Doug Smith: 0:07

Well, hey, leader, and welcome to another episode 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. We also recorded this episode live from thereiturn. com studio. 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, 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 really mean the world to me if you would leave us a rating and review on Apple Podcasts or Spotify or wherever you listen to podcasts. That really does help us to grow our audience and reach more leaders, so thank you in advance for that. Well, leader, in today's episode, you're going to hear my conversation with EOS implementer, Tim Tannert. EOS is an operating system that I use in all of the organizations that I run, and we recently hired Tim to help us implement EOS at Light of Life Rescue Mission, and it has been an incredible experience. If you've never heard of EOS, you're about to learn everything you need to know. There's also a book that I'd highly recommend that you get, called Traction. That's where I first heard about EOS, and I just cannot recommend this enough, and I cannot be more excited to introduce you to Tim. And in our conversation you're going to hear Tim share about all things EOS. You'll learn about what EOS is and why your organization can benefit from it, the four types of people issues in your organization, what level 10 meetings look like, and so much more. And so if you've ever wanted to learn more about EOS, this is the conversation for you. But before we dive in, just a few announcements. This episode of the L3 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 at baritungadvisorscom. That's B-E-R-A-T-U-N-G-Advisors. com. Securities and investment products and services offered through LPL Financial member, finra and S-I-P-C. Beratung Advisors, LPL Financial and L3 Leadership are separate entities. I also want to thank our sponsor, Henne Jewelers. They were jewelry earned by my friend and mentor, john Hennie, and my wife Lara and I got our engagement and wedding rings through Hennie Jewelers and had an incredible experience. And not only do they have great jewelry, but they also invest in people. In fact, for every couple that comes in engaged, they give them a book to help them prepare for marriage, and we just love that. So if you're in need of a good jeweler, check out Jewelers. com. And I also want to thank our new sponsor, reiturn. com, and Leader. Let me just ask you this have you ever had an interest in investing in real estate? Well, now, for as little as $500, you can become a commercial real estate investor. Just visit Reiturn. com to learn more. That's R-E-I-T-U-R-N. com. Investing involves risk. Please consult the Reiturn offering circular if you're interested in investing. And with all that being said, let's dive right in. Here's my conversation with Tim Tannert. Tim Tannert, welcome to the L3 Leadership Podcast, very excited about this one. We know each other because you are our EOS implementer at Light of Life Rescue Mission. So we're going to be talking about all things EOS and traction. And if you're listening to this and have no idea what EOS or traction is, stay tuned. This will be an extremely, extremely valuable

interview with Tim, and so we're going to dive into that. And, Tim, why don't you just start us off with just telling us a little bit about who you are and what you do?

Tim Tannert: 3:27
Yeah, absolutely. Thank you so much, doug. So, of all things, I actually started my career as a pharmacist and I tell people, while I was always passionate about making my patients healthy, I quickly discovered early in my career I was really my calling. My gift was to try to make the teams and companies healthy that I worked with and for, so that's really what sent me on a 20-plus year career of executive leadership. Over the years, I've been CEO, coo of multiple companies and about in 2011, I had the opportunity to join a pharmacy software company and when I got there, we had just gotten our first round of private equity funding. We were about 20 employees and over the next decade, we took that company from 20 to over 150 people, from one of many in the space to the clear, undisputed leader. We sold the company twice along the way the first time to another private equity firm, the second time to a Fortune 500 company, and then I led that organization as a standalone division within the Fortune 500 company as president and CEO, and while we had tremendous success, we did a lot of things well. There were times it just felt the entire organization was hitting turbulence, like on an airplane, and the whole company would start to shake, and it was those times I would get my leadership team together. We'd each bring our rubber bands, bubble gum, duct tape, we'd try to put this thing back together and we could always get the turbulence to reside and we could always start growing again. But it seemed like the turbulence always came back, and every time it came back it seemed like it was more violent than the time before. And so it was in one of those cycles. I was CEO. I was frustrated and I really thought, as a leader, I need to get better, I need to do some things differently, and I needed to figure that out. So I started reaching out to friends of mine that were in my network and just picking their brains, finding out what they were doing well, what was working for them. And then, one of those conversations, a friend of mine handed me the traction book that's behind me and said hey, we just hired an EOS implementer. It's changed our life. And so read the book cover to cover. Within the first day or two ended up hiring an EOS implementer, and the pharmacist in me tells people that the vital signs across the organization improved. Every department got healthier, and that's when I became a true believer in EOS and what it could do. It was also along that journey that three major ahas, or discoveries, were placed upon my heart. The first was I got into the point in my career where my own personal success achieving the goals that I had set really didn't motivate me anymore. I had accomplished the major things that I wanted to accomplish in my life, but what really gave me energy, what really became the central focus of my life, was trying to help as many people around me reach their success as I possibly could. The second ahá place on my heart was that I looked around the organization. I had built an amazing leadership team, one that I knew was capable of leading that organization well into the future and really wasn't needed anymore. And the third ahá was that I discovered that publicly traded companies aren't my thing. I'm much more of an entrepreneur, and so it was those three discoveries that led me to start this and really spend all day, every day, working with entrepreneurs, helping them to build the right teams to solve issues across the organization, to get their people aligned and, ultimately, to run a better business and to live a better life.

Doug Smith: 7:20
Yeah, I love that story and you talked about you read the book Traction and it changed everything For those listening who may not be familiar, and if you have not read the book Traction, highly, highly, highly recommend that you do. But how would you describe EOS for listeners before we dive into kind of the brass tacks of it?

Tim Tannert: 7:36
Yeah, so at the basic form here, eos is a comprehensive set of very simple but unbelievably effective tools and disciplines that create an entire operating system for your business. So it's a playbook, for lack of a better definition of, step by step, how to accomplish three things that we call vision, traction and healthy. Vision getting the entire organization aligned with where you're going, how you're going to get there, why it's important. Traction building that execution muscle throughout the organization. So 100% of the people in the organization are executing against that vision every single day, turning it into a reality. So the only healthy I work with the leadership teams to be more open, honest, transparent, accountable, collaborative, because usually they're not. And so through vision, traction, healthy we can get the entire organization aligned, we can start executing against the most important things and we can do it in a way that's more enjoyable.

Doug Smith: 8:43
Yeah, you mentioned earlier. You know about the need and there was a point in your leadership where you said, hey, I felt like I had to get better as a leader. You felt like the organization was stuck. Talk to leaders listening to this. How can they even define if they need something like traction? Maybe they're feeling the same way that you are feeling, or maybe they think they're just fine and they don't need something like this.

Tim Tannert: 9:03
What would you say to someone seeking yeah, I think that there is a common set of frustrations that a lot of leaders go through. Those frustrations include sometimes feeling like you've lost control, feeling that the business is running you instead of you're running the business. Often lack of profitability, lack of sales, is a big indicator. Also, people challenges. Often I have entrepreneurs look at me and just say, man, if I could run a business without people, it would be perfect. Right, you've got to have the right people in the right seats to have a great organization. Having the right people defined, having the right seats defined, becomes critically important. Those are the common frustrations. If you're struggling to grow, if you feel like you're losing control, those are really the major signs that you need to change.

Doug Smith: 10:10
I also want you to talk about the difference and maybe I'll talk about it, but the difference between self-implementing and hiring an implementer. You were super wise and it sounds like you read the book and you're like, yep, I'm going to hire an implementer For me. I read traction. This is a brilliant model, a way to make execution happen, and all the things that you just talked about within the organization. Hey, this seems so simple that I'm going to implement it myself and see how that goes. I did that for five years and it was helpful, but now that we've signed on

with you, I think we're three months in our relationship. We've had three meetings and we've accomplished four and three months. Then I did in the entire five years of trying to do it myself. Can you talk about the importance of not just reading and getting excited about the whole EOS process, but the reasons people need to bring someone in to help them?

Tim Tannert: 10:58
Yeah, it's interesting. Most of my clients start with trying to self-implement and most of them quickly realize that they struggle in doing that. I've got all sorts of testimonials with my clients. You've more than five years, 60 days and then five years. I've had others save more than 60 days and 11 years.

Doug Smith: 11:24
I'm glad I beat them.

Tim Tannert: 11:25
Exactly. You're ahead of the curve, you're doing great.

Doug Smith: 11:28
I thought that was the worst.

Tim Tannert: 11:30
I tell people there's a difference between simple and easy. The beauty in EOS is it's unbelievably simple. In order for a system to be understood by everyone in the organization, to have everyone 100% aligned, you have to be able to boil it down to the common denominator and it needs to be simple. But that doesn't mean easy. I jokingly say that golf is the simplest game in the world. You take a stick, you hit a ball, it goes in the hole. It's not complex by any stretch, but it is certainly not easy. You get so much further in golf with the right swing coach, the right person to be able to help you break down that swing and hit that ball more effectively and to use the tools in your bag more efficiently and effectively. That's really what an EOS implementer does. I tell people that I have three major functions for my clients. One I'm a teacher. I teach the tools, concepts, disciplines of EOS To your point. You can read that in a book. There's plenty of YouTube videos online where you can get a sense for that. I think that's the ticket to entry. The facilitator and the coach is really where the rubber meets the road. The facilitation my clients know their business far better than I ever will. That's okay. It's my job to ask the right questions to be able to help them get the most out of these tools and to use these tools to the best of their ability. Then the coach often the coach in the press box can see what's going on in the field better than the players in the field themselves. I bring a different perspective. It's funny almost every business leader I talk to their initial statement is you know, my business is unique.

Doug Smith: 13:23
Is that your response?

Tim Tannert: 13:24

to them Exactly. I want to. I don't laugh in their face. Everything says the exact same thing, but the reality is, when you boil it down, everyone's battling the same challenges. Everyone's trying to get the right people in the right seats. Everyone's trying to get their team to follow process, to do things the right and best way each and every time. Everyone's trying to build a scalable organization. Everyone's trying to solve issues, and so businesses have far more in common than they have to differentiate them, and so what I do is I help them really be able to just put these tools to work, and through my experience, I'm able to help them apply these tools to their uniqueness in their business more effectively and efficiently.

Doug Smith: 14:16
Yeah, and again just speaking further experience that we've had together, yeah, you do a phenomenal job at that and it's just so fun to see you in your element, helping others. I want to dive into some of the tools, some of the process, just to kind of wet people's appetite for who may not be familiar with EOS. And the first place I really want to go in order of things that you introduced to us and the first thing was really the accountability chart and a lot of people have organizational charts, but there's a little bit of a differentiator. Can you talk about accountability charts, why they're important and how they make a difference?

Tim Tannert: 14:46
Yeah, absolutely so. The number one question I get from business leaders is how do I drive accountability throughout my organization? And I often will ask them if you could rate your people on a scale across the entire organization on a scale at 0 to 10, 10 being perfection, 0 needing all the work in the world, how would you grade them as far as accountability? And usually I hear a 3 or a 4. And so I'm trying to help them get that much closer to a 10, at least to an 8 or an 9. And so I tell people you can't drive accountability without clarity, and the first thing is the clarity of roles. The more ambiguity there is across an organization over who owns what, the more ability it is for your team to do this and to deflect responsibility and accountability. And so what we do is we start with this very simple concept that every organization has at least three major functions. The first is sales and marketing. Someone has to go out and find new clients and bring them into the business. Every organization has an operation function where they're providing the good or service to the market. And every organization has a finance organization where they're managing the dollars flowing in and out of the organization. And so we start with that basic concept and then I help my clients really customize that to them is what is the best structure to simplify the organization? Then the fourth major function that every organization needs to have is what we call an integrator, and the integrator the most basic function that they do is to knock down the barriers and to get the major functions working well together. Patrick Lincione has this great quote that if you can get everyone in your organization rowing together in unison, you can win in any market against any competition at any time. And every time I've watched rowing in the Olympics there's always that one individual on the back of the boat and it seems like I don't know much about rowing, but it seems like their only job is to scream stroke, stroke, stroke, stroke. Right, they're getting everyone working together and in EOS, finacular that's the integrator they're calling stroke. They're getting the sales and marketing, the operations and the finance functions of the organization, or whatever the major functions are working together in unison, moving in one direction. And then the fifth function that we talk about

is what we call the visionary, and the visionary and the integrator tend to be very different personalities, very different DNA. Visionaries tend to be big idea people, the type of people that they get in the shower and by the time they get out of the shower they've got 20 ideas. 18 of them might stink, two of them are gold, but they're just constantly ideating. They're constantly thinking about new markets or new products or new relationships, and they tend to love to stay at 10,000 feet. They tend to dislike getting into the weeds. They tend to be big relationship people. They tend to not enjoy difficult conversations and the DNA of the integrator is the exact opposite. The integrator loves to get into the details. They thrive on process and getting everyone doing things the right and best way. Integrators tend to enjoy difficult conversations because they understand that through healthy conflict it's the best way to get results. They love to just make things happen. And so if you have a visionary and an integrator in the organization, you've got to be able to clearly first define the roles. What does each of them own In? No two roles in the organization can own the same things. So we're completely drawing those clear lines of ownership and then we repeat that through every major function what do those functions own? So no two roles own the same thing, and every major thing that's done throughout the organization is clearly falls into one of those buckets. And we do it in a simplified form where we're only calling out four or five things for each role that they own. But those tend to be pretty broad buckets. And then once we have that at the leadership team level, then we can push that discipline throughout the entire organization. So every role in the organization is clearly defined. No two roles own the same thing, and that is the first step to drive accountability throughout the organization.

Doug Smith: 19:56
Yeah, and I love doing this exercise. One, because every role in the organization has three to seven responsibilities, so the clarity that that brings in. That sounds so simple, but most people are handed a job description as they're applying for their job. They never see it again, they're never revisited, and if they do look at it, it doesn't make sense, it doesn't line up. So this just makes it so, so clear to everyone what everyone's responsible for. And you talked about increasing the accountability and the ability to have hard conversations and one thing that you did with us, if we'll all decide you talk about. Can you talk about GWC, what that is and how you use that to evaluate people within the accountability chart to see if they're the right fit, et cetera?

Tim Tannert: 20:40
Yeah, absolutely so. Jim Collins wrote a book called Good to Great, and in that book he made this concept of right people, right seats famous. But the reality is, what constitutes right people and what constitutes the right seats are different in every organization. Right people are core value aligned, they fit your culture like a glove. Right seats mean they're really good at their job. And so, through the process of building the accountability chart, we're clearly defining every seat in the organization and, as you said, three to seven things that that seat needs to really own. And then from there, what we do is we apply this lens of GWC to the individuals in that seat, meaning do they get it? G stands for get it. So do they understand what good looks like? Do they understand the expectations of the role? Do they kind of understand what mastery of that role would look like? Then two do they want it? Does it give them energy? Do they love doing it? If you're in a role that you don't love doing, you're not going to be the best at it. And so

I like to jokingly talk about the snooze bar test. If you want your seat, you don't need to hit a snooze bar. You jump out of bed ready to go. And then C is the capacity to do it. And by capacity we mean the skills, the talents, the gifts, the knowledge, maybe licensure, to be able to do that seat. And so do you get it? Do you want it? Do you have the capacity to do it? And so one of my jokes is I started my career as a pharmacist. Do I get being a pharmacist? Absolutely, completely get it. I did it for a long time. Do I have the capacity to do it? Yes, I went to pharmacy school, got the licensing, registered pharmacist. But do I want it? Well, now, where I'm at in my career, absolutely I don't want it. So I'm not going to be a great pharmacist. And so the bar for this is yes, yes, yes. You have to be able to answer does this person get it? Yes, do they want it? Yes. And then, do they have the capacity to do it? Yes.

Doug Smith: 23:05
So good and talking about hard conversations, it was funny when we first did this. What I didn't anticipate you doing is, once we identified everybody's role and their responsibilities, then you went around the table and had each person in each role and you would say, hey, doug's in this role, here's just five responsibilities. Does everyone agree? Does he get it, want it, have the capacity to do it? And you went around one by one and everybody had to answer yes to all of those and, at least for our setting, everyone answered yes and my thought was who in this setting, who in their right mind would actually say no, doug, you're not the right fit. Let's just be real. And as I talked to you and some other people that do EOS, it's basically like a healthy leader and a healthy company would have that conversation. Can you talk about just the ability to have candor, have those hard conversations and go there and why that's important?

Tim Tannert: 23:54
Yeah, absolutely. And so healthy cultures are self-propelling cultures. It's not driven from the top down, it's driven and maintained from the bottom up. And in order to have a healthy culture, you have to have open and honest communication. And by open we mean being open to new ideas, open to new perspectives. Everyone around that table has a voice. Everyone on the leadership team, for example, has tremendous value and different experiences and different ways of looking at the organization, and so we want everyone to be open, but we also need everyone to be honest. If it's on their mind, we have to get it out and we have to deal with it as adults and the roles and holding each other accountable start with that. Hey, if there's a part of this where we don't believe you, either GW or C something within the seat, we have to have that conversation and we have to talk about it and we have to get better. And so building that discipline across the organization where you're able to be both kind and nice at the same time and I believe kind and nice are two very different things. If you have ever been talking to someone and maybe they have something stuck in their teeth, you could be nice and just not say anything to them and just go right, you're being nice, you're not causing conflict or discomfort in that conversation, but is that kind for that individual? No, what's kind is to be able to say, hey, you got something there, can you take care of that right? And we all have those blind spots within our lives and a healthy, functioning leadership team is able to address those. And the key is how you go about addressing those. It's not from a place or perspective of I'm saying these things because I wanna put myself above you, I wanna put you down, I wanna harm you. It's saying these things because I love this organization, I love you and I want what's best for both. And so it takes that

trust right. The Patrick Lynchoni trust pyramid of the five dysfunctions of the team it all starts with trust. You have to build upon that. But we do things along in the EOS journey to constantly push that open and honest. And change in progress doesn't happen in the comfort zone. We have to push you outside of that comfort in order to move you forward.

Doug Smith: 27:07
And this is so good. And I would just say for those listening, I would have said if you were to say, like, how good is your leadership team at being honest with each other, having hard conversations? One of the things we constantly talk about at Light of Life is, hey, we're Matthew 18, we go to people. If we have issues, we deal with them. But after the first couple of sessions I was like, wow, there's a lot we probably hold back and there's a lot we probably don't address. And I remember asking you after our third meeting just for your feedback. You said it just seems like you guys are being a lot more candid and open and honest and I think part of that is just some of the tools and the coaching that we've got from you. Do you see that often when you start working with leadership teams, that they're afraid to go there? But over time, through the coaching you provide, they're a totally different team on the other end of this.

Tim Tannert: 27:54
Absolutely, absolutely. There's so much growth and we tell people through the EOS journey it is a journey. It's a journey to mastery. Everything that we do is to move the leadership team, move the individuals, move the entire organization forward. And so it's a journey. And to get from where you start to the end of that journey is definitely a process, and we measure that process along the way through an assessment and we measure it on a scale of zero to 100. 100% is utopia. No one gets to 100, but my goal is to get all of my clients over 20% masterful and the reality is most of my clients start about 20%. And so it's this journey towards mastery and what I see is just in those first 60 days the progress can go from that 20 to 50%. They immediately jump up. Then there's more sharpening the pencil. It's a little bit more work to get from that 50 to that 80. But that's okay. It's a journey that takes typically for most of my clients about two years to master.

Doug Smith: 29:17
That's good. We talked about evaluating the right seat with get it one a capacity to do a GWC. You also talked about analyzing people Do you have the right fit? And that plays into core values, and it was really interesting doing the core value exercise and getting clear on what our values were with you, because I think at this point in history I feel like every company has core values but a lot of times they're stuck on a wall and never looked at it again. Can you talk about the EOS's, basically how they view values and how they get to them and what's different about that?

Tim Tannert: 29:50
Absolutely, and so you're right. Most companies have core values. Most of the core values are on the wall or on the website and, believe it or not, most of the time when I ask the leadership team, okay, what are those core values? They actually have to pull up the website to tell me oh yeah, and then it's a sign, right, it's a sign. And so great organizations do everything through the

lens of their core values. They hire, they fire, they reward, they recognize, they promote through the lens of their core values, because the core values get to the heart of what is the right person for our organization. And so I take my clients through a discovery process where we really flush out what is the ideal individual for your organization and then from there, we have to then be able to measure people against that. And so we use this simple tool that we call the People Analyzer, and essentially it's just a plus, plus, minus or minus scale, grading each person on each core value. There are plus if they embody that core value most of the time. There are plus, minus if it's some of the time, or minus if most of the time they don't embody that core value. And then, once we have that. We look at it and say, okay, what's the bar, what's our minimum standard. So if we have five core values I strongly encourage my team if these are the core values, then we cannot have any minuses. But then the question is, how many plus minuses do we tolerate? And so if we have five, most organizations will say, okay, we'll tolerate one, maybe two plus minuses in order to be over the bar. And so the People Analyzer is a great tool that allows you to put those core values, put the names and just grade plus, plus, minus or minus, and that constitutes whether or not you've got the right person in the organization. And then, after the core values, we encourage our clients to put GWC. So then, for that seat, do they get it, want it and have the capacity to do it? That just shows quickly do they have the right? Are they in the right seat? And so, right person, right seat you have to have both. And what we talk about is there's only four types of people issues in the history of any organization. There's the wrong person, wrong seat, meaning they don't embody your core values and they're not good at their job. They don't get it, want it and have the capacity. Those are typically the people I don't have to talk to my clients about. They typically exit those people pretty quick from an organization. Then there's the right person wrong seat meaning you love this person, they embody your core values, they're one of you, they fit your culture like a glove, but they just aren't good at their job. And so it's these people that if you have another seat in the organization that they would GWC. These are the people that you consider moving to a different seat If there's not a seat inside the organization. These are the people that you write letters of recommendation for, you scour your network, trying to help them have a soft landing, set them up for success, because they're great people. But ultimately, if you're running an organization, typically don't just have funds available to have a bunch of people hanging around that you love, that aren't good at their job. Then there's the wrong person right seat this is the person that does not embody your core values but they're great at their jobs, and these are the most dangerous people in every organization. They literally are destroying you from within. And so these are the people that I really pushed my clients to come up with a plan. They're typically difficult to extract from the organization, because there's a talent there that we've got to build up somewhere else to be able to replace it, but these people are causing a path of destruction everywhere they go in the organization, so we've got to deal with that. And then the fourth people issue is the right person, right seat, and typically I get well, tim, why is that an issue? Isn't that what we're trying to do? And yeah, absolutely, we're trying to get everyone the right people, right seats. But the issue is how much time are we spending with these people versus everyone else that I just talked about, and are we giving these people the right career paths? Are we giving them the right reinforcement, the right time? Are we developing them? Are we keeping them engaged in

our organization? Because if these people walk out the door, it really hurts, and so that's an issue, and so I help my clients think about how do we retain the talent that we have?

Doug Smith: 34:58
It's so good and one of the exercises you took us through which was so helpful starting to tie some tools together. We talked about the accountability chart and going through the entire organization to see what the right seats are and what the responsibilities are of that seat and then, as we filled it out and actually put names in those seats for who's sitting in them now to actually go around and look at each person, say, is this the right person in the right seat? Are they aligned with our values? Do they get it? Want to have the capacity? So good. And then that informs the meetings we need to have and the issues that we need to discuss, and just tying those two together was beautiful. I want to move into the VTO, the Vision Tracker. This is one of my favorite things about EOS and I'll let you explain what the VTO is and kind of just a broad overview of it.

Tim Tannert: 35:43
Yeah, absolutely. And so in EOS we talk about vision. We need to get everyone aligned with where we're going, how we're going to get there, why it's important, and so, in order to do that, we use a very simplified two-page strategic vision and execution plan, and so the top half of that document is the vision section, and so the document has eight questions. The first is what are your core values? We just talked about this. This is what constitutes the right person for the organization, so we have to get really clear about what our core values are. The second question, then, is what is our core focus? The core focus is really where your purpose, your cause, your passion intersect with your niche. So it's that sweet spot of where can we be the best in the world? Where do we bring the most value? Where are our passions aligned? It's that if your core values of who you are, your core focus is really what you are as an organization, it's designed to keep you from being distracted by the shiny stuff and really laser focused on your mission. And then the third question is where you're going. It's the 10-year target, and so what I help my clients do is to come up with what's that organizational North Star. We can only accomplish one thing what do we want it to be? And so getting aligned, getting everyone in the organization working towards one end point, is really the goal of the 10-year target. So core values, who you are, core focus, what you are, 10-year targets, where you're going, and then the rest of the document starts to fall around. How are we going to get there? So the next question is your marketing strategy. Again, it's a simplified document, so we're really just looking at who do we talk to and what do we say. And then how do we stand behind that with a proven process and guarantee? Then the next question is your three-year picture, and we use the term picture very purposely. The more that everyone, first around the leadership team and then ultimately everyone in the organization, can see exactly what the organization looks like three years from now, then your chances of hitting it exponentially go up. So we try to paint a picture with words to be able to exactly describe the organization three years from now. So we're all moving in one direction and that's what the organization needs to look like in three years to have any shot to hit that 10-year target. Once we've painted that picture, then we move to the traction piece of the document. This is how we get there, and so the next step is the one-year plan. And so where do we need to be in one year to have any shot to hit the three-year, to be able to hit

the 10-year? So we set our measureables and then what are the three to seven goals for the year, the most important things that we are absolutely committing to as a leadership team that we're going to achieve? Once we've done that, we drill down one more layer deeper and say, okay, what are quarterly rocks? The concept of rocks comes from Stephen Covey. If you use this analogy, if you have this glass cylinder, if you have big rocks and gravel and sand and water and you start with the small stuff, by the time you go to put the big rock into the cylinder it won't fit. But if you reverse that and start with the big stuff, by the time you get to the small stuff, everything falls around it and it fits. But most of us, both in our personal and professional lives, fill our lives with sand. We fill our lives with the small stuff. That is the busy work, it's the emails, it's the phone calls, it's the fires, it's the things that you're doing running around the organization but you're not blocking the time to be able to get the most important things done that are truly gonna drive the organization forward. So that's where the concept of rocks comes. So I help my clients think through what are the three to seven most important things that we're going to accomplish over the next 90 days. And then, what does done look like and who owns it. Again, driving that accountability and what I teach my clients is 95% done is not done. So on the due date, which is always in one of our meetings, it's the moment of truth. It's when we look each other in the eye and say, okay, are we done or not done? We have to get to 100% done. And so many organizations have projects and they get them 80% of the way there they get distracted, they move on and they have these half done things everywhere across the organization and they're not getting the full benefit of any of them. And so, driving that discipline, that accountability of committing that this is what done looks like and I'm gonna get it all the way there. And then the last of the eight questions is the issues. It's the issues in EOS vernacular are both opportunities and challenges. The very first step is getting them on paper, and so we start with that.

Doug Smith: 41:04
Yeah, and there's so much I love about this One that it's two pages. Even in my self-implementing days, to be able to hand a board member a two-page document and it basically give an overall picture of the organization, where we're headed, what we're focused on, is absolutely brilliant. But to just going back to the, how helpful you've been as an implementer, specifically when it comes to the rocks. I'll just use one example. It's like what are the top three to seven most important things in the next quarter or over the next year? And I think when we first started doing that, our leadership team, I think we had like 20 items. It's like these are the top 20 things we gotta do. Tim, we have a lot more to do than three to seven, but you're adamant, you're like I don't care, it has to be three to seven, you're not gonna get all this stuff done. And to actually wrestle through what actually are the most important things to us was so helpful to all be on the same page and then to be able to hold each other accountable to those things. And I think and you can answer this because you answered it for us but people say, well, like if I only accomplished three to seven things every 90 days. How are we actually gonna hit that one year goal and the three year goal and the 10 year vision? Can you talk about that Cause I do think all leaders struggle with this.

Tim Tannert: 42:17

Yeah, absolutely. And so, first thing, let's address the 20 things right. And so what we talked about is, if everything's important, nothing's important. And so I started this conversation saying one of the most important things that we do as leaders is to drive organizational clarity, eliminating that ambiguity. And so we talked about clarity of roles, we talked about clarity of values. Now we're talking about clarity of priorities, and so the more that we can get focused and say here are the things that we need to accomplish and get to 100% done. I'd like to have this silly analogy of organizations being these huge robots and we're kind of shrunk down running inside this robot and everywhere we look there's thousands of levers, there's thousands of things that we could do. But the real question is what are the three to seven levers that if we pulled those, we're gonna get the most work out of the robot, we're gonna get the furthest down the road, and so that's kind of the silly image that I have in my mind, but I think it's so powerful because it really allows that clarity of focus. But you're right, at a leadership team level, we only have three to seven. Then we give the ability for the leaders to say okay, what are also the individual rocks. So three to seven for the company, but then each leader typically has within themselves one to three rocks that they own for that 90 day period. But then what we do is we push this discipline throughout the entire organization once we've mastered it at the leadership team. And so then, ultimately, mastery of this is every department having their three to seven priorities and then every person in the organization having at least one rock, so they understand what they need to execute on over the next 90 days to move the organization forward. So it's this snowball effect where you have three to seven at the leadership team, you've got each leadership team member having three or so, you've got each department having three to seven, you have then every person in the organization having at least one, and so everyone clearly understands what their priority is to move the organization forward.

Doug Smith: 44:47
Yeah, and people appreciate this so much. I went back to our team and I remember meeting with one of my team members and we typically met every week and they have what we refer to as the list and literally there's probably like 50 things on the list and so every week I would help prioritize but there were still 50 things on the list, which, again, no one feels good about having a list of 50 priorities and to say, hey, these are the 50. We're gonna narrow these down to three to seven. Again, you get that puzzled look of like is that possible? But when you actually get there and do the work and they have three to seven, it was so helpful for them to be like, okay, not everything on this list is important, we can get to it. If I just focus on these three to seven, we're gonna move the ball forward, and so I just wanna again just say it's been so helpful for us. With the time we have left, I probably have time for one more tool that I would love to talk about, and that's just you actually EOS as a system for running meetings called L10 meetings.

Tim Tannert: 45:42
And yeah, if you wanna just give an overview of an L10, and then I'll probably dive deeper on one or two of the elements, yeah, absolutely, and so the other interesting question I always ask leadership team members before I start working with them is if they could grade their leadership team meetings on a scale of zero to 10 on effectiveness. What would it be? And it's amazing how often they hear two or three. And so when the leadership team gets together, that's the most expensive time of the week, and so we've got to make that the most productive time for

the organization, and so we have a very specific agenda that we call the L10 agenda that I teach my clients to utilize, and so it's a very structured meeting. The first five minutes of the meeting are focused on what we call the segue, and the segue is really what are the best things that are happening in each of our lives, both personally and professionally? So you go around the table, you just have five minutes. Each person shares good news, personal, good news professional. I often get asked well, why do you do that If we only have 90 minutes? We're trying to make this the most productive time of our day. Why would we start with that? And the answer is it has a couple of very purposeful things that we're trying to accomplish here. The first is we call it a segue, because it's that mental trigger that gets you out of working in the business and says, okay, now I'm gonna zoom out and I'm gonna start working on the business. So that ritual is very important to help you elevate yourself to work on the business. The other thing is we're starting the meeting off with a highlight. We're celebrating the successes of the organization as well as we are building team health by sharing that personal news. And so we talked about trust for the trust pyramid. This starts to help build that teamwork in those relationships across the leadership team. Then we get to what we call the reporting section of the meeting, and so the next three sections of the meeting are really designed to flush out issues, issues or opportunities and challenges. And so the first is our scorecard. So I help my clients come up with the five to 15 most important measureables, what is the goal and who owns them. And these are the numbers that we are committing, that we are going to keep on track. Again, if everything's important, nothing's important. So many of the clients I start to work with they have 50 measureables. They're trying to keep track every week and the reality is they don't keep any of them on track. And so let's get to the five to 15 that truly drive the organization. If it's off track, we need to drop it down to the issues list because we've got to solve it. We're committing that. These are the things that we're going to keep on track. The next, then, is the rock review. We've already talked about rocks, that they're the most important priorities for the leadership team, for the organization. So, five minutes everyone that owns a rock says is it on track or is it off track? If it's off track, it's one of the most important priorities. We have to drop it down to the issues list and get it back on track. Then it's the customer employee headline. So the most important assets you have is any organization or your customers and your employees. So what do we need to know? So they're headlines. So it could be quick hits of hey, go talk to Sally. She just killed it for one of our clients and really went above and beyond. So everyone on the leadership team, if you see Sally, please congratulate her and tell her how much she's appreciated. It also could be hey, great news, so-and-so is getting married, but they want to take a four-week honeymoon in Europe, and so we need to drop that down to the issues list, because we need to figure out how to cover this person's honeymoon, and so it could be just a quick hit. If there's anything more that needs to be discussed or solved, then we just drop it down to the issues list. Then the next piece of the agenda is the to-dos, and so the to-dos are coming from the last meeting. We come up with clear next steps, who owns them and when they're going to be done. We teach one-week to-dos and so, again, the to-do owners just say done or not done. Five minutes, and it's our goal to get 90% of the to-dos done each and every week. Then the next part of the agenda is the IDS, so 60 minutes for that. We spent five minutes for segue, five minutes for scorecard, five minutes for rock review, five minutes for headlines, five minutes for to-do list. Now we're solving issues. So we've got this list of issues, opportunities and challenges, some of which were left over from the previous meeting because we just didn't get it

to them. We've got things that we've sourced through the top half of our agenda the most scorecard items, rocks, headlines that are off track, that we need to get back on track, and so then we prioritize. We just pick the top three. If we can only get the three things today, what do we want? So we pick the first, the second, the third. Then I teach a process that we call IDS. The I stands for identify. So when we tackle an issue, we need to identify the root cause. And this is the step that almost every leadership team skips and never does when they start with the OS and before EOS. And so I teach this discipline where we say, ok, guys, we need to eye this, we need to get to the root cause. So this is our problem. Why? Well, because of this, why, well, because of that, why? And you just keep answering why? And so you get to the root cause. So many clients just solve symptoms all day long. And if you just solve symptoms, those symptoms are going to continue to reoccur. We need to knock it out for good. Then, once we get to the root cause, then we can move on to discuss. And once we've clearly defined the issue, the discussion tends to be pretty simple. The discussion is how can we solve this issue? What are the next steps that we could take in order to be able to knock this out, once we've gotten all of the ideas on the table of different ways we can knock this issue out. Then we move on to solve and it's just which of these are we going to take? Who owns it? When's it going to be due? Hopefully one week. And so if you can get to the root cause, if you can come up with the different ways to solve it, if you can come up with a clear solution, who's going to own it? And then the following week at least 90% of that accomplished you're going to make traction in your business. You just can't help it. And so if you get number one done, then you move to number two and you just keep going. If you get all three done, you re-prioritize the list, take the next three and keep going until either you're out of issues or 60 minutes is expired, whatever comes first. And then, once we've done that, then we get to the last section of the agenda, which is the conclude, and that consists of three major things five minutes First. We recap the to-do list. Are we completely aligned with who owns what and what's going to be done? Then we have cascading messages. We just talked about a lot of things. What do we need to communicate outside of this room? Who's going to do it, what's going to be said. And then the last thing we do is we rate the meeting Back to that open and honest. We rate the meeting on a scale of 0 to 10. A level 10 meeting, a perfect meeting, from our perspective, starts on time, ends on time. You're open and honest, you're tackling the most important things, you're getting 90% of your to-dos done. You're working well together as a team. If you do those things, that's the best use of your time. Give it a love, a rating of 10, don't be the Russian judge that says there's no such thing as perfection. I'm never going to give you a 10. If you have a high performing team, if you've got a team full of right people, right seats, that's going to demotivate them. Don't do that to them. But if it's not a 10, then why is it not a 10? And so if this gives everyone around the table the opportunity to have a voice, to be able to coach each other, hold each other accountable, saying you know, guys, today's a seven and it's a seven because we only got 75% of our to-dos done. Our goal is 90%. And so next time let's just make sure we execute against our to-dos, let's knock them out and we'll be right back to a 10. And so that provides that coaching, that immediate feedback, and everyone is coaching and holding each other accountable. It's not just the leader, and that's what drives a healthy, high performing team so good.

Doug Smith: 54:58

And I've loved using the L10 meetings. Now, leader, I know what you're thinking. Those listening to this you're thinking this all sounds super simple. I can implement this on my own, no problem. I'll start tomorrow and actually processing it. As you're sharing all of this, I don't know if it's just reading the book and seeing some of the PDFs that make it seem so simple that you can self-implement. But you know, actually going through everything we just discussed and again we're just touching the surface. There's many other tools. It's like you'd be crazy to try to self-implement. And so if you're 11 years in, like one of Tim's clients, or five like me, hopefully this is an encouragement that you need an implementer, and I can't think of a better one than Tim and Tim if people are listening to this and we'll include links to all of this in the show notes but where can people find you, connect with you and potentially work with you?

Tim Tannert: 55:46
Yeah, absolutely. So. You can go to my website, tim tannertcom T-I-M-T-A-N-N-E-R-T, and so that's really the best place to find me. You can also find me on wwweosworldwidecom. Forward slash. Tim dash tannert, and so those are the two places to find me.

Doug Smith: 56:15
That's beautiful. Well, tim, we have a few minutes left, so I probably won't get through the whole lightning round, but I do love it. And we focused all on EOS, so now we need to focus on just some Tim tannert wisdom. First one what is the best piece of advice you've ever received, and who gave it to you?

Tim Tannert: 56:32
You know, my best piece of advice was from my grandfather. I come from humble beginnings. My grandfather just had a sixth grade education. He ended up owning and operating three gas stations and he did extremely well for himself, and his message to me throughout my entire life was just never give up. I honestly believe that the difference between success and failure are the people that are successful were just too stubborn to never quit, and so that I just drill that into my kids, to my clients, that anything that's worth doing in life is going to be hard. It's really hard. Just don't quit, just keep making progress. That's my best advice.

Doug Smith: 57:20
That's so good. This is in the lightning round question and this may conclude our time, but I want to ask it. So you said in the very beginning, and you know, in talking to you, you reached a point in your career where your own personal success was no longer important to you. And you said you know all the dreams and aspirations that I had, I hit. I could assume what those are, but I would love for you to share what were those things. We live in a culture where everyone's like man. If I just had financial independence or man you know, then I'll have it made. What were some of those things that you thought, hey, when I get there I'll have it made. And what was it like actually hitting that and processing what to do next?

Tim Tannert: 57:59
You know that's such a great question and there's so many things. Like you know, when I first exited pharmacy school, I looked at the vice president of operations role within the long-term

care pharmacy I worked at. I'm like man, if I just got to that and got out of dispensing, I would just I would have it made Right. And so then I got promoted and was in that seat. And then I looked at another organization and said, man, the CEO overall, that's really cool. If I could just get the COO, then I've got it made right, I've got a C title. And then I achieved that before I was 30 years old. And then it's like you know, I really want to be a CEO. If I could just get to be a CEO, I mean, it's the top of the world, right, what's better than that? And then I became CEO and then, right, it's okay now if I just do this or do that. And the reality is you don't find happiness or contentment in any of those things. The world is full of people that have been successful beyond imagination, that destroy themselves because they're just hollow, they're empty, they're miserable. And you know, we talked about great leaders and things that we've learned along the way. I am a huge and I know you are too fan of Dan Sullivan and the concepts, and the book that just hit me and just convicted me more than any other business book that I've ever read was the Gap and the Game, and it's this concept that Dan works with some of the most successful entrepreneurs in the history of the planet, and anyone looking from outside the room in these group of entrepreneurs would say man, these people are the most successful people. They have achieved so much. They've got to be so proud of what they've done. But then, when Dan went into the room and started working with these people, he discovered they were all miserable. They all saw themselves as failure. And why? Because they had this ideal in their mind and they were constantly measuring themselves to that ideal. And so that, in Dan Sullivan's words, is living in the gap. It's measuring yourself from where you are to that utopia out there. That's just that constant carrot that's making you run and hustle instead of living in what he calls the game, which is really just turning your body around and looking from where you are to where you started. And I am ashamed to say I have lived the vast majority of my life in the Gap. I just never appreciated what I had accomplished. I was always looking for that next hit of adrenaline, right that? next hit of success, of the title behind my name on the business card or whatever it was, and it's just hallo. And I got to the point where, again, a major time just placed on my heart convicted me of saying that, tim, the reason that you're on this planet is to empower people to achieve the pinnacle of their success. And those words are very purposeful, right, it's because every person has their idea of utopia, their pinnacle right, their top point of what they want to achieve. And some people that's, you know, in sports, running a 5k, other people that's running a half, other people that's running a marathon right, I run with crazy people that run 50 miles, 135 miles, 200 mile races right, but whatever, that is helping people achieve what they're doing. And so I got to the point where I it was just placed on my heart that that is my purpose in life. So everything that I do my career, eos, right, executive coaching it's all helping people achieve their success. But then in my personal life, I am an assistant Boy Scout leader. I am helping these young boys grow up in the men in the rank up and achieve whether it's eagle or whatever it is that they're trying to achieve. To help them along that journey. I've run countless marathons. I've run 350 mile races. Running a marathon for a personal best for me right now is completely unfulfilling. I've done it. I've run some fast times. I wish I was faster there's a runner out there that doesn't wish they were faster but the most enjoyment I've had in running is being a pacer. I run marathons now and I run an exact time. I carry a sign that says for our marathon or whatever that is, and then if people want to run that, that time they run with me and I encourage them, I coach them, I tell them jokes and stories and keep them entertained, right, and I hold myself back so they can reach their time. And to me that is what

gives me joy, right? My daughter's an avid soccer player. I've been coaching soccer since she was three years old. Now she's got professional coaches there a lot better than me, but I love coaching, right. Everything in my life is all about empowering others to reach their success and to me I firmly believe that's why I'm on this planet, that's why I'm here, and I wouldn't have it that the other way.

Doug Smith: 1:04:25
Well, thank you for sharing that, and I'm so glad that you, at this point in your journey, got that revelation of the gap in the game. It's so important, and I'm glad that you found your purpose, and you know I can speak on my behalf. Thank you so much for the difference you're making in my life and helping me do what God's called me to do, and I can name, you know, a dozen people that I know you're. You are directly influencing and changing for the better, and so thank you for all the value you add to everyone that you come in contact with, and and again. If anyone's listening to this and you want to connect with Tim and work with him on EOS, I cannot encourage you enough. He will take not just your organization but who also help take your life to the next level, and so thanks for this time, tim, and thanks for everything you do.

Tim Tannert: 1:05:04
Thank you for everything you do, doug. This is a fantastic podcast. I love the work that you're doing, not just in Pittsburgh but beyond, and bless the know your brother.

Doug Smith: 1:05:16
Thank you so much likewise see ya thanks well, hey, leader, thank you so much for listening to my conversation with Tim. 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 at l3leadershiporg and leader. 2024 is right around the corner, and if you want to 10 extra growth next year, then I really want to challenge you to either launch or join an L3 leadership mastermind group. Mastermind groups are 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, to hold each other accountable and to do life together. For me personally, mastermind groups have been the greatest source of growth in my life over the last eight years, which is why I believe every leader on the planet needs to be in one. If you're interested in learning more about launching or joining a group, go to L3leadershiporg, forward slash masterminds or email me at Doug Smith at L3leadershiporg. And, as always, I like to end every episode with a quote, and I will quote Gino Wickman, who is the author and creator of EOS, and he said this. He said vision without traction is merely hallucination. Leader, I again I can't encourage you enough? Go go buy the book traction. Connect with an EOS implementer. Learn more about EOS. I think it will significantly help your leadership and your organization. The leader I hope you enjoyed this episode. Know that my wife, laura and I love you. We believe in you and I say it every episode but don't quit, keep leading. The world desperately needs your leadership.