

Nick Friedman:

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Mike Paton:

Hello. This is Mike Paton with the EOS Leader Podcast. And today I'm really excited because I'm speaking with Nick Friedman owner and co-founder of College Hunks Hauling Junk and Moving. And he's dare I say a media darling and a passionate teacher of other leaders as well. Nick's entrepreneurial journey began when Nick and his best friends, since they were 15 shared a dream to create something lasting and meaningful. In college at the YOU, they started out with a beat up cargo van, an 800 number and a memorable name, the College Hunks. Through hard work and relentless dedication to their team members, customers, and community College Hunks Hauling Junk and Moving was officially born in 2005 and the business took off.

Two years later, they expanded with a franchise business model and now have more than 150 locations across the United States and into Canada. Nick is a purpose driven, socially conscious, tech enabled and results driven entrepreneur. Who invest lots of time and money helping other leaders achieve their potential, which makes him a perfect guest for our show. Nick, thanks so much for being on today. Welcome to the show.

Nick Friedman:

Thank you much, Paton, I'm happy to be here and so glad to be sharing our story with the EOS community.

Mike Paton:

Yeah. And it's a great story. And I gave just a couple of highlights there, but why don't you start there? Give us a little walk through the relationship you had with your friend, your idea to start a business and bring us to today. Give me a little two minutes overview here.

Nick Friedman:

Absolutely. What was definitely a process. I was brought up to follow them more traditional career path, work hard in school, getting good grades, get into college, get a degree, start a job, move up the ladder. And my experiences in the corporate world were always a bit unfulfilling and it happened at the summer before our senior year of college, my best friend from high school, Omar Soliman approached me with his beat up cargo van from his mom's furniture store, it was actually we credit his mom with the letting us borrow the van, but also the name she looked at us and she goes, "You guys could be like the college hunks who hauling junk." And we kind of laughed about it at first. He said, "That's kind of got a catchy ring to it." It's kind of a pattern interrupt. Now what people associate with Junk Haulers are Movers.

So we just put computer print out, flyers, stuck them in the mailbox. People had a need for the service. They thought the name was catchy. You mentioned the YOU, we actually won a business plan competition. Our senior year of college through a university of Miami, gave us a little more confidence in the idea. And when we quit our jobs to start the business full scale after college, I always tell the story of you had the 800 number on the back of our truck, routed to our cell phones and people would call the 800 number to complain erratic driving. And we'd be the one in the driver's seat, apologizing letting them know we don't condone that driving in our company. We'd probably fired ourselves three or four

times that first summer. And ultimately we learned the important mantra of working on the business, not just in the business.

And we learned about franchising as a business expansion model. And so that was the next light bulb moment for us. If we were ever going to have another truck, let alone another location, we had to pray systems and processes. So that's what we embarked on and scrub ourselves as a 15 year overnight success. Today we've got over 150 franchisees around the country, over 200 million in annual sales. And so it's been a long journey since that first, early day of beat-up cargo van junk hauling, but it's been a fun one, no doubt.

Mike Paton:

I'm curious as to what were you motivated to look into franchising because you wanted to grow or because you were having bandwidth problems and you couldn't figure out how, what was the motivation to investigate different frameworks for growth?

Nick Friedman:

I'll be honest. I think at the time, franchising headache glamorized model in my mind of, "Hey, we can make royalty income," which sounded like passive income by having other people invest in the franchise and doing the heavy lifting and hard work. And we could create collect a royalty from it. That was the farthest thing from reality of franchising. It's a very, I like to call it, get rich slow process where you're very much involved in the success of your franchise owners and you have to have many of them at a large scale in order for the royalty stream to be meaningful. So we got into it almost by accident thinking it was going to be a way to grow quickly, but ultimately it proved to be a very viable expansion strategy for our brand, because I think a lot of people will franchise their brand when they're limited on resources financially, limited on staffing and personnel resources and they do want to grow and expand.

It really is. It's an expansion model for a brand or for a business model. And so ultimately we probably got into it for the wrong reason, but learned very quickly that steep learning curve, got involved with the IFA, the International Franchise Association and decided that was going to be our longterm growth strategy and so stuck to it and ultimately approved to pay dividends.

Mike Paton:

Oh, that's awesome. Tell me about the relationship with you and Omar. When did the idea seem a good one for the two of you to go into business together?

Nick Friedman:

I will, I think, like a lot of young boys or girls in high school, you have a friend and you have those sitting around the table conversations about, "Hey, wouldn't it be cool if we did a business one day or invented something together, wouldn't that be awesome?" And you have this, we had those discussions, those visionary drain like discussions of ambitious futures, but it wasn't until his mom gave us this beat up cargo van and the keys to that van, until she'd suggested that name, that we had something to attach an idea to actually into a reality. And so we got off to the races pretty quickly when we started it together. But I would say the key that's been titled our friendship and our business partnership together over the years is that our vision and our values have been in alignment.

And we've been very effective at communicating. There's been times where we might disagree on how to do something, but we've got that level of trust. And as Patrick Lencioni business model, the healthy conflict that we would embrace and we commit to our decisions, we don't shy away from

holding each other accountable and ultimately we wanted the business to succeed and put that above our individual agendas, our ego. So our friendship and our business partnership thrived, I think it's unique. We came into it as 50/50 partners. We remain 50/50 business partners today, which a lot of times our advisors and business books would advise against, but we've been able to make it work through that foundation of trust and shared vision and shared values and communication.

Mike Paton:

And you two are two different personality types as well. Do you think maybe the diversity of approach or attitude or emotion contributes to that?

Nick Friedman:

Omar's a little bit more laid back. I jokingly refer to him as a jellyfish. He kind of goes with the current and goes with the flow and assumes everything's going to fall into place. I'm a little bit more of that high, strong, obsessive compulsive. Every detail has to be ironed out and hashed out. And I think we both recognize that in each other and appreciated that in each other, I didn't resent him for being laid back and he doesn't resent me for being obsessive, compulsive. We're further at these two different polar spheres and we meet somewhere in the middle where we actually help benefit each other in the business together. And so I think I was used to describe honestly remember that old TV commercial, where there was "I'm the Apple, I'm the PC," Omar was like the first guy to go out and get an iPhone. And I was probably the last guy to get rid of his Blackberry. So that was kind of the way our personalities differed in that regard. But I do think that complimented our approach and our contributions to the business along the way.

Mike Paton:

I want to program your Blackberry number into my Motorola Razr.

Nick Friedman:

That's right, exactly.

Mike Paton:

So I'm right with you. I am right with you. What's interesting because I see this often in the work we do with our clients. In fact, I would mention Gino Wickman and Don Tinney the co-founders of EOS Worldwide, the different perspectives and approaches. What I witnessed with the two of them is when they agreed on something coming at it from two distinctly different avenues, they were both super confident and ready to go execute like crazy. And so I sometimes think we leaders make a mistake of trying to get more people like us in the organization when really what we need is different perspectives, different belief systems, different angles to look at every problem from, it sounds like that's worked for you and Omar.

Nick Friedman:

Yeah, I think so in having to remind myself that that difference is an advantage and not a disadvantage, having to remind myself that I probably wouldn't as successful in the business and wouldn't be as accomplished if there were two Nick Friedman's as opposed to a Nick Friedman and an Omar Soliman. And so I think recognizing that, acknowledging the frustrations sometimes if he wasn't approaching something the way I think I would have approached it and just being okay with that recognition, I think it

was very important because there were many times where we had arguments or I would come home frustrated. But I think the fact that we started as friends, friends that didn't have any filter with how we spoke to each other either, and didn't get offended by each other with how we spoke.

So I would lay into them via text message if I was upset about something or if I disagreed about something and he laid back into me via text message and then we'd show up and it'd be as if nothing ever happened. We were just right back to friends and business partners again. So we didn't take things personally or hold grudges or anything like that. And I think that's really important. You see that in sports all the time too, with the championship team that having that locker room dynamic, where a guy can yell at his teammate and not take it personally, or be offended by it, but actually go out and play harder as a result of it. And that's the relationship that we've always had.

Mike Paton:

That's great. That's great. Let's talk about the early days. When was the first minute you realized you were on to something here?

Nick Friedman:

When we first literally created a computer print out flyers and stuck them in mailboxes, the phone started ringing and people said, "Hey, is this the College Hunks Hauling Junk? And we kind of looked at each other, at least a little confused at first. I'm like, "Oh yeah, we put out those flyers." So they didn't really, so people have a need for the service. They thought the name was catchy. And so the light bulb went off for me right away that there could be something to this. And then there were some reinforcements that build our confidence along the way as well. When we won the business plan competition in college, certainly another vote of confidence and credibility to the concept. I actually kept my day job for about the first three months after college when we started the business, full-time Omar quit his job right away.

But I remember coming home at the end of the day where I got up really early to work on College Hunks. Then I went to my 9:00 to 5:00, but I was side jobbing it in my computer that day and on the phone. And then I get home and I'm calling missed calls back from College Hunks all into the evening. I told my dad, I said, "I've been working probably 12 hours and I'm not tired at all." And he said, "Nick it's probably for you to go full-time into that business because you're passionate and ready and enthusiastic about this College Hunk's concept." And obviously we saw that there was a need for the service and people like the name. So that's when I started going all into it.

Mike Paton:

Yeah. I've been around enough entrepreneurs to know it wasn't always easy. So were there any major mistakes or bumps in the road that you two had to navigate through that were really scary for you?

Nick Friedman:

Well, I think some of it stems with a lack of patience. I've tried to remind myself embrace the pace.

Mike Paton:

You don't say, I'm so surprised.

Nick Friedman:

Yeah. A mantra I say to myself very often than other entrepreneurs is embrace the pace because every time I tried to shortcut success or try to fast track the results or the outcome was five steps in the wrong direction. An example is when we started franchising was right around the time the housing crisis took place. And so we thought we were going to be growing a lot faster. All of our projections had us growing a lot faster, but things slowed down significantly, both for our consumer side of the business and franchising. And so we started thinking scrambling saying, "What else can we do? Can we do property preservation? Can we change our locks? Can we paint houses? Can we pressure wash houses?" And we're spending all this money and time and energy chasing all these marbles on the table.

And they were all rolling off the table at the same time. Is what it felt like as opposed to just focusing on our core, which was trucks and labor moving people's stuff, hauling people's junk away. So those were some of the costly mistakes that we made in the early days. Some of the marketing investments that we made in the early days, with radio or TV, some of the mass media that maybe we weren't ready for and didn't have the bandwidth to handle. And then some of the software investments we made in the early days, we committed to some things without doing full due diligence and getting locked into these software contracts that were unable to scale with our business as we started to grow.

So those are some of the challenges and heartaches in the early days that I can remember. And I looked back on but at the end of the day, they also were learning blocks and lessons. And I don't know if we'd done them differently how on the outcome could have been any different.

Mike Paton:

Yeah, failure is the fastest and most permanent teacher. No question about it.

Nick Friedman:

Absolutely.

Mike Paton:

Yeah. And I'd rather play ready fire aim than ready, aim, aim, aim, aim, aim. So.

Nick Friedman:

I'm a firm believer of ready fire aim without a doubt.

Mike Paton:

Yeah. And my guess is Omar's more of a ready aim fire guy. And so there's that creative tension again. And you guys work through it together and you're not going to get it right every time. So that's cool.

Nick Friedman:

Exactly.

Mike Paton:

Great stuff. Let's change the subject a little bit away from the business and just focus on leadership in general. Because I know how passionate you are about that. I know that's something you and your team cared a tremendous amount about with your franchisees and that's the purpose of this show. So I want to start with your earliest recollection of somebody who was leading, that you observed maybe a

cultural figure or a political leader. Who was the first leader you remember looking at going, "Wow, that's leadership?"

Nick Friedman:

It actually was a little bit skewed vision of leadership in that early day. So I was probably about fifth or sixth grade. I was a huge basketball fan and I was watching a tape about Michael Jordan and all of the folks that were interviewing his teammates and so forth were talking about how great of a leader Michael Jordan is. But then the B roll footage that the videotapes showed was basically Michael Jordan getting in the face of his teammates and pointing his finger in their face and yelling at them and barking at them. And so I equated yelling at somebody as being a leader, even though that's not actually what Michael Jordan's leadership was all about. It was about his hard work, his determination, his teamwork and camaraderie and visionary leadership and so forth. And yes, he happened to bark at his teammates, but that was the secondary aspect of his leadership.

But as a 10, 11 year old kid, I just saw the video tape of him yelling at somebody and thinking that that's what a leader was. So I definitely made my coaches and teachers very puzzled when I started yelling at my classmates and yelling at my teammates. And I was certainly no Michael Jordan from a skill level standpoint. So I was like a benchwarmer getting up and yelling at my teammates, thinking that I was being a leader. So I had aspirations to be a leader. I just wasn't attaching it to the right actual approaches to leadership. And it wasn't really until we started the business that I really became passionate about reading and learning about business leaders, political leaders, sports leaders, and learning about inspirational leadership, learning about developing leaders, which is why, as you mentioned, it's become one of our core values in our company, building leaders.

We're hiring a lot of times, 18 to 30 year old young man to do this heavy lifting and the junk hauling, and the moving side of the business. And the idea is we want to empower and instill skills that they can carry throughout their career, not just at College Hunks. So we've got some great examples of guys who started out on the trucks and now on franchises, or who've gone to take on leadership positions within our corporate side of the business. And my favorite definition of leadership is a Brené Brown definition where she says "A leader is someone who identifies the potential in somebody that has the courage to develop that potential." I think that's just such a powerful definition of leadership that you recognize somebody's potential. And you have the courage to develop that potential, which is very different than just barking orders into somebody's face, which was my initial impression of leadership at an early age. So I had to fix that and correct that as I evolved.

Mike Paton:

That's a great story. And it underscores for me the richness of this topic because barking at somebody is in a way leadership, but it's one of a bunch of weapons we need to carry around in our toolkits to be great leaders. When you have high standards and you know people are underperforming what they're capable of an approach is to take no prisoners and let them know how disappointed you are, but it's so much more than that. And if you're a one trick pony, this is a pretty tough thing to take on leadership.

Nick Friedman:

Well, it also is identifying what motivates one person is very different than what motivates a nother. So like some of Michael Jordan's teammates, might've been motivated by him barking at them and yelling at him, whereas others might have grown up in a shell and wanted to go hide in the locker room because the best basketball player was yelling at them. And maybe they needed to be patted on the back and encouraged and stroked about how great they are. And so it's, I think also identifying in

yourself, in your colleagues and in the folks who you're leading, what it is, that's motivating to them, what inspires them from personalized standpoint. And that's something else that I think I picked up on over the years is trying to personalize the approach to leadership. It's not a one size fits all for everybody who you're leading. People are motivated by different things.

Mike Paton:

Well, they're humans and they respond best to somebody who's meeting them where they are. Again, you don't have to count to everybody's needs, but you do need to contemplate them in the way you lead. For sure. Yeah. Great stuff.

Nick Friedman:

Absolutely.

Mike Paton:

Have you run across other leaders whose capabilities you hope to emulate?

Nick Friedman:

Well, you know what's funny is we have a leader within our organization. Following the EOS Model, we recently hired an integrator or promoted an integrator a couple of years ago. So Omar and I are both in the visionary seat as co visionaries and our integrator Roman Kaolin has leadership attributes that are just natural within him that I would love to emulate. And I look to emulate. And in some of those attributes that I recognize in him, he doesn't get rattled when things are off kilter, he's very good at listening and also communicating logic and helping other people understand logic. I have a tendency as an entrepreneur to have knee jerk reactions, get very emotional or defensive. If somebody is criticizing our approach as a franchise or our service as a moving hauling business or our approach as an employer, without pausing, listening, and then understanding before communicating.

So those are some, I think natural characteristics and components of great leaders that I recognize even in one of our leaders within the organization, effectively reports to me, but has been a good role model for me as a leader as well. And I think there's probably some things that he recognizes in me that he's picked up on as well from a communication and inspirational standpoint. So, I mean, that's very important also is to surround yourself with other leaders that have approaches and characteristics that you want to emulate and embody also.

Mike Paton:

Yeah. Let's flip the tables a little bit. Have you ever worked with, or for, or observed somebody leading poorly and what are the characteristics or attributes you would assign to that?

Nick Friedman:

I think the example that I could probably come up with is also within our organization when we first started becoming very core values focused and purpose driven focused, we had some folks that started to neglect the results and the performance of the business. And they were focused strictly on creating this soft, warm and fuzzy environment. And the problem was it was creating a little bit of a sense of entitlement and it was allowing for a lack of accountability with performance within the organization. And so we had one individual that was always like, "Well, no, these are the core values. If we try to hold

them accountable to X, Y, and Z, then we're going against our company culture. We're not as warm and fuzzy as we proposed to be."

And I read a quote from Jack Wells where he said, "The stuff doesn't work unless it's accompanied by performance-based toughness." So I think as a leader and as a culture, we've got to have this balance of results and that warm and fuzzy culture of inclusion and welcoming and core values and purpose and everything else. But at the end of the day without margin, there's no mission. And so I think we had an example where, and this probably was a reflection quite frankly, on me as a leader, because I was beating the culture and vision and values drums so hard. I wasn't talking about the big picture of hey, we also have to perform.

Mike Paton:

Yeah, it's a tough communication needle to thread Nick, in that most of us are passion driven and deeply care about the people that work for us and with us. And we want to show up as empathetic, mission driven leaders, but at the end of the day we've got a job to do. Our customers need to be satisfied, and the work needs to get done and the profits need to be generated. And to be able to navigate through that communication minefield is really difficult. What was the way you worked out of that situation, where the pendulum maybe had swung a little too far? What do you and Omar and the rest of your team decide to do?

Nick Friedman:

It started with communication, internally my internal monologue, actually, this was a quote that Omar said just between he and I, he said, "We need to have a little bit more Wall Street and not all Sesame Street." And I said, "Okay, you're probably right. We've swung a little bit too far on the Sesame Street side and yet we need to swing a little bit more in the middle and have a little bit of the Wall Street side mixed in." So I liked that, we couldn't communicate it that way, it's of course.

Mike Paton:

I really wish you had that is really good.

Nick Friedman:

And his year. Our focus is, Wall Street not Sesame Street, but no I think we got down. I actually, I took that Jack Ma's quote, I put it in some light angle slides. I talked about having the balance of performance against toughness and the fact that we're going to be a winning team. And what does winning mean? It means living our values, but it also means achieving our metrics and achieving our financial objectives. Because also like that quote, "No margin, no mission." If we're not growing, we're not profitable, then we can't be purpose-driven, we can't give back, we can't do the community-based programs that we want to also instill in develop. And so it just became part of the overall arc of communication. It was less about a culture, culture, culture was more about ultra and performance is part of the integrated approach of this brand. And we want to win. Winning is fun. So when you win, it's also part of the culture.

Mike Paton:

Yeah. And that's where I always go with that too. I remember Nick Saban coached Alabama team 10, 11 years ago, winning by three touchdowns in the fourth quarter of a national championship game against Notre Dame and the center and quarterback, both of whom were headed for the NFL, got in a shoving

match because there was a muffed snap, the game wasn't on the line. But that's what happens in a championship team is your standards of performance are so high that the deep bond, these guys were very good friends. And the deep bond they had as friends was built on that mutual, high expectation of one another's performance. And I think you can do both, but you've got to genuinely care about the people and the result. Would you agree?

Nick Friedman:

I would agree. I would agree. I love the Nick Saban example. We talk about him a lot in our organization because again, we're hiring a lot of young men to do the frontline work. We're constantly recruiting. I saw an interview with him where he said, "The names on the jerseys may change when guys graduate or go to the NFL. But the identity of Alabama Football doesn't change when a freshman comes on campus, the sophomore junior say, this is how we do things here." And so it just becomes ingrained in the DNA. And he also talked about how complacency breeds bad decisions. So that's something else that I've stuck with me is like, every time we've hit new milestones of success, I used to say to myself, "Hey, if we could just get to a million dollars, I'd be happy. If we could just get to \$10 million, we'd be okay. If we could get to a hundred million dollars, we will be done. And I could just hang up the cleats and I wouldn't have to stress anymore."

But that perspective of complacency breeds bad decisions also has driven me to say, "Okay, it's not just about getting to a certain level and just putting my feet up and relaxing, but it's about building a greater organization that can do greater things. It can provide for more individuals at the franchisee level at the employee level." So I do think all of those things are critical for building something that's lasting and endures.

Mike Paton:

I want to stick with this theme of the fact that you hire a lot of young men and entry-level people. And this is the great challenge in the economy today. The labor shortage, I'd literally 100% of my clients are struggling to find enough of the right people. And so talk to me about how you and the other people in your organization are leading and managing in order to attract the right kind of people and repel everybody else. What are you guys doing to solve this problem?

Nick Friedman:

Yeah, well, we're not immune to the challenge, that's for sure. I mean, we face it as well. Every franchisee in our system, if we talk to them, they'll tell you that hiring is their biggest challenge right now. And they would be doing twice as much revenue if they could keep enough guys to stay fully staffed. So it's something that we've always done well, but it's not something that we don't still struggle with. The things that we do is I look at it no different than a marketing and sales funnel. We've got marketing and sales for consumers, but we also got marketing and sales for teammates, team members, employees. And so we've got to be on all the job postings and the job posting has to be relevant. You could have two different job postings for the same position, same company, and one will get zero applicants one will get 100.

So are we twinned with the verbiage? Are we advertising at the hospitality section of Craigslist instead of just the service and labor section to see if we can find some folks that maybe lost out on jobs in the hospitality during COVID and don't want to go back into that night life grind? We've promoted the that our employees are more highly compensated in the comparable jobs that are out there, but it's more than just a job. It's about finding a place where you can feel belonging, a sense of empowerment and development and have aspirations and meet your goals. So it's a multivariate equation, no doubt.

There's no magic pill. Just like if you're having a shortage of customers, there's no magic marketing switch. But it's incentivizing our existing all-star employees to try to refer some of their friends and colleagues.

So we have referral and retention bonuses and things of that nature. We've got a lot of training and retraining to try to help folks feel a level of moving forward and of course we always emphasize and focus on the core values and how that creates an environment where people want to be, they don't feel like they have to be, or they ultimately choose to be.

Mike Paton:

Yeah, you've talked a lot about high standards of performance, high expectations, adherence to core values. Are you finding it hard to have people remain confident that you should manage to those standards when the labor shortage is so compelling?

Nick Friedman:

Yes. Short answer. Yes. That is tough. I mean, look, I've had some franchisees say, "We used to require people to come in, come in for an interview. Now I'm asking them three questions. If the answer is yes to these three questions and they pass the background check, we're bringing them in and we're training them and we got to get them on the truck. And then if they're not good enough, we can try to filter them out." So it's definitely a bit of a new environment than we're accustomed to, but we've got to meet the customer demand at the same time. So yeah, I wish I had a great answer for you, but adjusting to the environment that we're in, it's trying to make sure that we're doing everything we can to attract the best and train the very best, but every employer out there is going through the same thing.

So I wouldn't be surprised it's sort of nationally, not only are we going to experience a bit of a labor shortage, but we'll probably experience a little bit of a service deficit if you will, because restaurants and hotels and home improvement companies, they're all just scrambling to get bodies and they're not taking the time to train and adhere. So I don't know what's going to fall first.

Mike Paton:

And they're out of practice.

Nick Friedman:

Out of practice.

Mike Paton:

There's a large sector of the economy that hasn't been practicing it's game for the last 18 to 24 months. And it's evident. Yeah, no question about it. No question about it. That's good stuff. In your leadership journey, you're working with lots of other entrepreneurs in the YPO and your investment activities and that sort of thing. Are you seeing any consistent themes as to what makes for a great or not so great entrepreneurial leader in all the networking you're doing these days?

Nick Friedman:

There's a couple of things that stand out to me. I think actually giving a damn and caring about your people and caring about what it is that you're doing matters. I think when I meet somebody that's, I know that we're passionate gets thrown out a lot, but when I meet somebody that's, you can tell is passionate about what they're doing. That is infectious, that rubs off on their employees, that rubs off

on their clients, that rubs off in their investors. And so having a level of enthusiasm and excitement over what you're doing and being able to maintain that level of enthusiasm and excitement and motivation, I think is critical because if somebody's just motivated purely by the financial aspect of it, that's pretty shallow. And that can be picked up on pretty easily and pretty quickly. And quite frankly, he or she or their colleagues are going to get very disillusioned to move on if things get difficult or things get challenging.

And we saw this with some of our folks and peers during the COVID crisis, my colleagues in YPO and other entrepreneurs in our franchise owners that had a foundation of a strong culture. They were the ones that locked arms and muscled through this uncertainty of the COVID pandemic and saying, "Hey, we're going to make it through this no matter what." And I was like the Warren Buffet quote, he goes "You see who's been swimming naked when the tide goes out." And so I think when this whole COVID thing happened, the companies and the entrepreneurs and the leaders that had focused on their foundation in their core were able to navigate the uncertainty, make quick changes, make difficult decisive decisions in some cases making employment cuts or other cutbacks, but able to withstand that and not have people turn their back on the business or turn their back on the leader when things got tough. So I think those are some of the keys to a successful leadership in entrepreneurial endeavors or just in general.

Mike Paton:

Have you or Omar, Roman had to adjust your leadership style in good times versus bad, or do you find that you're able to stay consistent in your approach and your style under all?

Nick Friedman:

So this gets back to your question earlier about recognizing good leadership. I think Roman maintained his composure throughout the entire pandemic and was very confident employees. I think Omar and I, I'd be lying if I didn't say we had a little bit of moment of panic deer in the headlights where we were like, "Hey, are we going to lose everything we've worked 15 years for?" I wanted to have that moment where I wanted to crawl under the bed and cover myself with a blanket. I had our CFO running projections of us revenue going down to zero for the remainder of the year. And I basically was beating on Roman's desk saying, "We have to make these decisive cuts right now because this thing might go to zero. It might never come back at any time that we might see."

So if I jumped to the worst case scenario and he helped me rein that emotion back in very quickly, because obviously stoic leadership is very critical, especially in times of uncertainty or times of crisis. And so I think the importance of that stoic leadership is critical both in good times and bad. And so that's something that I've been working on myself as well. I think as an entrepreneur, I get emotional, I get hot blooded sometimes and knee-jerk reaction sometimes. So I would say my first step is to become a little bit more self aware, but then the next step is trying to at least acknowledge or recognize when I'm getting wound up. And my team members, I think in colleagues recognize that now. And I'll at least point it out when I do, I have a bit of a knee-jerk reaction, I'll say, "Hey, that was a neck, knee-jerk reaction." And they'll just appreciate that I acknowledged [inaudible 00:32:56] happen.

Mike Paton:

Well, self-aware is the first step, able to do something about it is the second step. I'm still working on that step myself Nick. So you and you probably get along just fine. So one of the clips I saw of your leadership background, I believe you were on a panel at the White House on entrepreneurship, and a very frequent topic when we're sitting around and talking about leadership, is, is there a difference

between political leadership and cultural leadership and organizational leadership and business leadership and entrepreneurial versus big government agencies? And so I'm just curious your opinion having been exposed to all these different types of leaders, are there common threads and are there key differences?

Nick Friedman:

I think it's all common. I think it's all a common thread. I mean, I think leadership is leadership. I think the platform by which you're leading may be different. I'm leading at a entrepreneurial franchise organization, a politician may be leading at a political, municipal organization or platform. But at the end of the day, it boils down to vision, shared values, communication, priorities, and execution. And it's really, I mean, that's where I think the EOS Model is so great. I've been a believer in EOS I think I shared with you previously that when we started adopting EOS, we were at 10 million, it's helped us get to 200 million. I think that it could be applied those tools in any type of organization, not just an entrepreneurial one. And obviously there might be some little tweaks and modifications that could be relevant to the specific platform, but I see it all as common thread from a leadership standpoint.

Mike Paton:

Yes. If the people involved actually want to get results, that's what my brother early-

Nick Friedman:

That's a great point.

Mike Paton:

... in my journey, my brother said, "Do you think this would work for the U.S. government?" And I said, "I don't even want to know."

Nick Friedman:

Well, you know what it sounds is there, right? And I hate to get on a political tangent, but the challenge there is that in a entrepreneurial organization, you ideally have everyone rolling in the same direction, but the whole point of politics is to not have everyone, at least in the two party system, not having everyone rowing in that same direction.

Mike Paton:

It sure seems like that's the whole point of politics. And I think that was the nature of my response. This stuff like any system or any set of tools, this stuff works when the people using them want to use them to achieve a common objective. And until we get to the point where people seem to want to achieve a common objective again, I think it's going to be a tough [crosstalk 00:35:31].

Nick Friedman:

Yeah. I always come back to that Patrick Lencioni model, that foundation of trust, because if there's trust, then there's what he calls healthy conflict. Conflict is good, but it's got to be healthy conflict, but it can't be healthy without trust. And without trust, there's nothing, so.

Mike Paton:

And healthy conflict leads to resolution whereas unhealthy conflict is conflict for conflict sake. And that's the paradigm we seem to be stuck and trapped.

Nick Friedman:

Yeah. That leads to the meeting after the meeting, that leads to all the other commentary, on the other channels and so on and so forth.

Mike Paton:

That's right. That's good stuff. Couple of last questions before I let you go, you've been most generous with your time and I'm having a blast. So have you found that your personal life with your family or your outside interests has been influenced by what you've learned as a leader in your business? And if so, how?

Nick Friedman:

Absolutely. Number one, I ask for feedback, not just from my work colleagues, but from my personal friends and family as well about what are some characteristics and aspects of my behavior that are great and that I should keep doing and what are some characteristics and aspects of my behaviors that are undermining my success as a fill in the blank friend, father, teammate, coach, business leader. And so asking for that feedback has been eye opening and helped me with some of that self-awareness that we talked about previously. I've also actually created a VTO for our family. So with my wife and I, and we have three young daughters and we've got our vision, our core values as a family. What are some of the rhythms that we want to do from a meeting standpoint to map out the year, the months ahead, my wife lashed at me a little bit, because that can be a little bit by the book, but it really does help having that communication along the lines of what is it that we want to achieve, what is the type of culture that we want to develop as a family together?

And then my six year old daughter makes fun of me, she's like "Daddy are you going to be reading me the values board again? [inaudible 00:37:35] Commitment and hard work and all this stuff? And I just want to go and play with my dolls," but who knows how that'll turn out, but I've definitely tried to apply that in other aspects of my life.

Mike Paton:

Yeah, as do I. And it is a little funny and I do get a little overzealous from time to time. So you're not alone there either Nick. Last question for you. Go back to you and Omar sitting in the college dorm room, talking about this van that his mother had and deciding to launch this business. If you could have given yourself one piece of advice as a young leader just embarking on a career, what's the most important thing you would have told yourself?

Nick Friedman:

Paton, I think I said it earlier. It's be patient and embrace the pace. There's no shortcuts, you're going to get there when you get there, because I can't tell you how many times I axed over comparing myself to other entrepreneurs. In my '20s, I would look at these guys with tech businesses that had three and they were doing 5 million with, 4 million EBITDA. And I would be hanging my head against the wall and be like, "How do I do a business like that or why I wish I had started that company." And here I am now almost 40 and the business is doing phenomenally well. It's financially fulfilled, I'm professionally and

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personally fulfilled. And I don't think I would have changed anything about the journey along the way. I probably would've done something stupid had I fallen into that type of money back then.

So I think just trusting the process, trusting the timeline and just staying persistent with the project that you're pursuing is going to be the key to it. So that would have been the advice I'd give myself. I probably would have had a few less sleepless nights knowing that everything was going to be okay, that we were going to get to this other side at some point, and just be able to live the entrepreneurial Nirvana eventually.

Mike Paton:

Great piece of advice, Nick, thank you for sharing that. And then the last thing, just a little housekeeping, those people inspired by our conversation that want to learn more about you or your company, where should they go to do that?

Nick Friedman:

Well for our company, go to collegehunks.com. You can learn about our franchise opportunities, learn about our moving and hauling services nationwide. For me, nickfriedman.com, F-R-I-E-D-M-A-N, nickfriedman.com. You can connect with me personally or on social, but grateful for everything that you do painting and the EOS community, our business wouldn't be where it is without it. So I'm just so happy for everybody here who's listening and who's was part of EOS also.

Mike Paton:

Well, you made me a better leader today, and I know the other people listening will feel the same way. That's what this is all about. Thank you for joining us today Nick, you've been most gracious with your time.

Nick Friedman:

My pleasure. Thank you.

Mike Paton:

If you're interested in applying what you've learned today in your own business, the five books in the Traction Library can be helpful resources on your journey. You can learn more about those five books and actually order them at a deep discount by visiting eosworldwide.com.