

Improv Is No Joke - Episode 32 - Randy Nelson

Peter: Hey, I'm with Randy Nelson today and Randy is the author of ["The Second Decision: The Qualified Entrepreneur"](#) and Randy has his foreword written by General Hugh Shelton, 14th chairman of the joint chiefs of staff. So, first and foremost, that's very impressive. Second, thank you for taking time out of your busy schedule, Randy, to spend some time with me on my podcast.

Randy: Thanks for having me. I appreciate your time.

Peter: Oh, I love doing this. I love having this conversation. Randy and I met a little over a year or so ago, at Advantage Media. We both had our books published by Advantage Media and that's where we crossed paths. His book, correct me if I'm wrong, "The Second Decision" was the number one book in 2015 at Advantage Media Group?

Randy: You are correct, yes. I was somehow made Author of the Year in 2015.

Peter: That's what it was. Author of the Year in 2015.

Randy: Yeah.

Peter: Yeah, well congratulations on that.

Randy: Well, thank you. I appreciate it.

Peter: That's quite an honor from from a very accomplished publisher who puts out a lot of books a year, and well deserved. So how did you ever get a joint chief of staff, a general? Was he a cousin, relative, uncle who's a retired colonel in the Air Force? I'm real curious about this. How'd you get this persona to write your forward.

Randy: It's a great question. I'm probably not going to give you the answer that you would expect. So, just a quick background. My first career I spent almost seven years as a submarine officer, got out a Lieutenant, spent my time on ballistic missile submarines, and then, when I got out, my first business that I started, with a couple partners, we placed people coming out the military into full-time jobs. That company turned 25 this year, we started in '91, and we've placed over 36,000 veterans into full-time jobs over these past 25 years.

Peter: That's great.

Randy: Fast forward to 2001. I read in my local newspaper, I'm in Raleigh, North Carolina, that General Henry Hugh Shelton, who is the chairman of the joint chiefs of staff and had all military

– by the way, he was he was the chairman from 97-2001, so he was sitting chairman on 911. He was the only plane flying over New York City that day.

Peter: Wow.

Randy: So, after his four years were up, he was required to retire and NC State University, in Raleigh, is his alma mater. So they knew that they had a rare gem, one of our nation's greatest leaders, and they asked him if he would be willing to be part of the leadership center and with his name attached. So I read that the Shell leadership center is going to start enrolling and I immediately raised my hand and said, "I know John Shelby doesn't know who I am I but I want to be a part of it, what can I do?" and I was on some of the initial planning meetings and was lucky enough to be selected for his his board of advisors, so he's got 25 other people on that board.

Peter: Wow.

Randy: So pretty high level. There were two people who did not know him, by the way. Myself and one other guy who retired from the board this year at age 95. But most of the people, as you would imagine, they know him. In is stellar career, he has met a lot of people and impressed a lot of people. Very, very long story short, that board started in 2002. It is now in its 14th year, 2016, and I had the honor of Chair of the Board in 2014-15. I didn't know him, but I can now call my very good friend and I just love being associated with him because you talk about a leader of leaders. He's a great man to be around, as well as the other people on the board.

Peter: That's an extremely impressive story, by far, and the thing that I really like about that is you didn't know him from anybody, and you just raised your hand. How can I help? And, through this help, you become acquainted with him and next thing you know he's writing your forward for your book.

Randy: Yeah, you know the way I look at leadership is you gotta earn your respect.

Peter: Indeed.

Randy: In the military, there's two things. You're given, in my case because I was an officer, your bars. I started as an officer so people had to salute me, they had to respect the position, but they didn't have to respect me. I had to earn that respect, and I felt that with General Shelton too. I was lucky enough to be selected but, over time on the board, I thought my job is to help add to his building this thing. I love startups, so it was essentially a start-up. So you add value to the board and eventually you get to know the man and. Yeah, in 2014 I am proud to say that I was selected to run the board for two years.

Peter: That's – wow. I'm at a loss for words. That's pretty cool. You mentioned that you drove a submarine?

Randy: Yes, I did.

Peter: So you're not claustrophobic at all?

Randy: No, no. I'm one of the few people, I think you can relate to this. Back in 1982, I had to choose. When you're in ROTC, you have to choose between a Pilot Surface Warfare Officer and nuclear, and you can go nuclear submarine or aircraft carrier, and I had done well in school so I tried to get into nuclear power but I was an accounting major.

Peter: There you go.

Randy: So I was able to sell that I'd be a good person for their program. So they let me in and, after lots of schooling and lots of qualifications, I finally got a chance to get mine. In the air and the pilot world, they call it wings. In the submarine world, you get your gold dolphins. So, when you're qualified as a submariner, you earn your goal dolphins. When we talk about the book, that's where the whole qualified concept comes from. Because, as you would want, they didn't let me drive submarines until I knew what I was doing and I was qualified.

Peter: So there's a lot going on here. Submarine, accounting, and then you did tell me beforehand you get your degree from Miami University in Oxford, Ohio, which is one of the stellar accounting programs in the state of Ohio as well as nationally. You're a submarine driver, you get out, and I heard something that you said: I love doing startups, which gravitated you towards helping out the general. So, startups, help me there.

Randy: Startups is the environment where, every day, you have to figure out what's the next thing to do and, in the beginning, I guess my history, from a macro standpoint, is I've built two companies and I turned one over at year 12 and the other one over at year ten because, once it gets too operational for me – too steady stated, if you will – then I really want to go back and and start something else.

Peter: Okay.

Randy: But I think the creation, just the energy and the creation that goes into starting something new from the ground and building it up. I'm not the startup guy that wants to start it and then a month later leave. I start up and built it for 12 years. I turn over a pretty good engine when it's at 11 to 12 years, but then I'm motivated to go back and start something new.

Peter: That's really interesting. I started my business, and nothing to to the capacity that you have built, but there's something new everyday and it's just a ton of fun, and you wake up the next day and you don't know what's coming at you. I can see why, if you have 12-13 years and it

becomes a little bit more mature, little bit more stable, the systems are in place. Let's go back and have some fun, see what we can create from scratch, and what can we build?

Randy: Yeah. I think to describe it best is the startup world is a lot of uncertainty, whereas my wife I could not do her job (she's been teaching first grade forever and she's fantastic at it). I don't think I have the patience and I couldn't do what she does so well. She like certainty, so every day where today looks like something she has seen before is what she wants. Uncertainty? No, that's not her. For me, I'm the opposite. I thrive on uncertainty, and that's where you have a chance to do the most sometimes.

Peter: Wow, I guess we are a lot of alike, because I struggled in a certain corporate America type of structured world where, in an uncertain world... I tell people that, since 2010 when I went full time, I have not worked a day in my life since that time. Ask my wife, who loves certainty, she'll say he works all the time.

Randy: Right, yeah.

Peter: And I don't look at it as work. So, with the startup stuff, is that what triggered writing the book "The Second Decision"?

Randy: No, I'm in a number of CEO peer groups – Vitsage, Entrepreneurs' Organization – and since '98 I have been around other entrepreneurial CEOs, so we're talking about building our businesses, learning from each other, and having made so many mistakes in my own companies over the years and looking back to when I sold my second business. I sold it to a very large German firm and had a chance to go build my business out throughout Europe and Asia. I had a lot of time to sit on planes and I said, okay, I was able to sell one business and I was able to sell a second. If I could teach anything to anybody, what would I be able to teach people? That was really my question, and how it worked was I spent a year putting content together and then I got to present it to my CEO group. I actually asked my wife to come, it was this big build-up, I said I'm about to unveil this, I've spent a year putting content together, I have two and a half hours in front of my CEO peers... and when I get done they get they had two takeaways for me. They said, Randy, number one that was quite possibly the worst presentation we have ever heard in our life.

Peter: [laughs] Okay.

Randy: Not what you were expecting, right?

Peter: No, no.

Randy: So what I did was, because I'd put all this content together, essentially I vomited my content out for two and a half hours. I was going to get it all out, so I wanted to prove to them that there was good content. The second thing they said was, even though it was the worst

presentation, we think there's something here. We think you should go write a book, because people need to hear this content, and that's why I wrote the book. I never had the desire to be an author. One less I've learned is I've always been pulled rather than pushed, so when people say listen you should go do this because of that, I do listen, and a couple years later I had had my first book out. But it was it was not the start that I thought it would be.

Peter: So I just had a curiosity: when they said this is the worst presentation ever, and you and your wife are there, did you have this really sick feeling in your stomach, or did they say that with a little bit of a twinkle in their eye so you knew the however was coming?

Randy: Even funnier is my wife had gone because she had to get back to school, so when I got home she says so how did it go? How did they think you did? And I could see she wanted to hear from me first so I told her, well, they said it was the worst presentation ever. She said, "Oh, thank you, because I didn't want to have to break that news to you."

Peter: [laughs] Oh, that's funny.

Randy: She said, "I'm your wife and I was trying so hard but I was thinking 'Oh, make it end.'"

Peter: So basically the accountant in you came out and you were just doing a lot of content.

Randy: Oh! You know, there's some speakers that are no content and all motivation, and then there's some who are all content. Well, that day I was there. It was all content. So, I deserve it, but hey that's what we gotta learn, right?

Peter: Yeah, it's a great learning experience. So, the title of the book, "The Second Decision," which makes me ask what's the first decision?

Randy: So the first decision is when you decide to start your company, and the idea on the napkin... all of a sudden it works. Imagine yourself at a dinner with your wife or your best friend and you're giving a toast to the fact that your business is off the ground, running, you've got employees and you got a good future ahead of you. That's where "The Second Decision" comes in. You have to look at yourself and say, "Am I the right person to lead this company for the next three to five years?" Because it's not whether the company works, at this point, it's whether you work right for the company. So "The Second Decision" is, number one, do I want to leave this business? And, number two, I have five roles that I define in the book. Three of them are qualified and two are not qualified, so I go back to my Navy days where I had to be qualified before I ran the business. As entrepreneurs, we don't have to be qualified to do anything to start a business. We just have to get the certificate, start and go.

Peter: Right.

Randy: So the three roles that are qualified are the leader, and the leader is the person who is at CEO and wants to be the person to lead the company future. The role player is the second choice, and that's the person who says I don't really want to lead, I like sales, I like marketing. Maybe I want to move to a chairman of the board role, or something along those lines. The Creator is the person who says I really like to start businesses. I'm the creator, I love to get it up and off the ground, I'm the startup person, but when they get going... well that's not really me.

Peter: Right.

Randy: And then I have two unqualified roles: a dabbler and status quo. The dabbler is that entrepreneur that wants cash but is not really that interested in all this other crap they gotta learn to build a business. Status quo is I'm happy just where I'm at. So the qualified entrepreneur is somebody who is willing to get qualified, and in the book I mirrored what I did in the Navy. In the Navy, I had a submarine qualification system. It was the the qual card, and I created the entrepreneurial qual card in the book and said if you actually had to sit in front of a board of directors and prove to them you know what you're doing, would you want to or could you?

Peter: And I was gonna make a comment about that because I've read the book and – first thing, I read the book and I said this is great – and two, you've got a workbook to help to determine if you are that qualified entrepreneur. Now, I call that January in my business because I've gotta slate it out to now go back through the book, in January, when I've got time to sit down. You have things laid out just ideal in here to help somebody make that decision.

Randy: Yeah. Going back to my Navy days, the way it worked there was they had all the qualifications that you needed to have a general understanding of running that submarine. So when the captain said you're qualified and gives you your goal dolphins, he now trusts that you really have a feel and an understanding of what's going on. The way it worked was there were lines. There were qualification points and I had to go in front of an expert, anytime I wanted to go get checked out on something. So, let's say it was the main steam system on a submarine. I would go find the expert, I would go talk to that expert that expert would ask me question after question after question, and when they thought I knew enough about the main steam system they would sign my card. And I would do that for the 15 pages of qualification items and then I would end it with an oral examination and then another one in the final with the captain. When you think about "The Second Decision" book, all I want leaders and entrepreneurs to do is to go through there and it's a self awareness issue for me. Do you really know enough about running your business that you could answers some of these questions that I built around the top reasons companies fail or underperform? This is not Randy Nelson's theme of the month or because I'm successful entrepreneur and I have it all figured out – No. These are based around the things that everybody's gonna have to know and do for the next 10, 15, 20, 50 years. You have to have cash, you have to understand how you spend your money, you have to learn the basics.

Peter: When you talk about cash, I'm going through the book here and you've got three chapters there from the financial perspective, and the one thing that you said you highly recommend for entrepreneurs is, at the beginning of every month, figure out what your cash flow is for the next six months... and I read that and I thought I should be doing that. I've shared that with others, when I'm speaking, and I get the same look from them that I had. It's like duh. That's probably the most important thing I should be doing: looking at cash flow for the next 6-9 months and ensuring I have enough cash to run the business, but I think a lot of entrepreneurs don't think that way or think about that, even an account.

Randy: Yeah, maybe this will help because you can get different numbers with different people, but up to 70 percent of businesses fail because of lack of cash – and I think a lot of the time people think I'm going to run out of cash because I'm not successfully but it's just the opposite too. I'm growing too fast.

Peter: Right.

Randy: And you know the story that I always tell is January 2004 I had \$650,000 in the bank. I have a credit line of a million dollars that I can tap based on a receivables formula, so I can tap \$700,000 that money. So I'm I have \$650,000 in the bank and I have \$700,000 more on the credit line. I'm sitting absolutely pretty.

Peter: Yeah.

Randy: I went to my two partners and I said we need to contribute \$200,000 a piece by March 1st and they said are you nuts? We have 650,000 dollars in the bank. And, because this forecasting out the bank balance, I forecast (and I got pretty good at it) our bank balance was going to be minus -\$650,000 in June.

Peter: Okay.

Randy: So we will be within \$50,000 of tapping out the credit line, if things went just as I predicted. And you know that in our world things don't always go that way, too.

Peter: Right.

Randy: So number one: with cash, you gotta understand that trends are different than the bank balances, so looking out six months can help you make some good decisions before you're forced to make bad decisions.

Peter: I have taken it to heart, I do it now, I'm religious with it and I've made some modifications into my business based off of that six months cash flow model, because when you see it from a cash perspective and black-and-white you really open your eyes.

Randy: Well, coming from somebody who understands financials like me, that's a great thing to hear. Because, if you're doing it, imagine somebody like you and I who really are financial people going way back and we went through school. There's a lot of entrepreneurs who really do not like numbers.

Peter: A lot of them.

Randy: Yeah.

Peter: And a lot of times, in stories... I've got a friend who lost three-quarters of a million dollars because his controller went to the Caribbean with his money. I was playing golf with him a couple years before that and I made the comment, are you looking at reconcile, are you just double checking the stuff? He says no, I completely trust my controller. I've known for a very long time. And I said you're setting yourself up for something disastrous, potentially, and he just kind of blew me off. I saw him soon after that happened and he said you're right, I should have paid a little bit more attention, but I'm always looking at that bigger picture.

Randy: To me it's the number one, until I sold my business and it was it was taken away from me, I'd check my bank balance every single day. And then when it gets sold to a large strategic company they sweep the money out so you aren't really in control of your cash anymore because the big company controls it. Number one thing I looked at every single day of my life when I was an entrepreneur – and still do.

Peter: I don't know if you know this but I'm a former banker from back in the day and I used to lend commercially, and even though I may not have done the six months I still had my former VP of lending in the back of my head going "cash is king, everything else doesn't count. Cash is the lifeblood of the organization, net income is not all cash." So I'm not worried about that, I want to see cash flow. I want to see how they are paying that debt service and marrying that with your six-month plan, because now it's much more visual, but it just very striking when you see it.

Randy: Yeah, six month cash is king. That's what I like to say. I also want you to look at your covenants, from what your lenders are doing out six months, because you might be within the covenants now – and the interesting part was, because we put money into the bank, our commercial lender trusted us more because I shared with him what we were doing and why we were doing it. Our lender, who was a great business thinker, he was much more supportive of our business because we were taking responsibility as well, not just asking the bank to bail us out.

Peter: And it sounds like you created a partnership with him if you went and shared this information with him, because I know a lot of times those who borrow go to the back asking for forgiveness vs permission.

Randy: You go it.

Peter: Yeah.

Randy: And I'll tell you one more story about the three financial chapters. When you write a book, and you know this like I do, the final edit cuts a lot of the book out.

Peter: Yeah.

Randy: In my case, I don't know what, it was about forty percent. You work your heart out, you say okay here's my baby, you think all your book's going to get published, and then the editor cuts out a bunch. They said we didn't cut out anything in the three financial chapters. We think it's that important and that information needs to be there. We didn't touch it. When I'm speaking, and I speak with lots of CEOs and leaders, I say, if you read one chapter, take one of the financial chapters, because that gets you thinking the "I'm big and I don't know what I don't know" philosophy. What I want to do is get some people outside their comfort zone because this is not real complicated. I'm not asking to become MBA's, like you said, all we really want to do is get cash forecast about six months, not just one.

Peter: Right, and I think coming from someone with your background, who is an entrepreneur who has started and businesses, and I like how you talked about it earlier. You've got some scars, you've had some failures out there as well, but that's all part of growing businesses and being that entrepreneur, and throwing the three financial chapters in I would assume it's getting people's attention. I don't see CPA or accountant, only maybe in the sleeve of it where it's not that bright, that maybe they'll listen to you just a tad bit more than maybe their own account.

Randy: Yeah, I think when I point out the the the metrics... I would say one of the most prominent takeaways from when I speak the group's is that they have to improve their metrics. They understand that they're going a little bit too much on their gut and a little less on the pure data that exists inside the business. They may not necessarily love it, but if, when I go ahead and coach companies, the very first thing I do is baseline that company with their metrics. If I can look on one sheet of page and I can see three to five years worth of history of your company's metrics, and I can see where you're at today and I can see where your were before, we can build a forecast out 2-5 years. That is powerful information. I don't need to know anything about your business, but if I know your numbers... number one, you can't hide from the truth and your numbers are what they are.

Peter: Right.

Randy: So I would say yes, from a takeaway standpoint, the whole financial area, the whole metric area, is something that I gets their attention. Outside of that, outside of the financial area, what what gets their attention? What makes them get that look where you see the light bulb go on over the head and their eyes get nice and wide and and their pupils dilate? What is that piece in your book, outside of the financial pieces?

Randy: The general challenge I give to them at the beginning is that the growth of a company is limited by the growth of its leader. It's a self awareness issue that, for you to ask anybody else to do something, you really have to ask are you prepared, yourself, to help them grow as a person. Because we all know what to grow our company we have to grow leaders, we have to grow the people below us so that they can take on more responsibility, but what I learned the hard way, and I use this program called Birthing the Giants in the book. My first decade in business we grew 50 percent a year.

Peter: Wow.

Randy: We had grow from a handful to over 200 employees, we had grown from nothing to over 20 million. We had grown from one to nine offices. And, in 1999, I get accepted into this program called Birthing and Giants. Now there are 60 of us, 60 of us entrepreneurs around the world, that are sitting on campus at the MIT Endicott house and I'm just ecstatic because I have been so successful and I'm so excited to learn. It's right when the dot-com era was booming and, quite honestly, I was pretty cocky at that time. So I remember getting into the room and the first person comes up and they're talking about the critical success factors for growth, and I'm like I got this stuff. I mean, look at how I've been growing. I feel pretty confident.

Peter: Yeah.

Randy: And then they start talking and I start taking notes because I don't really know what they're talking about... and then I take more notes and I take more notes I take more notes, and by the end of that week I humbled and embarrassed. I was shocked at how little I knew about really running a business, so what I try to get out to the entrepreneurs, leaders, CEOs out there is it really took somebody showing me how much I didn't know I didn't know. We all know what we know, we all know what we're good at, but until somebody pointed out just how how much I needed to learn – and from that point on I committed that I was never going to be the leader who asked anybody to do anything I was not doing myself first, and then it just goes from there. We talked about all the different aspects of the qualification card that I built, but I really am pushing leaders for self-awareness on whether they are the right person in that right seat. It's a combination of self-confidence and self-awareness. If you have both, it's a powerful combo. If it's just the self-confidence piece without the self-awareness, it's a risk.

Peter: So, listening to what you just described and you said that you were a little cockier back then, so when you're hearing this you had to really just put your ego aside in order to accept, listen, learn and grow. Because, if you maintain that complete self-confidence and that ego was in the way... it would have stopped you, wouldn't it, or would you still have gone, I don't know what these guys are talking about? I don't know what the hell I'm doing?

Randy: I tell the story that in my first decade, even after the Navy, as an entrepreneur, when you're getting success, you're going to feel pretty good about yourself. You have the guts to

start a company and then it's successful, you're feeling pretty good but you feel like nothing can go wrong, and I tell people that until I really took Stephen Covey advise that you don't listen with intent to reply you listening with the intent to understand, I was replying a lot because I thought it was right. I thought I knew everything and I was just telling people how to do things. I'm a different leader now and I try to get that across to people. You have a lot of people with really, really good opinions and thoughts, if you're really open to listening to them.

Peter: Wow. I actually didn't realize that that came from Covey, because we use that a lot in improv. It's the ability to listen to understand vs listening to respond, and if you can listen to understand and park your agenda, you'll go a long way; versus listening to respond, interrupting, pushing your agenda, don't care just keep driving that way... it does go a long way. This whole listening to understand, we used to call that active listening back in the day but we're not in that environment anymore where everybody's just trying to butt in, respond, push the agendas, and it becomes... it's defeating.

Randy: Yeah, the entrepreneurial role, and leaders in general, I think we think sometimes we have to know all the answers, that it's a sign of weakness if we don't. I turned it around, I tell people you don't have to know all the answers. I challenge him to be able to ask really, really tough questions, the right questions, by listening. Because that way, when somebody comes to you, if you can ask the right questions then they still have to figure it out for themselves, but you've challenged them and given them the direction that they need to go. I think that that's a skill that everybody needs to learn, or be self-aware to say I don't like doing that crap. I want to go back and start businesses, and I want to hire somebody else to be the leader of my company, which is really "The Second Decision" that I ask people to make. If you hate doing all the stuff, if you don't want to learn about all the leadership stuff and you don't want to take all that responsibility, if you'd much rather just be in the startup world, then go be a creator. Hire or leave behind.

Peter: So let's go back to that, because the qualified were the leader, the role player and the Creator, but one of the ones that didn't qualify was the dabbler. Remind the audience about the dabbler.

Randy: So if you look at the the entrepreneurial qual card that I created, and if you had to have all that knowledge to run your company (and I consider it general knowledge that you should know. You should know about strategic planning, you should know about leadership, you should know about cash, you should know about expenses, you should know about lots of things to run your business.) The dabbler says I know I need to know that stuff but I'm going to kind of skip six of those pages because this doesn't really interest me. I'm not really that interested in numbers so I know I probably should know about metrics, but I got cash and I got cash and I'm really good cash so I just choose not to look at that stuff. I am not really interested in marketing and I know it's important to know and people tell me I should try out this Twitter thing, and I understand that social media is not going to go away, but I'm not that interested. So they

dabble. And you know, I think a key point that I that I want to bring out is I'm not judging people, either.

Peter: Right.

Randy: The people who make the decision to become an entrepreneur, good for them, it takes guts to do that. So I'm not going to say it's wrong to be a dabbler if your company is successful and you're dabbling. What I am going to do is I'm going to point out two facts: I'm going to point out, number one, that your competition may be led by a qualified entrepreneur, which means they're trying to build that company day in and day out. So you're at risk of falling behind them, if you care. The real numbers that I point out are that fifty percent of all businesses fail within the first five years and seventy percent fail within the first 10. Business is tough.

Peter: Yeah.

Randy: It's easy to get that first sale, and maybe to get a couple sales, but to sustain it and build it overtime – businesses is tough.

Peter: So let's say there's somebody in the audience who happens to be a dabbler. They say okay, that's me, but you know what? That Randy's right. So, if my competition are qualified and I'm over here in the dabbling world, how do I move to the other side? Is it going back through this process and learning about becoming a qualified entrepreneur, as well as somehow changing that mindset that you have a thirst for knowledge for everything?

Randy: The first challenge I would give them is, what are they telling their employees? Are they challenging their employees to be the best that they can, and then they're a dabbler? Because if they are then, as a leader (which is really what my book is, it's a leadership book), I'm challenging them as a leader to do the right thing. Because yes you started the company, yes you're the entrepreneur and yes you're the one who owns the company, but if you're holding everybody accountable below you of being qualified and you're dabbling, then I have a little problem that and I think your employees will have a little problem with that over time. If you have a bunch of employees that are dabblers, just like you're a dabbler, then that's okay. What I don't want you to do is I say you're building great company and say you're doing all the right things, but in fact you're really not. I had to go through one of my biggest learning experiences. Our military recruiting business that got 36,000 veterans jobs over 25 years, that company has done really, really great things, it was sold to private equity in 2007. I remain on that board and remain active, so it's a success story. We've done really, really well. Well, in 911, when everyone remembers where they were, our business, our supply, went away because the military went on stop loss. People couldn't leave the service and demand went away because the economy went away, so our company that I mentioned that had grown 50 percent a year for a decade got downsized by seventy percent.

Peter: Wow.

Randy: So, when you look at the book, you know, a lot of these are lessons like the metrics. If you know your metrics, you can get through any type of either upswing or downswing. But, in the end, the real key for me is the leader making leader decisions. Dabbling is great as long as everybody understands that's the expectations, but if you have employees that are relying on you and put the trust in you... they have families and they have goals, and if the leader's dabbling and they expect that leader to be leading, then at some point there's a mismatch there.

Peter: The house of cards will fall apart.

Randy: The house of cards will fall apart at some point, yep.

Peter: Because you're really not walking the talk. You're trying to get everybody else to do it but you, as the leaders who is in charge the business aren't putting in the same effort. It's not gonna be sustainable.

Randy: It's a house of cards, and hopefully it never falls, but you look at the fortune 500 list of 1980 versus 2010 and not a lot of the same names are on there.

Peter: No, and a lot has to go to leadership. A lot has to do with complacency, too. We get complacent. By the way, do you have a Blackberry on you right now?

Randy: I have an iPhone.

Peter: Yeah, but 15 years ago I bet you had a blackberry.

Randy: I did.

Peter: Yeah.

Randy: But I have an iPhone 5c and I feel like I still have a blackberry.

Peter: [laughs] Well, you might wanna upgrade, but that's okay. I mean, you're looking at your cash flow, right?

Randy: You bet.

Peter: So, before we end this, what's next on the horizon? You got another book or two out there?

Randy: I'm writing "The Third Decision."

Peter: Okay.

Randy: "The Second Decision," as we've talked about, is built around the top 10 reasons that companies either fail or underperform. "The Third Decision" goes to all of our lives that we have outside of business that we don't talk about a lot but we lead, which is our personal life, and the book is built around the top regrets that each of us have in our lives – based on research, based on statistics, and then I'm giving that to the entrepreneurial world, the leadership world, for how is it that we deal with these regrets? Again, it's a self-awareness book. I'm asking people to, especially from a regret standpoint, I always look out for 3-5 years. I don't talk about your legacy or your whole life. I don't want to talk about too far out, about three to five years. What I'm looking at is how can you avoid some regrets in your life by being more self aware of the decisions you make in your personal life. I'll give you one example. I have asked every audience I have talked to, what are your personal non-negotiables? And a personal non-negotiable is not up for discussion and you're not going to compromise. I'll give you an example. For me, it was coaching my boys in baseball when they were 7-15. It was not negotiable. it was scheduled. I coached them, I went to the game. I didn't get there twenty percent of the time. If somebody has really, really solid non-negotiables then that might actually restrict the growth of their company because they're not willing to grow at fifty percent clip because all of a sudden they realize they're non-negotiable. I think we've all heard, when we have a death in the family, those are the times when we think I'm going to change, I'm going to learn from this. Nobody does, we all forget about it. Like in "The Second Decision," in the third I want to talk to you and I want you to say, he's talking to me and he's asking me some hard questions that I really can't avoid answering. So it brings an account of personal life. I'm excited about it, it's coming along good. Hopefully it's gonna be out sometime in late 2017.

Peter: I'm looking forward to it coming out because I will pick that up because I thought it'd be a good read. It made me think what are my non-negotiables, and I need to put a little more thought into that, but if it's anything like "The Second Decision" then, once again, you'll be author of the year.

Randy: No, you get that one next time.

Peter: I am working on it, but I've got some pretty stiff competition. I'm looking him square in the eyes right now.

Randy: I'll vote for you.

Peter: It's a pleasure talking with you. The book "The Second Decision: The Qualified Entrepreneur." I would HIGHLY, highly recommend it. It's a must buy. You can be any type of entrepreneur, you may want to think about being an entrepreneur. Do the read, do the work. Don't be a dabbler, be qualified. Thank you so very much, I'm looking forward to the next time that we can get together and chat again.

Randy: Me too. Hopefully it's soon. Take care.

Peter: Thanks!

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