Doug Smith (00:07):

Hey, leader and welcome to episode number 347 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. In 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 enjoy our content and become a subscriber. Know that you can also watch all of our episodes over on our YouTube channel, so make sure you're subscribed there as well. And if you've been listening to the podcast for a while and it's made an impact on your life, it would mean the world to me if you would leave us a rating and review on Apple Podcast or Spotify, or whatever app you listen to podcast through that really does help us to grow our audience and reach more leaders.

Doug Smith (<u>00:43</u>):

So thank you in advance for that. Well, in today's episode, you'll hear my conversation with David Salyers, who was one of the original two marketing executives at Chick-fil-A. He spent 37 years in Chick-fil-a's marketing department and most recently served as a vice president. Having worked at Chick-fil-A for most of his career, he saw the principles of servant leadership and compassion play out in the growth of more than 2300 Chick-fil-A restaurants around the country. David is now using his expertise and passion to spark the growth of individuals, teams, and organizations. He serves as a board member on numerous organizations and has helped launch several startups and nonprofits. Notably, David is also a founding partner of Rome, a shared workspace that is on mission to make work matter. In 2018, David founded Spark a revolution where he and his team helped companies create the competitive advantage by building remarkable cultures and brands.

Doug Smith (01:32):

And co-wrote his book Remarkable to Impart Leadership Lessons that Transform Workplace culture. And in our conversation, you'll hear him talk about the leadership lessons that he learned at Chick-fil-A, his favorite memory of true at Cathy, what sets Chick-Fil-A apart as an organization and so much more. You're gonna love this conversation, but before we get into it, just a few announcements. This episode of the L three Leadership Podcast is sponsored by Beratung Advisors. The financial advisors at Beratung Advisors help educate and empower clients to make informed financial decisions. You can find out how Beratung Advisors can help you develop a customized financial plan for your financial future by visiting their website@beartongueadvisors.com. That's B E R A T U N G advisors.com. Securities and investment products and services offered through Ipo Financial member FINRA and S I P C, Beratung Advisors, LPL Financial and L3 Leadership are separate entities.

Doug Smith (<u>02:21</u>):

I also wanna thank our sponsor, Henne Jewelers. They're a jeweler owned by my friend and mentor, John Henne. My wife Laura and I got our engagement and wedding rings at Henny Jewelers and we just loved our experience. And not only do they have great jewelry, but they also invest in people. In fact, for every couple that comes in, they give them a book to help prepare for marriage and we just love that. So if you're in need of a good jeweler, check out henny jewelers.com. And with all that being said, let's dive right in. Here's my conversation with David Salers. Well, hey David, welcome to the L three Leadership Podcast. Thank you so much for giving us an hour of your time. And I can't wait for the value you're gonna add to our audience. And I wanna start with really just talking about an overview of your Chick-fil-A career. You had a

Doug Smith (02:58):

37 year career at Chick-fil-A and started when you were pretty young. Can you give us just a brief overview of what that experience was

David Saylers (03:05):

Like? Yeah, happy to. First, it's an honor to be with you and Jesse, it's an honor to have you joining us today. And uh, I guess Doug, you'll explain that. But uh, hey, uh, I started, I met Truitt Cathy when I was a junior in college and uh, it's amazing to me, uh, maybe even a little divine intervention on that one. But, uh, met him then. And it's interesting, Doug, at age 21, when I was a senior in college, I had everything about life figured out as most 21 year olds <laugh>, just a year closer to 21. But here's how I had it all figured out. I I figured I was gonna graduate from college, make as much money as I could, as fast as I could to retire as early as I could. And I thought the whole point of work was to retire from it, you know, cuz that's kind of what I've been taught, you know, from culture. And it's, you know, people aspire. So I'd set 35 is my goal. I said, if I can just be retired base 35, how could life get any better than that? That's the best idea I had as a 21 year old. And, uh, and a lot of 20 year year olds that I share that with now, they think that's the best idea they got.

Doug Smith (04:12):

Yeah. What were you gonna do with all that free time? What was the dream like, chaos, golf all day or? Well,

David Saylers (04:17):

That's what's so funny is, you know, cuz when you think about that goal a little deeper, uh, it's like, okay, well if your whole goal is to stop doing whatever you're doing as soon as possible, what does that tell you about how much you're enjoying it? And so, uh, you know, and so I I tell you today, I'm so glad that didn't happen. You know, sometimes what, what's great in life and things that don't happen, I'm so glad that didn't happen in my life because in going to work for Chick-fil-A and going to work for Tru Cathy, I found something, what I would call a thousand times better than early retirement. Something that is a 21 year old I never could have even imagined existed. Something that never had crossed my mind. And even if you had suggested it to me, I'm not sure I would've believed it.

David Saylers (05:00):

And so instead of finding the job, I could retire from early. I found the job I wouldn't wanna retire from. Hmm. See, that thought had never crossed my mind that there could be a job you wouldn't wanna retire from or even should be a job you wouldn't wanna retire from. But when you think about it, if, if retiring early is all about stopping, doing whatever you're doing as soon as possible, then finding the job you wouldn't wanna retire from is finding something you would never wanna stop doing. Cause you're loving it so much and you're enjoying it so much. And so true Cathy role model that he lived it out in front of me and he role modeled that. He used to talk about the fact that if you love what you do, you'll never work another day in your life. So I feel like I've never worked a day in my life gotten paid anyway.

David Saylers (05:44):

Pretty good gig if you can get it. Uh, but there's so much more to it, uh, than that, which is what I wanna dig into on this podcast. But I think just starting with that, you know, one thing that changes everything sometimes in life and that one thing, you know, I thought again, as a 21 year old, I was convinced retired by 35, that's as good as it gets. And now I found something so much better. You know, and it's funny,

Truett role model that in so many ways. I remember going into his office when he was in his eighties and I'd say, Truett, what are you still doing here, man, you're 401k fully funded. You know, it's like you're the sole owner of a multi billionaire. Why are you still here? And he's say, why would I stop doing something I love this much? Come on. And just being around that, it's like, wow. Because what I found is that I think work was designed to be something rewarding, enriching, exciting for fulfilling. It's just most people don't experience it that way. But I got to experience it that way thanks to Truitt and thanks to Chick-fil-A, I just got to experience a version of work that most people never even think about. Like, like I said, had I not worked for Chick-fil-A and Truitt, I might have, you know, had a whole different path in life.

Doug Smith (06:56):

Yeah. And on I was gonna say, yeah, on those same lines, I, I think I heard you say in another interview that you had a mentor at some point come around early in your career and say there's four things that, that you should look for. Yeah. Uh, when you can you, can you say those?

David Saylers (07:10):

Yeah, let's talk about that. That's fantastic. So, you know, it's interesting, uh, while I was in college, because my goal was to retire early, uh, I had done really well in college and I was one of those kids, uh, while everyone else out partying on Saturday night, I'm studying and, you know, and while everyone else is out playing, I'm trying to lead organizations and I'm trying to mold and shape myself into somebody who could retire was 35. And so I was very driven, very dedicated. And so the, the dilemma for me when I graduated is that I had a lot of really good offers, lot of really good offers coming outta college. That would've paid me a lot more money than Chick-fil-A. In fact, chick-fil-A was the worst offer. I had <laugh> about 50%. It was like 50% less than what I was being offered other places.

David Saylers (07:56):

And yet there was something about it that was intriguing to me. I couldn't figure it out. You know, I'm a stupid 21 year old. It was not very clear to me why I just knew that something inside of me said, gosh, that still seems appealing, but I can't figure it out. Cuz if my goal is to retire early and that job's 50% less, I don't see how that's putting me any closer to my goal. So I had a mentor in my life, a guy that I'd worked for, uh, at Six Flags over Georgia. I had worked in the marketing department at Six Flags over Georgia during college during the summers as an intern. And that's really how I fell in love with marketing. Originally when I went to college, I thought I wanted be an attorney, and uh, my dad was an attorney. My older brother is an attorney, you know, and that was kind of the path I was in and did a summer internship, changed my life, just fell in love with marketing.

David Saylers (08:43):

In fact, I was at Wake Forest, Doug at the time and they didn't have a marketing major. So I ended up switching to University of Georgia, which that's where I ended up meeting Truitt, you know, and one thing leads to another, but, uh, so I ended up graduating from University of Georgia again. I'd done really well academically, done really well. Extracurricularly had a lot of good offers. So I sat down with Dave Capa. He actually came to the University of Georgia. Doug, this seems like it was yesterday. I was sitting in the parking lot of the ATO house. Uh, I was president of ato, my fraternity. And uh, and I explained this dilemma to him. I said, I got all these great offers. This one from Chick-fil-A seems interesting, but I can't figure it out. And didn't take him a nanosecond to figure it out.

David Saylers (09:24):

He said, SALs, he said, the last thing you need to worry about coming outta college is how much money you make. Wow. He said, you need to find four things. He said, first, find a leader that you wanna be more like, take a lead. Take a look at the leader that you're putting yourself under. That's a picture of the future. You do you like that picture? And, you know, Truett said it differently. Truett said, we become like those we surround ourselves with for better or worse. So I think it's not only the leader you put yourself under, but it's the people you'll be surrounded by will mold and shape who, who you become. So, who is like, take a look at all those offers and is the leader that you're putting yourself under and the people you're putting yourself around a picture of the future you want for yourself.

David Saylers (<u>10:10</u>):

So that was issue number one. Issue number two is he said the first question you're gonna get whenever you get in a social setting party or whatever is what, where do you work? You know, you know. And so he said, are you gonna be proud of the answer to that question? You know, are you working somewhere you'll be proud to tell people this is where you work? True it again, said it this way. All these things I learned from Truitt, just different words, but kind of the same idea. Truitt used, he lived his entire life by Proverbs 22. One, A good name is rather be chosen than great riches. So Truitt would've said, a good name is rather be chosen than great riches and really what I need to be looking for was a good name. And Truet was very concerned about his personal good name and the good name of Chick-fil-A along the way.

David Saylers (11:01):

So that was issue number two. So first, put yourself under a leader, you wanna become more like second does the company you work for have a good name? You'd be proud to tell people, this is who I work for. Third, he said, each of us is kind of uniquely gifted to do certain things. Is does the job that you're signing up for allow you to do what you're uniquely gifted to do. So many times, Doug, especially in college, especially if, if somebody wants to just make as much money as they can as fast they can to retire, as you know, the question is what majors pay the most money? And that's what you should major in. Well that's great if you're good at that. It's terrible if that's not what you're naturally gifted at doing. And uh, so basically he was saying, what are you naturally gifted at doing?

David Saylers (11:48):

And does this job involve that? That's the third thing. And then fourth, he said, find a job job you'd be passionate about doing. And I'm, I'm gonna elaborate on that. By passionate, it kind of means two things. Is it a job that charges your battery while you're doing it? Or is it a job that drains your battery? You know, cuz you wanna be in a job that's charging your battery not draining your battery. And the second thing I've learned about passion along the way is the things we're passionate about in life are the things we're happy to sacrifice for. You know, so are you taking a job that you'd be happy to make sacrifices because that job, you're so good at it and you're so passionate about what you're doing and the mission you're on and all the rest. And, uh, and so I think we need to be missionaries, not mercenaries is a way to think about it.

David Saylers (12:36):

You know, so many people are just signing up like I was for the size of the paycheck, but I think the better strategy is sign up for the size of a mission that you're passionate to be on. So he said, if you'll find those four things, a leader, you wanna be more like, and, and people, you wanna be more like surrounded by a brand you'd be proud to work for, proud to tell people good name, a job you're

uniquely gifted to do and a job you're passionate about doing. So if you can find those four things, money will never be your problem. And it's like the scales fell from my eyes at that point. Suddenly I saw why I was struggling because the other jobs I had certainly would've paid more coming outta college, but didn't have in, in some cases any of those four things. But certainly not all four. But Chick-fil-A had all four of those in, you know, technical. Yeah. And so I ended up, that was the day, it was like instantly I said, okay, I'm gonna work for Chick-fil-A. That makes total sense to me.

Doug Smith (13:32):

And David, you know, you talked a lot about the pursuit of money and that we shouldn't pursue it. Although just like you mentioned, as you pursued those four things, obviously I'm, you stayed at Chickfil-A for 37 years, I'm assuming that similar to Truitt, uh, that towards the end of your career, chick-fil-A, you were also in a position where you had some money mm-hmm. <affirmative> and, and just outta curiosity, we have a lot of young leaders listening to this, uh, now that you have some money and you know, in a position where you could have retired earlier, done anything you wanna do, what, what does money do for you when you actually have some, does it, does it actually fulfill that, that desire that you had when you were 21? What would your advice

David Saylers (14:06):

Be? Well, here's the way I think about money now. Money is the fruit, not the object of a career. It's the fruit of doing something. Well, not the object of what you're doing. And what I was doing at age 21 is making money the object of what I was doing. And, and so let me just elaborate just a little more to, because you do have a lot of young leaders. Let, let me tell you what I stepped into at Chick-fil-A. It's not the Chick-fil-A that you think of today, Jesse, it's not the Chick-fil-A you signed up for, at that time, the entire headquarters was in a converted air freight warehouse and there were probably 25 people on the staff, something like that, all in a converted air freight warehouse. They ran outta room in the warehouse. So they cut a hole through all pulled up a mobile home.

David Saylers (14:51):

And my first office was in a mobile home attached to a warehouse. Wow. So, and I had offers from people like Coca-Cola and Delta, you know, and they have these mass massive headquarters with all the, you know, cool stuff. And I'm in a warehouse and remember this is a kid who thinks he wants to retire. But, so it didn't look like a great place to start. But man was it a great story to be part of and was a great place to finish. And that, that's why I want to get into some of this. The other thing that was interesting, Doug, is when I joined, it wasn't near as profitable as it is today. At that time, we're only in a hundred percent of the locations were in shopping malls. Hmm. <affirmative>. And at any point in time during my early years, I call it my first 10 years, 40% of our operators were unprofitable.

David Saylers (15:38):

Wow. You know, that's unimaginable today. I doubt there's one operator in the whole chain that's unprofitable, but that then there's 40%. So half my job was to keep people in the game, like be able to paint a picture of a brighter future, convince myself of that because we weren't doing all that great. The second thing I'd tell you is for my first 10, maybe 15 years at Chick-fil-A, a hundred percent of the people I hired at Chick-fil-A took a cut and pay to come including myself. You know, if, if you just look at the offers that I had, and I'm telling you, that was the foundation that's created the incredible opportunities that Chick-fil-A is now. But we had to learn those lessons. And so I think early in your career, that's part of the magic of what Dave Kaplan told me, is he said, Saar's, the last thing you need to worry about is

how much money you're gonna make, you know, coming right outta school. It's all about preparing yourself for a really bright future. Not about how much money you make in the short run is can you set yourself up to make a lot of money in the long run. And the best way to make a lot of money is to not focus on that. It's to focus on doing a great job, you know, and then the money becomes the fruit, not the object of what you're doing. So did I Yeah, go ahead. No, go ahead.

Doug Smith (<u>16:55</u>):

I was gonna say that's so good. I had my, my father-in-law, uh, who was an instrumental mentor in my life at a, uh, very much a time of need came into my life. And as, as he started to invest in me as a young leader, he would say the same thing. He said, Hey, don't worry about the money. The money will come. Just get good. Just get good. And I'm so grateful for that advice. Uh, you're talking about the story of Chick-fil-A and where you guys started, which again, if people just look outside their door, I think they'll understand where Chick-fil-A is now. Um, I know John Maxwell is a friend of of Chick-fil-A and he talks a lot about the law of the lid. And a lot of times that leaders as they, they, if they don't continue to grow, they'll eventually hit a lid and not be able to go where they need to go. You stayed. And, and it seems like a lot of the, the core leadership team, we interviewed Mark Miller for the podcast, it seemed like so many of the leaders that started with you and Truit, et cetera, have been able to grow and scale with the company. Mm. I'm curious what en what enabled you, and as you look at some of the other leaders that have also scaled, what enables leaders to scale versus those who who do hit a lid and are unable to, to grow into their full potential?

David Saylers (<u>17:56</u>):

Such a good question and, and I think it, it's a couple of things. Um, one is you have to hire to that. And what I mean by, uh, when, whenever I would interview people, I was never hiring them for the immediate job that needed to be done. I was always looking 10 or 15 years down the road and say, can this person do what I need 'em to do 10 or 15 years down the road, not can they do what I need 'em to do today? And part of the way you would assess that is track record. You know, what's their past track record? Have they always been, you know, an extra effort kind of person? Have they always accomplished things above and beyond the norm? So cuz part of what you gotta do is you gotta bring in the right people to begin with and then you've gotta create the context for them to succeed.

David Saylers (18:40):

And one of the things I, I loved about Chick-fil-A is, um, that Chick-Fil-A viewed the business as a platform. You know, most businesses view people, they use their people to grow the business. I think the most remarkable businesses use the business to grow the people. And I think Truett had an eye for we're gonna use the business to grow the people, not the other way around. Because with a 97% retention rate, which is what the retention rate was for my entire career there, wow, you don't have a lot of opportunity to bring people in. It's like you've got 97% of the people and they're staying. So they have to grow. And to the degree that they grow, the business can grow as well. And I think you have to hire to that and then you've gotta create the conditions for them to grow. And Chick-fil-A was always generous, Doug, I don't know that I can think of a time where there was something I wanted to do to develop myself that they didn't allow me to do.

David Saylers (19:40):

And it's almost just part of the DNA that we're all, you know, Mark Miller, you mentioned him earlier, he talks about the fact that leaders are learners. And I think at Chick-fil-A, we hire people who are learners

and want to learn and then we give 'em the ability to learn. We give 'em all the opportunities to learn. You know, one of my styles of learning is I used to love to do what we call corporate tourism. And corporate tourism is if you wanna become excellent, you gotta study excellence. And so I would love to go study companies. You know, it's funny, we wouldn't go study McDonald's or Burger King or Wendy's, you know, we'd go study Apple and Google and Zappos and you know, Patagonia and we'd go to find excellence wherever it existed and go study and then say, now how can we translate that back to Chickfil-A?

David Saylers (20:28):

And uh, what was really cool is early on in my career, you'd have to be borrow and steal your way in to get to, you know, see somebody. A lot of times Coca-Cola became a good friend cuz Coke, you know, had lots of relationships. They could get us in places we couldn't get ourselves. But by the end of my career, it's like you tell 'em Chick-fil-A wants to come, they're like rolling out the red carpet and invite you in, don't pay for your trip <laugh>. So on the back end, it was real easy to get to see all these other companies on the front end much harder. But nonetheless, I learned a lot from watching the very best, the way they thought about things, the way they did things, the way they strategized and systematized and processed things. So a lot of becoming excellent is to study excellence and, and Chick-fil-A gave me lots of opportunities to do that both in the classroom but also through studying other companies and what other people did and hanging around with other leaders that were excellent.

Doug Smith (21:25):

Yeah. Is there any other, any other advice you'd give leaders? Just, you were 21 when you started, which again, I know you just started when you started, but, uh, what advice do you have for leaders when it comes to actually recruiting and engaging and developing, uh, emerging leaders? I know you said, you know, offer them courses, et cetera, pay for that. Anything internally that you guys did intentionally when it came to, yeah,

David Saylers (21:46):

I mean it was constant though. There's so many things like we would do mentoring groups, I'll give you one example. The entire organization systematically mentors each other. So our executive committee every year would select two people. We, anybody in the corporation could nominate people to be mentored by our most senior leaders. And so all the most senior leaders every year would mentor typically two people for an entire year. You know, they'd have an entire year planned then all of our vice presidents, the officers, they would all mentor people, all of, like, in my case, the marketing department leaders would mentor some. So it's this cascading of mentoring from top to bottom. And the amazing thing is, you know, sometimes the best way to learn something is to have to teach it many times where you learn more is having to teach someone else than being taught.

David Saylers (22:38):

But, but literally it was an entire process, uh, that our training department oversaw where they would keep records of how you'd been trained through the years, you know, what courses you've been to, what mentoring groups you've been part of, you know, et cetera, et cetera. And so it was just like the DNA of Chick-fil-A was to develop you and lots of opportunities to do that. Everything from classrooms to mentorships to corporate tourism, to, you know, spending time with each other. I used to, every year I would, uh, have a mentoring group that I would do, uh, with people that I work with and even in inside my department, but also outside. And we would study books together, we'd go through podcasts

together. You know, we'd have kind of a monthly rhythm where we would either do a book or a podcast or even invite in a guest speaker.

David Saylers (23:27):

But here's what was fascinating to me. Let's say we read a book together, um, we'd all show up having read the same book and then we'd talk about it. And by the end of, I said, David read the same book as these, it's like, they would get so much more out of it than I would. And the richness of learning really took place in the, the dialogue more than the reading itself. Because when I heard all their interpretations of what we learned and then we started talking about it, it's like 10 x more powerful than just reading the book by yourself. So good. And then I found that nowadays people don't read as much. So for, so now what I've done is do chapters at a time and we assign 'em to people. Let's say that a book had 12 chapters. Well maybe you just assign a chapter to each person and then they come and they come equipped to teach the rest of you. Everybody has the option to read that chapter, but somebody really goes deep. So that's a strategy nowadays that works a lot better just cuz we don't have time to read as much, not as much interest podcast where another thing you can all listen to and then unpack it. But I think just creating this ongoing desire to learn and grow, uh, is a really important part of the formula.

Doug Smith (24:36):

Yeah. Obviously a great leader that you gotta spend a lot of time with was, was Truet. And, uh, you've talked a little bit about what he taught you. Uh, a few questions on, on that relationship. One, if you have any advice on, on how any of us can bump into future billionaire, you know, billion <laugh>, you know, let us know it. Like

David Saylers (24:54):

A pretty,

Doug Smith (<u>24:55</u>):

If that was strategic at all, Matt,

David Saylers (24:57):

I don't remember when I was sitting in the mobile home attached to the Warehouse thinking that that's what I was bumping into at the,

Doug Smith (<u>25:03</u>):

That's beautiful. But I'm curious, do you have a favorite memory from Truitt? Whether it was something fun or a lesson that you learned or a time you were with

David Saylers (25:12):

Him? Yeah, uh, I do, I have so many fun memories. You know, early on in my career, it, it seems weird now and I think somebody like Jesse, you know, is gonna be, but like we were such a small group. I went on vacation, I went to Cancun, Mexico with him and his family. We weren't snowing together, all this stuff, which seems amazing now, but at the time it's like, there's just a handful of, it's very natural and normal at the time. But probably one of my favorite memories is, and and this tells so much about Truitt, uh, he got invited to come speak to a marketing group at Barry College and he kinda set the tone,

you know, as I think about it, he would never go on a trip, uh, while I was there where he wouldn't take somebody with him because he was always trying to mentor.

David Saylers (25:54):

So wherever he went, he'd invite people to go with him. So I, I got invited to go to Barry College and it turns out, I don't know how much you know about Truitt, but he fell in love with Barry College that week when I went with him. He had never been there before. And we went together and I just saw him fall in love. And now there are all kind of programs that Chick-fil-A sponsors up at Barry College. Now there's a summer camp, there's a, a college student group that's kind of separate from the year. All these things that have, there's a family retreat center up there, all these things he's done up there. But here's what's so funny is he invited me to go with him cuz he was speaking to a marketing class. And this is, you know, a year or so into my career, maybe two years, not very long.

David Saylers (26:36):

And I'm so excited cuz I'm gonna get to learn from the master, you know, so I have my notebook and I got my pad of paper and I'm ready to go. And, uh, well first of all, <laugh> well, this will give you an insight into what he was like as a person back then to be frugal. Uh, we, if two guys were traveling, you would just share a hotel room to, to save money. So I'll never forget, I woke up the next morning, uh, to a shrill screen. You know, I'm, I'm fast asleep. All of a sudden I hear this screaming Truit is running over with the ice bucket and he throws it on me and there's socks in it and all these socks <laugh> I'll never forget. That is awesome. Like getting ready for the ice and it's got socks in it. But that's the kinda jokester that he was.

David Saylers (27:19):

But then we went to the marking class and I'm like so excited to learn from the master. They said, hi, I'm Crook Cathy and uh, this David sas. We're here to talk to you about marking David, why don't you come up and tell him about marketing? And I'm like, I learned when Drew invites you to go, you may end up being the one do the talk <laugh>. Wow. So he threw me up there to the wolves and I had to do a talk on marketing that I thought I was there to learn from him, and instead he wanted me to go up and do the talk. So that, but that was truit that, that's classic Truit, you know. And, uh, do you have one or two lessons maybe from his life or from his leadership? Oh, there's so many, you know, throughout the course of this will probably, uh, you know, stumble upon all these truisms, uh, that come up period.

David Saylers (28:05):

But I, i kind of give you a macro idea that was really powerful for me. Uh, I think about business people and most people who start a business think of business as what I would call a get rich scheme. They start a business because they want to get rich. You know, how common is that? You know? And, and there's nothing wrong with it. It's very common. And in fact, you know, guilty is charged at age 21. What did I think my business career was all about getting rich. You know, I, you know, I bought into that hook line and sinker, and that's exactly what I was thinking. And so, you know, there's nothing wrong with business as a get rich scheme, but, but when you think about a level deeper, what it basically means is it's a self enrichment scheme. It's like, I'm gonna get rich and I'm gonna get rich at the expense of someone.

David Saylers (28:53):

So who are we gonna get rich at the expense of as a business owner? Well, we'll get rich at the expense of our employees. We get rich at the expense of our customers. We get rich at the expense of our suppliers. We get rich at the expense of the communities we serve. This debt rich scheme is kind of a self enrichment scheme, which is why business in many ways has such a bad reputation. And it's why the, the politicians can talk, talk about, you know, business as the evil empire and the, you know, greedy capitalist pigs and all this stuff. What Truett model for me is the polar opposite of business as a get rich scheme. What I feel like he modeled for me was something that I would call a be rich scheme. Sounds very similar, doesn't it? Get rich and be rich sounds almost identical, but they're polar opposites.

David Saylers (29:41):

See, business as a be rich scheme means how do we use our platform of business to be rich toward people, not get rich from them. So how do we use our platform business to be rich toward our employees? How do we use our platform of business to be rich toward our customers? How do we use our business platform? This is the one I'd love to talk about, be rich toward our suppliers. Wow. See, suppliers usually are win lose, kind of, you know, it's sharky or you know, dog eat dog and we wanna, you know, get them to lower their price and stuff. But Chick-fil-A always saw our partners or suppliers as an opportunity to be rich toward them. And then finally, how do we use our business as a platform to be rich toward the communities we serve? And so I saw Truet role model all of that before my very eyes.

David Saylers (30:29):

And that's why, you know, that that's one of the main reasons when that's the central organizing idea behind your business. You know, your success might be, you know, just infinitely more than the people you compete against. Uh, you know, when a get rich business has to compete against a be rich business, it's almost not fair. Hmm. You know, as long as they're limited to competing against Get Rich Bus, when a get rich business competes with a get rich bus, not so bad. But it's almost not fair when they have to compete against a be rich business.

Doug Smith (31:00):

Yeah. On, on the note of competition there, uh, and I'm not saying that this is the case, but can you, I I was blown away when I heard you share this, the stat on the comparison between Chick-fil-A and other fast food restaurants. Yeah. Uh, as far as revenue per per store, can you share

David Saylers (31:15):

That's love to share? Yeah. So, um, so Chick-fil-A competes in one of the most ferocious industries imaginable. It is a dog eat dog world. You know, there are about 200 top chains that Chick-fil-A would compete against. And if you took all those chains and you, uh, you added up, let's say the advertising that they do, it'd be the biggest advertising budget in the world. You know, it's a, it's, uh, the 200 chains compete on price. You know, how common is it to see a 99 cent sandwich or buy five get one free or what, you know, it's just a real price sensitive market right now. There's a lot of competition for talent, you know, on and on and on it goes. It is a ferocious dog eat dog place to be. So last year, the average fast food chain based, based on the last records I saw on average does about \$800,000.

David Saylers (32:08):

If you took all 200 chains, you know, and said took a, took the annual revenue per restaurant and then averaged it, it'd be about somewhere about \$800,000. McDonald's is not only the golden arches, they are the gold standard of the business. You know, they are really, really good. You know, there, there's a

lot of reasons McDonald's, you know, has done, uh, is so admired by so many people, including myself and Chick-fil-A. So last year the figure I saw was in an 800,000 hour business, they did 2.8 million on average per restaurant. Wow. Think about that. Wow. Now here's what's fascinating is Chick-fil-A is closed 52 more days than any one of the other 199 restaurant chains we compete against. And what's interesting is you could make the argument that that's one of the stupidest decisions that Tru Cathy ever made. Because if you just looked at the numbers on a spreadsheet, just use data.

David Saylers (33:11):

You know, we love to talk about science and data, so you just use the data on this. And Sunday is arguably the single best day to be open. Doug, I'd also love to be the attorney to represent Chick-fil-A and maybe they aren't the idiots we think they are. And if I was the attorney for Chick-fil-A, here's the case that I would make here would be my Exhibit A for the judge. I'd say, okay, chick-fil-A competes in this ferocious category like we just talked about. The average restaurant does \$800,000 business. So it's basically an 800,000 business McDonald's 2.8 million Chick-fil-A closed 52 more days than anyone else. They compete against arguably judge the 52 best days to be open. In fact, you could argue that they lose 20% of their sales based on being closed on Sunday alone. But do you realize, would, would it be interesting to you if you found out that in an \$800,000 business closed 52 more days than anyone else, the average Chick-fil-A last year did 8 million.

David Saylers (34:13):

What in an \$800,000 category? 10 x the norm is less days, you know, three times more than three times what McDonald's does in 52 less days. And this just defies gravity. It's like people don't understand it. And, and then you know what a lot of people then argue is, well, if you would just open on Sunday, you probably do 20% more anybody's been at Chick-fil-A, more than 10 minutes would tell you single biggest way you could kill Chick-fil-A would be to open on Sunday. It's just such a cultural norm there, and it's so important from a value standpoint, you know, it's the very reason that we do the 8 million. It's not, it doesn't keep us from doing that. It's actually what powers it.

Doug Smith (34:56):

Can you also, that's unbelievable. Can you also, I I've heard you talk about a value imbalance and your ability to charge prices. Cause you also price differently than your competitors as well. You don't have a 99 cent menu, to my knowledge, et cetera. Can you talk about that?

David Saylers (35:11):

Yeah. So the, the, the problem that we all face in business is that every customer I know wants, uh, wants to get a good value. You know, Doug, when you spend your hard earned money, Jesse, when you spend your hard earned money, you wanna get a value imbalance in your favor. And value equals what you get divided by what you pay. And so the, the easy way to create that value imbalance for people is to focus on the numerator, you know, and reduce what people pay. And so in, in our industry, that's a, a quick and easy way to make things happen. If you think about it, you know, it, the vast majority of the people, that's the way they create the value imbalance that customers are looking for. The problem with that though, we can all see, well, well first of all, why do they do it?

David Saylers (36:01):

That, you know, I think that's a good starting point. Well, they do it because one, it works, you know, and, you know, if Chick-fil-A were to, to do a 99 cent sandwich tomorrow, guarantee you it would work,

people would be lined up. Not only would it work, I could prove to the CFO that it worked because I could count way and measure the results and, uh, and it would work immediately, you know, and it wouldn't take a lot of thought. How, how much effort would it take? But I used to tell truth, I said, if the best idea I have to grow sales at Chick-fil-A is to discount the product, a kindergartner to come up with that idea. You know? But people do it all the time. But the biggest problem is, if you really have the customer's best interest in mind, let's say that Chick-fil-A sandwich, you know, is a \$5 sandwich, the most value you could ever create using that strategy of reducing enumerator is \$5 worth of value.

David Saylers (36:56):

So, but the problem is the minute you reduce, you know, the sandwich to 99 cents or whatever, and then the next day you want them to pay \$5 again, what happens? Oh, do it. So it's not very sustainable and you can't do it profitably. And you create a sense of distrust with your customers because they're like, why could you afford to sell it to me for nine, 9 cents and then you gotta sell it to me for \$5? It it just, it creates an underlying distrust with your customers. So our rule at Chick-fil-A was we never discount, but we still wanted to create the value imbalance that our customers wanted. We just focused on the numerator to the denominator, the, the top, what you get, not what you pay. And the beauty of focusing on what you get versus what you pay is one, we just charged a fair price every day, you know?

David Saylers (37:50):

And so we didn't have to change the price, but it was infinite the value that we could create above the line where it was limited below the line. And we always said, we want 'em to, you know, come pay \$10 at Chick-fil-A and feel like they got \$30 worth of value. And so we had an entire strategy, uh, to accomplish this. We used to talk about the fact that, uh, well, well, first of all, let, let me dig in on that value a minute. So what does it look like to create value above the line? Well, there's all kind of ways you can do it. One, one way you can do is focus on pain points. Like we used to study the pain points of doing business with us. So a great example of that would be, uh, the drive through. You know, it hadn't been that long ago that, uh, the most cars we could get through the drive through would be maybe a hundred cars in an hour.

David Saylers (38:40):

And it would be painful, you know, and it would be, and now, you know, last I heard, you know, we, we've got individual locations because we redesigned the drive through. We've got people out taking our, we've got people who can do five and 600 cars in an hour. Wow. Where a hundred used to be the max. But imagine how much pain we've relieved. You know, it's almost like, you know, your car never stops moving with the redesign and the drive through. So you know, we've given you back some time and that's worth something. I'll give you another example. One of our operators, and so many of our, our greatest ideas came from the field. One of our operators noticed that a pain point that a parent would experience would be they'd have to go park, they'd have to get their kids, you know, through the parking lot.

David Saylers (39:25):

Then they'd have to come stand in line, keep 'em all in order, then they have to order, keep 'em in order, then they have to get their food, keep 'em in order, then go sit down. You know, it's really painful as a parent with a bunch of kids. So one of our operators came up with the idea of parent valet one time. And basically the way a parent valet would work is you pull in, you leave your kids strapped in the, their seats in the car, pull in the drive through order, and then go walk in and they have your food on a

table ready to go and, you know, reduce half the hassle. Uh, so on and on and on it would go. Pain points are a great place to, uh, and then service is a great place. You know, I'll never forget the, uh, the birth of second mile service at Chick-fil-A happened, interestingly, in the last financial crisis that we went through in 2007 and eight.

David Saylers (40:13):

And during 2007, eight, the entire country was going through a crisis, not unlike the one we just come through, only it was a banking crisis last time, financial crisis. But what everyone was doing was cutting back on, uh, employees. They were cutting back on cost. They were basically trying to save themselves, rich and Truitt. And Dan came up with the idea that we were gonna go on the offense and not the defensive. And they had this crazy idea that we were gonna ramp up our service. It was, it is now been called, known as the second mile service initiative. And we were gonna spend millions of dollars in a time. We didn't have millions of dollars. You know, think Covid right now, how everybody was cutting back. Well, they were, they had this grand initiative and nobody, you know, it's funny. Now, everybody thought everybody, if you talk to now thinks it's a good idea.

David Saylers (41:00):

But at the time I was there, no one thought it was a good idea, myself included. Like, we don't have this money. You guys are crazy. But fortunately, they were the owners. And it, it was a crazy idea. It turned out to be a crazy good idea. So we, we developed the entire second mile service initiative in the midst of a financial crisis. We spent millions of dollars to develop second mile service to bring in operators and their team leaders to train on Second Mile service. And we launched it. And sure enough, if you look at today why people do business with Chick-fil-A, it's more about the service than the food. Hmm. But here was the argument against it at the time, and this is what I, I really wanna make a point of so many great ideas don't look good at the time they're suggested.

David Saylers (41:44):

Because the argument against this, again, if I was the attorney, the argument I'd make against Second Mile service would be no one comes to fast food for service. By definition, they're coming because they want their food fast. If they wanted good service, they would go to a place, a white tablecloth, or a place that has a waitress where not only would they pay \$20 for that same rest of chicken, but they'd add a tip for the server. You know, if they want a good service, that's where they go. You're nuts to implement service in a place. They're not looking for it. But what Truitt and Dan saw that I think the rest of us didn't see was this is a place to create great value. If, if you're paying 20 or \$30 for that same chicken because of the service, but you could get it for eight or nine bucks, you've just created a \$30 experience for eight or nine bucks.

David Saylers (42:35):

Wow. You know? And so their whole idea is let's create the kind of service you'd expect at a white tablecloth restaurant. And so second mile service was born. And now again, people comment more on Chick-fil-A service, and most people will say, I come for the service more than the food. And interestingly, the second mile service initiative for the Drive through was born at that time. So this whole idea of reinventing the drive through experience was kind of a subset of second mile service. And it's been worked on now for 10 years. And when c hit, you know, what saved our business, the drive through for most of covid, the drive through was all we had. But we've been working on it for 10 years. Not because we knew Covid was coming, but because of the second mile service init. So that same

initiative is thing that saved the business this next time around. This seems like such a crazy idea the first time.

Doug Smith (<u>43:34</u>):

So what a, what a journey you've been on. And I mean, I feel like we can go on for a whole nother hour and you did marketing and you're known for your expertise in culture building as well. And I feel like we haven't even gotten hop in yet.

David Saylers (<u>43:46</u>): <laugh>.

Doug Smith (43:46):

I do wanna ask you a few lightning round questions, but before we do, just I'll leave this open ended. Uh, any advice from marketing or culture building or anything else you wanna leave with leaders as far as how we can work with you and plug in with your work now?

David Saylers (43:58):

Yeah. Well, um, here's an interesting, uh, little tidbit. You know, they say that life has to be lived forward, but it's best understood in reverse. So I'm now on the other side, you know, looking back on my 37 years at Chick Play, and here's one of the fascinating things. I retired from Chick-fil-A four years ago, and first question people ask you is, well, I thought you had the job you didn't wanna retire from, you know, why would you retire from it? And I tell people, I haven't retired, I've rewired, and I'm still, and I told Dan, Kathy, when I left, I said, you know, know I am still on the same mission I've been on at Chick-fil-A for the last 37 years. I just wanna apply it beyond Chick-fil-A. And here's the reason. Last year I was at Chick-fil-A, 80,000 people applied for a hundred opportunities.

David Saylers (44:47):

And what used to break my heart is, what are the other 79,900 gonna do that would love to be at Chickfil-A? And we don't have enough opportunities. So I felt like the best way I could thank Tru Cathy, the best way I could thank the Cathy family and Chick-fil-A for the incredible gift they've given me in working there for 37 is to go recreate that for other people. So I now have seven different businesses that I'm involved with on a pretty, uh, intentional basis. And basically the, the common thread between all of them, I'm trying to recreate for other people the incredible business experience that Chick-fil-A and Truitt the Cathy family created for me. So I'm in the process of applying what I learned to new businesses to create those kind of opportunities for people outside of Chick-fil-A. And so, um, so that's the mission I'm on now.

David Saylers (45:36):

And I love it. You know, it's like financially I could afford to retire now if I wanted to, but it's, I'm just like, true. Why would I stop doing something I love this much? It's like, it's, it was not about the money then. It's not about the money now, but the money sure shows up when you do the right things for the right reason. And now that's no longer a pressure, but that's what I'm doing now. The common denominator between everything I'm doing now is to recreate the incredible business experience. And, but here's what I was gonna say and answer to your question. As I look back, I'm four years out of Chick-fil-A. I get called all the time by people from Chick-fil-A, but interestingly, almost never about marketing. You

know, I spent 37 years in marketing, but it's almost never about marketing. It's almost always about culture.

David Saylers (46:22):

And so I started scratching my head say, why would people call me about culture? I wasn't in the HR department, I wasn't in charge of culture. And it kind of made me scratch my head and say, what's the correlation between marketing and culture? And I've kind of come to this conclusion that every great brand creates a great story that people wanna be part of. And there's kind of two portals into that story. There's the customer portal into that story that's called marketing and branding. And branding is kind of shorthand for the story that people wanna be part of. So for instance, this sweater, if I were to add 20 cents worth of thread to this sweater that I'm wearing and put a Nike swoosh on it, what just happened to the value of this sweater went up probably 20 bucks for 20 cents worth of thread. But it's nearly not about the 20 cents worth the thread.

David Saylers (47:15):

It's the, the Nike Swoosh is shorthand for the story of Nike that people wanna be part of, that they wanna be emotionally connected to. So marketing and branding is all about creating a story that customers wanna be part of. And the the, the greatest marketers understand that and that's what they focus on. But interestingly, there's another dimension to that same story. It's called culture and culture is the story that employees wanna be part of, of a great brand. But the two stories are connected. The culture story and the brand story have to be perfectly aligned. They gotta be the same story. You can't tell a different story to the customers that your culture can't fulfill. And so there's, there needs to be a real alignment between culture and marketing, but a lot of the principles are the same. The principles to build a great culture are the same principles that you use to build a great brand just applied to a different audience. Here's the other thing I've learned, your, your customers will never be more passionate about your business than your own employees are. So if you wanna up the ante on the strength of your brand and the passion of emotional connection to your brand, you start with your employees and the higher you can drive with your employees, that's what gives you, you know, you talked about the law of the lid. That's the law of the lid for our brand. The, the passion of the culture sets the lid for the passion of the customer.

Doug Smith (48:44):

So good. David. So good. Well, I'll, this has been an unbelievable con, uh, session and I will include links to your website and your book and, and all the ways that people connect with your course. Um, as, as we hop off anything you wanna leave leaders with.

David Saylers (48:59):

Oh, wow. Here, here. I, I guess if I were to summarize everything we've talked about, and if people really want to create the job they would never wanna retire from and create jobs that the people that they lead would never wanna retire from. I, I think these may be the four things. You know, I had four things coming in that Dave Kaplan, I wanna give you four things going out, come on. I think the greatest leaders understand the power of love in the marketplace. You know, that love is not a word that most people connect to business very often, but here's what I would tell you. If you can create an environment where people love what they do, you know, and that's all about finding the right people, putting 'em in the right seat, on the bus, all that, but using, using their unique gifts and strengths and that, but they love what they do.

David Saylers (49:46):

Secondly, they love who they're doing it with. Like, they get to show up every day and they say, I can't believe I get to do life with all these people at work. You know, so many people I know, it's, thank God it's Friday. For me, it was always, thank God it's Monday. Because I get to get back to these amazing people that I love being around love, doing life with. So love what you do, love who you do it with. Love the mission you're on the greatest brands and the great have to have a mission, a purpose, a meaning well beyond money. You know, uh, Jim Collins said that true greatness comes in direct proportion to passionate pursuit of a purpose beyond money. You know, if you wanna wanna have a great career, if you want to have a great brand, you gotta have a purpose beyond money for which your business exists, for which your career exists. It's gotta be a mission you're excited about. And then finally, you gotta love who you're becoming in the process of accomplishing that mission. If you can love what you do, love what you do it with, love the mission you're on, and love who you're becoming and the process of accomplishing that mission, you got a real shot at having a job you wouldn't wanna retire from.

Doug Smith (50:56):

Come on, David. This has been unbelievable. You just dropped a leadership gold After Leadership

Doug Smith (51:01):

Gold, after Leadership Gold.

Doug Smith (<u>51:02</u>):

So thank you for your time and, uh, hopefully we'll get to do this again sometime. Thank you for everything.

David Saylers (51:07):

It's been pure, real, my pleasure and a real joy to be with you, dad.

Doug Smith (<u>51:13</u>):

Well, leader, thank you so much for listening to my conversation with David. 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 shownotesd at I3eadership.org/347. And as always, I like the end every episode with a quote. And today I'll quote Bob Goff, who I love. He said this, he said, we don't need more information, we need more examples. Be that person and you will change the world. So good, Bob, thank you. Well, hey, hope you enjoyed the episode. Know that Lauren, I love you. We believe in you and we say it every episode. But don't quit. Keep leading. The world desperately needs your leadership.