someone asked you at our breakfast, you know, what accomplishment you're most proud of, of in your life? You've obviously accomplished a lot, and I loved your answer if you remember it. But could you just share what you're most proud of in your life?

Horst Schulze ([34:27](#)):

Well, it it, I I, the way I feel, and maybe, maybe I felt a little bit different, that that time is simply, and, and I think every manager leader should think about that you have people working with you, and one of the greatest honors that you have is to try and positively impact their life. Simple as that. And, and the one thing I did, and that's what I'm thinking about now, and I may have, I'm, I'm, I'm proud of the polish I'm proud of, of being number one. I'm proud. My name is on a, on a hotel school in, in Auburn. My, my sure you have some prides and so on. But the deeper, the deeper fulfilling pride and in fact was, and I have to explain that in every opening I had, I spent the night before the opening, before the orientation with all the staff.

Horst Schulze ([35:19](#)):

I had managers there from many hotels to help me training and all the manager of the new hotel. I had a three hour to four hour leadership session with them. What is leadership? And I had about 10 flip charts behind them and discussed it all. And then of course we had orientation, then I had training. And then after 10, 15 days, I flew back to Atlanta, our headquarters in my home. And under way back, I always, I always prayed that at least one person understood what I actually tried to say. I I was so, so much hoping they heard the words. Did they get it? Did they intellectualize it? Did I put it in their heart? And, and one person gets an as successful one. Here's the story. I opened Bali and I did that too, the same thing. And then I left Ritz Garden 15 or 20 years later.

Horst Schulze ([36:27](#)):

I took the owner in the meantime, eliminated money. We don't own hotels, we, we manage hotels. All the hotel prints to that. The owner eliminated Ritz Garden as a management company and called me if I would manage now that hotel with my new friend with Capella. And I certainly did that. So I went there to take that hotel over again, and we had a big reception, people from the island, hospitality people, political people, and so and so leaders. And all of a sudden a young man came to me and said, Ms. Schs, can I talk to you for a minute? I said, Sure. He said, When you were training here and orienting the new employees for Ritz Car 20 years ago, I was a banquet server. I was staying in the back when you were teaching the managers and listening and when you were teaching and when you left the room, I took the flip charts and I listened very careful.

Horst Schulze ([37:32](#)):

I know everything you said, I have everything with me to, and, and I want to thank you for it because I, I, I get all my thinking at work around it. And I'm now general manager in a hotel in abut wow. And I have to say, and I said, Thank you, God, that, that my, my prayer is answered. There is one that truly get this

young man, Oh, I can tell the story about eb the dishwasher, tell him a book who got that to no one uses it or came in as a refugee from Nairobi as a dishwasher and, and is now a general manager in hotel and so on. I can tell many stories like that. But this hit me so deeply, this young ese boy who now was a young man who now was a general manager, actually 20 years later thanked me. And I said, I still have it. I still got it. Hmm. You know, Wow. Very fulfill, very fulfilling. And I don't know if that was my answer at the time, but that is kind of the more deeper satisfaction that you know. Well, I look here, there's about 30 hotel companies now managed by people who used to work with me. Yes. But there is this young man who came from very, very, very poor circumstances. And in the village of Bali who understood who gto to talk it in. I I truly thank God afterwards.

Doug Smith ([38:57](#)):

Yeah. Horse, you know, I love that you, you see your greatest accomplishments of impacting people. I think a lot of people, especially when they're young, they look to, to money to measure success. And this is an assumption. I certainly haven't done any research, but I'm assuming you've done okay financially. I'm just curious, what, what have you, what advice do you have? Or what, what do you think about money? What is, Yeah, that's it.

Horst Schulze ([39:20](#)):

Look, if you create excellence, it's not different than all the boards you sit on board directors and what do we talk about? Essentially the whole discussion is money. Whole discussion is money not alone. And not only in legal stuff and so on, it's hardly ever that we talk about what makes money, but instead of concentrating on what makes money that is disservice to others, the caring for others, that your product, they're doing things right, that makes money, You know, your excellence. I I try to get that across the people. Your ex concentrate on excellence and excellence is not an accident. It's always the result of high intent. What is your high intent in relative to what you're doing today? I, I now, I I, the high intent for us as hotel is not to create a room, sell a room and for as much money as possible and occupy as many rooms as possible.

Horst Schulze ([40:25](#)):

Our high intent is to make people feel well when they come to the hotel, to instill wellbeing. See, if I accomplish that, I will, I will come my rooms and non full vow if they feel that they're willing to pay more. So it has to be high intent, and you make money. And as an individual, that is true for you as an individual. I had this incident, I dealt with it. And one during the opening, Get this, here, get this. I had all the billman, doman and so on together. They usually, they, they usually very interested in money because they live on tips. Okay? And, and everybody said that it's always interesting. They're very burman doman. And so from them, I was teaching and try to establish a vision for them. And I said, Who do you wanna be? I said, Department in six months from now. And they said, We want to be the best. So I turned around on a flip chart to write down the best, and I said, This is why you should come to work. And somebody behind me screamed, I come to work for money. What is that thing? And I turned around and said, Now, and think about, now here's what I told them besides making a negative comment about whoever it was. I won't repeat that, but I said, Look here, who will make more money? The one that comes work on the end to comes to work for excellence or the one that came in for money?

Horst Schulze ([42:03](#)):

Come on, the answer's simple. So that is the narrow thinking that we have so much today. Create excellence in what you're doing. Don't just do it. Question. And in fact, if you don't mind us, me saying that, excellent. Here's the thing, A thing, anything, even it little clipped on here. Anything is excellent if it works well for what it has been created. What about human being? A human being of excellence does their very best in their functioning now, their very best. I'm not saying perfect, because we, we are not, none of us does their very best in their functioning, also does their very best in their relationship, which creates service. By the way. Relationship behavior also does their very best spirit morally and, and ethically, hopefully also do your very best spiritually if you do your very, your very best in those areas. And then question yourself every so often, How could I do better in my functioning, in my relationship? That means I'm improving. And if I do that, I will be human being of excellence. And I guarantee you, if I do my function better and better and better, I soon now or later, I will make more money than the guy that just came in for money I can.

Doug Smith ([43:39](#)):

Yeah. And talking about

Horst Schulze ([43:41](#)):

Will be more fulfilled in life.

Doug Smith ([43:43](#)):

Absolutely. And talking

Horst Schulze ([43:46](#)):

With a poorest soul that is a person who thinks that way, Gosh, I feel sorry for you to go to work for money. Go to work for excellence. Have a higher intent. Have a higher intent. What you do, What is your high intent in what you're doing today? Think higher. You are a human being. You're not a chair.

Doug Smith ([44:11](#)):

That's so good. And I am curious, I, I believe you're, you're an you're not a high school dropout, I believe you said you're an elementary school dropout, which I think a lot of people would be surprised to know. And obviously from going from elementary school dropout to doing what you've done, what advice do you have for people to find their intention or find their purpose in life?

Horst Schulze ([44:29](#)):

Well, I, I, I gave it have a, have an, have a high intent. Have a high vision. You, you lead yourself. Be a leader of yourself. What is leadership? Let let's discuss that for a moment.

Doug Smith ([44:42](#)):

Sure.

Horst Schulze ([44:43](#)):

Establish it starts with a high vision. You're not a leader unless you have a high vision. You're not a leader of yourself unless you have a vision for yourself of excellence. Number two, after that, you have to commit yourself to it. It shouldn't be a pipe dream. Others, it doesn't bother

Horst Schulze (45:02):

<Laugh>. Number three, identify what gets you to that vision and done implemented. Number four, keep a focus on it and not come up with lousy excuses. Like, I can't hire any people, nothing but excuse You. Give up the right for excuses. By the way, the moment in your manager, you're supposed to find, find answers and not excuses. So if you follow that vision, commitment, initiation and focus, you have to find the inner fortitude to keep on focusing on it and not find an excuse which makes you feel good for a moment. Oh yeah, It makes you feel good for a moment. Excuse after all, everybody does it. No, it's a very, So what, what you gonna pay for that? It's all up there. So I was committed. I kept on focus being, but now I knew I left when I was 14 and started working. Now, I took many courses after that because I knew I had to do it. I kept on, focused on how do I get on here? I took nearly every Cornell Hotel hospitality course, et cetera, et cetera. I went, Toson, it doesn't matter. But I dropped out. I did, never went to high school. Now it's a typical chairman thing that I, I went to hotel school once a week after elementary school, but nevertheless, that's true.

Doug Smith (46:37):

Wow. last question before I a few lightning around questions. You've, you've also had a successful marriage and you've raised some wonderful children who are all doing well, is what you said. What advice do you have first and foremost for those of us who are married for marriage?

Horst Schulze (46:54):

Well, I, listen, that would be the most important answer you hear today. Hmm. So I hope your people, those that listening, listen, the most important, you will have relationships and in your life, you there, there, the, the, the units unions in your life at work, in, in clubs, you may belong to a tennis club, at soccer clubs and everything, all those things. There's nothing more important than this lifelong decision of marriage. But again, oh, as a decision, decision, you see, your destiny has nothing to do with luck. Again, it's the decisions that you make, your high intent decisions that create your destiny. If you get, if before you get married, make the decision that this marriage make the decision. Think about it carefully. This merge will be last. And five, I made the decision, I will be in love for the rest of my life.

Horst Schulze (47:56):

It was a decision. Now, after that, what do I have to do? I have to implement the steps that gets you there. I can't just hope for it. Hope is new strategy. Hope is nothing. You now have to do something. You now have to question yourself. How can I make this most important institution in, in this life an exceptional one? I have to, I have to work in my mind about every look here we have a, where I live, I'm in my house right now, in my office, in my house. It, there's a gate over there. When I tri, when I tri, every time I stop for a moment, so the gate opens, I say, Thank you, God, for my wonderful wife, hold the arm. He said, I have to work on my, on my objective, on my vision. I can't hope for it. And once in a while, and here it comes, guys. Now be very careful. You. Oh my gosh. Now, oh, watch a man. Okay? All you ma man, listen for a moment. Once in a while, sit down with your wife when you have a good moment, have a glass of wine. I'm not Baptist. That's why we have <laugh>. That's why we have a glass of wine once in a while or whatever. We're sitting happy together. Dun said, Darling, let me ask you something. How can I be a better husband?

Horst Schulze (49:29):

But wait a minute, continue. That's called continuous improvement. Don't you continuously try to improve your business, See how we could do it better? Listen to the market. In this case, between you

and me, your wife is your market, <laugh> and just can find out what's important to her. Do it in that moment. You just improved your life. But it, this is, so, marriage is such a sensational thing. If you make it that, if you hope for it, it is great. Maybe you're not gonna have it. You have to make it like everything else. Only, only guys, this is the most important thing. And some of us come on, How much effort do we put at work? I mean, some of us crazy. Why don't we put some effort in the most important thing in our life? That's our wis. Hey guys, it's not your children.

Horst Schulze ([50:29](#)):

It's your wife who is the most important. The children follow, but it's your wife, it's your life and this, and this will fulfill you. Then that's where fulfillment is. And that's where happiness lies. And, and, and, and unfortunate in our society, we don't even know what happiness is. And I, I talk about people about happiness. They think it's pleasure. Pleasure is no happiness, fulfillment, contentness in your life together with a fantastic partner that is happiness. And you find that that work to an extent because you find fulfillment and so on. So, sorry, my lecture. Hey, much of people, that would be so tough for you to say that. How can I be a better husband? Why would it be so difficult? Come on.

Doug Smith ([51:19](#)):

So good. Thank you for sharing that advice. This will be the last question and then I'll just leave it open ended for you. But we do have a lot of ministry leaders and church leaders listen to this. And I just thought you had a compelling challenge to the church. What advice do you have for church leaders and ministry leaders in today's world? What do they need to hear?

Horst Schulze ([51:37](#)):

Well, it's, it's all connected. And you know, it's in, you go in and they have this people that say hello and, and, and so on. But you, on the same time, the congregation is Ed. They show down on Sundays. They're not connected and so on. The one thing we must understand in all, all we are as people, and go back to the, the Aristotle finding that it's not only a start. So many philosophers afterwards wrote about other people need to belong in purpose. The belonging peace is absolutely essential. You have to give them, not a lecture in church, but a sense of belonging. And that sense of belonging is essential. And if you, if you don't mind, if you actually have pass on listening, let me allow me to tell you something. I come from a society, Germany and all of Europe where are beautiful, beautiful old churches. There's a problem. They're empty. There's a real problem to empty. I, I can tell you why they're empty. Trust me, I, I, I really know why they're empty. The church constantly was looking how to get closer to the people. Hmm, closer the people in the process, the left guard behind. Now they're offering all kind of things to the people after all the people. That's how the people think. Now. That's how the people think. That's what they want. So let's do it. Even in, in the meantime, we, we rip one page out the Bible,

Horst Schulze ([53:28](#)):

We reach, we rip a page out because people don't like that page. People don't like that page. So we, let's, why don't we rip it out? And it seems to understand something else. Let's take one that one out too, and pretty soon have nothing to offer anymore. And you pastors has ripped so many peaches, peaches out. It's unbelievable. I mean, I have nothing what you have to offer me. I, I can, nothing.

Horst Schulze ([54:01](#)):

God is much bigger than that. He offers something exceptional. He offers the what, what, what this God offers us. I, when I turned 80, I turned first. I was shocked, Okay? In the morning, I'm 80. Oh my God,

<laugh>, I'm 80. Oh my God. As if, as if it was something totally new way. It was coming quite a while. But I always understand, wait a minute, I made it further than many people make it. So this is place, this is a moment to celebrate here. I don't know if you guys make it to 80. You guys see it there. I'm looking at you. I don't know. You are lucky if you make it. Yeah. And then you are. And I said, Wow. And now I can celebrate every single day from now on, I'm from now on. Less and less and less people have made it there. I'm becoming a master more and more. And then I said, and then suddenly I looked back at my life and I saw so many stupid things that I did. And I wanted to take something to flock myself for the stupid of the past. And then I came to realization.

Horst Schulze ([55:17](#)):

If a foot would've followed the word of God a hundred percent, I wouldn't have those regrets. I wouldn't have him.

Speaker 4 ([55:30](#)):

Wow.

Horst Schulze ([55:31](#)):

That's, that's the offer that he's giving out, that kingdom on earth by following him, Not what, Listen to what, what ticks our ears. You know, you, you know, you know. But that is, that is written not what tick our ears. But what is right, what is true, The truth will set you free. That's where the truth sets you free. And the truth is not, not part of the truth. No, no, no, no. The whole truth. Mm. And so, so pastor, sorry that I try to be an expert in what you are doing now, but that's just what I feel.

Doug Smith ([56:14](#)):

Yeah. Well, thank you for sharing horse. Then as we close, is there anything else you wanna leave leaders with today?

Horst Schulze ([56:19](#)):

Well, again, make, make a decision for high intent. Become this human. Don't put yourself on the level of a thing that functions without high intent. Be human being and have high intent. And keep always in mind your fellow human being. And the greatest honor that you have is to positively impact those, the life of those around you. What an honor. Good luck.

Doug Smith ([56:57](#)):

Thank you so much. This has been a wonderful interview. And thank you for adding value to me and everyone who will listen to this.

Horst Schulze ([57:03](#)):

All right.

Doug Smith ([57:04](#)):

Hey Leader, thank you so much for listening to my conversation with Horse. I hope that you enjoyed it as much as I did. You can find ways to connect with him and links to everything that we discussed in the show notes@lthreeleadership.org slash 3 43. And Leader is always, The new year is coming up. And I wanna challenge you that if you wanna 10 x your growth this year, you need to either launch or join an L

three leadership mastermind group. Mastermind groups have been the greatest source of growth in my life over the last seven years. And if you don't know what they are, they're just simply groups of six to 12 leaders that meet together on a consistent basis for at least one year in order to help each other grow, hold each other accountable and to do life together. So if you're interested in learning more, go to Lthreeleadership.org/masterminds. And as always, I like to end every episode with quote and I'm gonna quote horse cuz this quote blew me away. He said, You give up the right for excuses the minute you're a manager. Boom, no excuses and horse shorts world. I love that. Well, hey, I hope this episode encouraged you know that my wife, Laura, and I love you. We believe in you and we say it all the time. But don't quit. Keep bleeding. The world desperately needs your leadership. We'll talk to you next episode.