

Karl: [00:00:00] In general we need to be better communicators and communication is a skill you can never be too good at.

[music]

Peter: [00:00:14] Welcome to improv is no joke podcast. It's all about becoming a more effective communicator by embracing the principles of improvisation. I'm your host Peter Margarita's the self-proclaimed chief edutainment officer of my business the accidental account. My goal is to provide you with thought provoking interviews with business leaders so you can become an effective improviser which will lead to building stronger relationships with clients customers colleagues and even your family. So let's start to show.

[music]

Peter: [00:00:46] Welcome to episode number 59. And today my guest is Karl Ahlrichs, who's making a second appearance on the podcast. Karl is a human capitalist consultant and a far-thinking and future-planning individual. I interviewed Karl back in episode number five last July where we discussed some of the storms he sees coming on the horizon, particularly where HR and the next generations of employees meet. Even though our current economy is far greater now than it's been in a while, Karl sees quite a few potential problems on the horizons that we need to be better prepared to tackle. We revisit that discussion and then take another look out into the current horizon to see what challenges we will be facing. Before we get to the interview, I'd like to talk about Listen, learn, and learn. I have partnered with the Maryland Association of CPAs and the Business Learning Institute to bring [an exciting new learning opportunity for accounting professionals to earn CPE credits](#). You can earn up to one CPE credit for each completed podcast episode purchased for only \$29 through the American Association of CPAs and the Business Learning Institute [self-study website](#). The podcast episodes are mobile friendly. Open your browser on your smartphone, tablet, or computer, Go to the MACPA and BLI self-study account, and listen to an episode. Take the review and final exam while you're working out or after listening to an episode on your commute to and from work - It's that easy! While all Improv is no Joke podcasts are available on my website, only those purchased through the MACPA and BLI self-study Web site are eligible for CPE credit. You can get detailed instructions by visiting my website at www.PeterMargaritis.com and clicking on the graphic "Improv is no Joke for CPE credit" on my home page. OK now let's get to the interview with Karl.

[music]

Peter: [00:03:01] Welcome back Karl. It's great to have you back on the podcast. I can't believe it's been over a year since the last time we talked. And I know that you've just recently returned from the Society for Human Resource Management annual convention and I'm so looking forward to what storm clouds you see on the horizon because that's where we that's how we started our conversation a year ago. On those storm clouds.

Karl: [00:03:29] And actually if you go back year - First off thank you for having me back and I'm pleased that the statute of limitations has run out on some of what I said. But if you go back here and look at what I said I got it mostly right. I was pleased with that and I have uncovered a

couple of things that I find kind of interesting about the next year. Let's make this an annual thing.

Peter: [00:03:54] Of course.

Karl: [00:03:55] I want to let people know that globally the United States is very competitive in a couple of areas. One is productivity. They track how productive we are individually and compared to the rest of the world we're killing on it. And it's that productivity that's kept our stock market alive, that's kept our commerce going. And the volume of people working is holding steady. The volume of what we're producing continues to climb. That's because we're leveraging technology and that's because we're changing how we do it. And there's a couple of big changes coming on the horizon that might leverage that even further. But the scary thing is going to be it's not applied to every industry. If you're working in the coal industry it's not so hot. If you're working in natural gas exploration, you are busy. If you're working in a job that could be automated... You need to start looking for a way to get client-facing, customer-facing, because a lot of the mid level positions... you know there's the customer facing stuff and there's a middle management and then there's upper level. We're going to see that middle getting so automated that those positions are going to go away.

Peter: [00:05:18] Yeah.

Karl: [00:05:18] So there's a couple trends that are within. One is that it was interesting at this conference... everybody was rolling your eyes and they are tired of hearing about millennials. They are tired of hearing about generational horse hockey. And it's kind of interesting. We're starting to see people putting different ways of classifying people on the road map. For instance, instead of just pigeonholing people based on how old they are. When were they born. People are recognizing that there's lots of different ways to bifurcate a crowd - to split a crowd into two. For instance, there's a lot of attention being placed on people who are technically savvy and people who are digital immigrants, where they do tech but they do it with a heavy accent and they're not comfortable with it. And that's not age specific. I met several people at this conference who were in their 70s and were fully digital and connected and people who were in their 30s and were clinging to their Blackberries and hoping they wouldn't have to learn another operating system. So look for a lot of the generational stuff too. I'm not saying run out of steam. I think we're going to see more accurate ways to classify workers based on things other than purely when they were born. And there's a lot of things driving this. One is just the maturity of our wisdom. Where we had been painting with broad brush strokes, Now we've been through two or three iterations of that and we're seeing ways that we can classify people that are not just purely age related. Second because we had painted with such broad brush strokes. There's a lot of people who pushed back on that with accuracy and said hey you know I'm not that way. So look for more language about how groups can be found inside the workforce. And they're going to be groups that are based on diversity and inclusion, where you've had a common upbringing that does affect that. But also you know anybody that's come from a family of two or more you look around and realize that your brothers and sisters all essentially have the same cultural upbringing that you did. But you're so radically different because of the genetics involved - the wiring of the brain. The the nature versus nurture argument, and that nature has about half to do with this. And so a trend that's going to happen is we're going to see new technologies being applied to this in the sense that we're going to see better and more continuous assessment of who we are. Assessment on the way in and talent management,

where people are going to get screened. And there's going to be pre-high or assessments that help guide us into a better job fit. But then there's also going to be ongoing assessment and coaching. That's not the old annual performance review. Within the accounting profession, Look at the work that Deloitte has been doing on moving away from annual performance reviews. We're going to see more of this.

Peter: [00:08:52] Yaaaay.

Karl: [00:08:52] Oh yeah. But this requires people to be good at coaching and good at listening. Well good news: Most people in accounting finance are good listeners because they're introverts. The bad news they don't want to be go.

Peter: [00:09:07] Bingo.

Karl: [00:09:07] And so that's going to have to change. How am I doing so far? These interesting things to you? I don't want to bore you.

Peter: [00:09:15] Oh you never bore me Karl. And actually I applaud the fact that we are getting away from age segregation in the generations because I think there's been way too much millennial bashing. And actually you addressed this last year about the digital natives and the tech savvy individuals. And I just said - I was at a client yesterday and there was a little bit of millennial bashing going on. And I actually used your words and I've been using your words a lot as relates to this. Really you know we have a lot more in common but where the big differences are, and I brought up your point, and I got a look of what are you talking about Willis? But after I explained explained it and the way that you put it, I saw the aha moment. And what's really fun to watch that for the first time that aha moment like well you know you might be right about that. So I'm glad that you brought it back up to start to podcast because I think it needs to stay in the forefront of people's minds.

Karl: [00:10:23] Well and these are times where people want things to be simple. I think there's information overload out there and people just want a simple way to categorize. Don't get fancy with me. And it's a time where I'm pushing back and saying no we all really need to sharpen our critical thinking skills and we need to sharpen our conflict management skills. We need to get better at getting along with each other. Have you been paying attention to Washington D.C. lately?

Peter: [00:10:52] Yes I have been. Actually I'll even throw in another piece. We also need to have the emotional intelligence aspect of it as well, which Washington doesn't have a lot of that right now.

Karl: [00:11:06] Right. Well it's simple... to have good critical thinking skills and to have good personal maturity and to have both knowledge and wisdom. And by the way those are the ways I describe what do you mean by emotional intelligence. That's what I mean: critical thinking skills, maturity, wisdom, and having the communication skills to be bilingual to different kinds of people, or trilingual. That takes some willingness to be adaptable and flexible. It takes personal maturity and that's tough to come by these days. One of the things that I am spending my time: I'm getting into junior high schools and I'm volunteering to teach critical thinking, to teach ethics, to teach some of these baseline fundamental skills into the 11 12 13 14 year olds because we

have a chance of making a big impact - good positive impact on our nation - If we can upscale our youngins in all of these issues that we're we're seeing sadly lacking in our leadership today.

Peter: [00:12:21] So how do you teach these critical thinking skills to young adults as well as to older adults?

Karl: [00:12:31] Let's agree we all have six second attention spans.

Peter: [00:12:34] What did you say?

Karl: [00:12:36] [laughs] Let me give you the punchline first.

Peter: [00:12:43] OK.

Karl: [00:12:44] We have to look at how young people want to learn and realize that everybody wants to learn that way. We have to gameify how we teach these core skills. We have to make it engaging and make it competitive and make it a game. So two days ago I taught critical thinking to a roomful of adults and halfway through it, after giving them the theory, I gave them what is called an inbox exercise, where it's a game where they are handed the contents of a fictitious person's inbox in a crisis in an organization, and this inboxes... I mean imagine your inbox. I can see it behind you on the table. There's a pile of stuff. Some very important some is just fluff. They are then given a task and you have an hour: sort this, prioritize it, figure out with the big picture issues are, and in an hour I want a three bullet point list of what you're going to do first what you're going to do second what you're going to do third And why. And to achieve that you have to use your critical thinking skills, and it's competitive. And I have a big prize here of a... I was giving out a nice technology gizmo. And second prize was a set of steak knives.

Peter: [00:14:12] [laughs]

Karl: [00:14:12] And man. They were on it. This was a game that was competitive and they all wanted to win the little techno gizmo I had. The room got quiet and the thinking started. And boy... I had taught them I'd given them some little layers of wisdom and now they were practicing it in a game environment that was real. The Inbox exercise was real and it was language that was real. It was a situation that was real. It applied to their lives, and afterwards in evaluations they pointed to that game and said "All training should have this." So answer to your question: gamify it, make it a game, make it competitive, get them engaged, and you'll move the needle of learning.

Peter: [00:15:03] So we've been talking a gamification in training and development and education for a long time. Listening to how you just described what you did... I think we've been trying to make it harder than it is. I think we've been trying to computerize it, and I think we've been trying to--

Karl: [00:15:23] Yeah this was on paper.

Peter: [00:15:24] Went old school and went simple. But to your point, we don't want complex anymore, we want simple, but we also have to make it interactive and engaging - and I'll take

this even to education right now in the high schools and junior high. We're still teaching the same way we did in the 30s and the 40s and 50s.

Karl: [00:15:42] 1830s, 1730s.

Peter: [00:15:45] There's very little gamification in high schools and junior high elementary school. But that's how this new generation learns.

Karl: [00:15:57] Well let me give you... Can I give you a new and additional example that will reinforce... it will agree with what you just said.

Peter: [00:16:04] I like that then. Yes.

Karl: [00:16:06] OK. You'll like it because it agrees with you.

Peter: [00:16:08] Exactly because it's all about me right.

Karl: [00:16:10] Mr. Margaritis, you're part of the problem, not the solution. We took 15 high school kids from an inner city school and taught them the principles of insurance in 45 minutes, And preparation for being adults. They had to learn what deductibles were, what premiums were, what the concept of risk transfer was, the idea that that you can join a pool and have people share the risk and if there's a loss you're made whole, and covered both from a commercial insurance standpoint, from an auto insurance standpoint, and from a health insurance standpoint. We had 45 minutes to do it.

Peter: [00:16:51] Wow.

Karl: [00:16:52] What we did was we gave them a pile of... each of them got \$10000 of Monopoly money. They got a set of three scenarios. They were given one at a time and they could make decision. They had a range of decisions. You are a business owner and you have a convenience store and you can buy insurance for your store. You have three levels you can buy. You can choose to self-insure and take all the risk yourself. You can choose to partially insure and insure just the building but not the liability. If something bad happens. Or you can completely insure. These cost different amounts. If you want to save all your money you can self-insure and hope nothing happens. See how this works? So they all make their choices and then we have - you've Seen those carnival wheels? You spin them like a barker wheel.

Peter: [00:17:48] Yeah.

Karl: [00:17:48] Like Wheel of Fortune.

Peter: [00:17:49] Yeah.

Karl: [00:17:49] Well I have one. And so then when everybody is committed to their risk decision.

Peter: [00:17:57] Uh huh.

Karl: [00:17:57] We would spin what we call the wheel of misfortune, and half the time nothing happened. And half the time bad things happened. And if you chose to self-insure and a bad thing happened, you were bankrupt and you could no longer play the game. You were out. And if you made a proper level of insurance then you were made a hole and you kept your money. You didn't get your premium back but your losses were covered. So we did that for commercial insurance, We did that for your homeowners and we did that for health care. You know we spun it oh you got a broken leg. At the end of the three spins, whoever had the most money - who had made the good risk decisions and fortune had smiled - The people with the most money were first in line for the pizza.

Peter: [00:18:51] Ahhhhh.

Karl: [00:18:52] Man. Now again, All I had was a carnival wheel and some sheets of paper.

Peter: [00:18:58] Simple is better. I think we have tried to make it a lot harder than it should have been because I remember five or six years ago, at the see AICPA level, they put together a task force on learning and they were going to do gamification. And it was this high tech... they were looking at computerization and and it never went anywhere because I do I think they make it harder than it really should be. They were way too complex.

Karl: [00:19:30] By the way, if any of -- if either of your listeners.

Peter: [00:19:34] My mother and...

Karl: [00:19:36] Right, Me. Would like to see a short video clip that I shot of the insurance training exercise, I shot a video clip. I can email it to you and you put it up on your website.

Peter: [00:19:51] Please do that. I'll put it in show notes. I'll put a link to it in the show notes and I think people would like would like to see that.

Karl: [00:19:59] I mean it's just me on a smartphone.

Peter: [00:20:02] But but you do wonders on a smartphone. So don't sell yourself short on your smartphone.

Karl: [00:20:07] Hey, I'm an artist. Don't you forget.

Peter: [00:20:09] Yes and we will talk about your book when we close our our our interview. But you also mentioned something in this conversation about ethics.

Karl: [00:20:19] Oh yeah.

Peter: [00:20:19] Have you gamified ethics?

Karl: [00:20:22] That's next. I was thinking of that yesterday. I did an eight hour ethics in industry class, and I gamified it in the sense that we did some case studies where I threw out here's the situation and threw it open to the class for how do we solve this. It triggered a good facilitated discussion. I want to take it to the next level and actually do like the wheel of

misfortune. The concept where we could have a case where people make an ethical decision and then we spin to see what additional offense happened to complicate the ethical decision because a big thing with ethics is it's never simple. There's always a lot of layers in it where it's not just that you have an idea that somebody is embezzling. It's that the person who you're concerned who's doing the double billing is the nephew of the owner that you report. So that changes the game or that the... you know you think bribes are being made but you're selling into a nation where the ethical standards of bribery are different. Do you want to get your shipping container delivered in Haiti? Because if you're doing it through American standards it's not going to happen. See what I'm saying? Ethics are so complex. I've been trying to figure out how to gamify it and I haven't figured it out yet.

Peter: [00:22:02] I think you're on to something. My question is can you take real world events - like Wells Fargo, like insider trading - and take those real life case studies and use that as the basis and gamify it.

Karl: [00:22:21] I think so. And also realize that with many ethical situations what you've got is a mix of somebody having a need and somebody having an opportunity and somebody not being properly trained, and maybe the gamification part of it can be that the variables of the opportunity shift. Where you know just a random chance that oh here's a wallet and it has a thousand dollars in it. Suddenly there's an opportunity. And then it also pops up that your child is ill and you have no money for a doctor. Does that change what you do with a wallet?

Peter: [00:23:02] Right. I used one sort of scenario that you're the CEO of an organization and you're senior vice president comes to you - and you know that his child is very ill - and comes to you and says I'm out of money. There's a special treatment that they're going to try but it's going to cost a half a million dollars. Can the business loan it to me?

Karl: [00:23:28] And it is loan in air quotes?

Peter: [00:23:31] No. I will try to pay it back but I need a half million. But our policy states that our organization does not loan money to its employees. But I know you and I know your child and I know that you really need this help. Do I as an organization give you this money to help your child or do I stick to policy? And if I do give you this money what slippery slope does that open up? A lot of great conversations come out of that because, to your point, there's many layers in there and that is not easy.

Karl: [00:24:09] I like this. I don't think anybody's got a great game of ethics and we need to do that.

Peter: [00:24:15] I think you're right. I think that current ethics training in the accounting profession needs to be more real world, needs to be more gamified.

Karl: [00:24:23] Needs to be more entertaining and engaging.

Peter: [00:24:27] Exactly. I will give you a quote that was recently given to me. I was getting ready to do ethics program for an accounting firm. I went to the partner and explained that you know you've got me here for four hours however, in CPE time, it's really three and a half. Now I can stay the whole four. But you tell me what you want me to do. Because I'll make sure that

you get your 200 minutes here. And his quote to me was I think my people are more concerned about the hours than the ethics.

Karl: [00:25:01] Wow. He was being transparent.

Peter: [00:25:04] He was. Hopefully I didn't have that oh crap look at my face and the look of shock at the time, and I just kind of went I better get ready to start the class.

Karl: [00:25:17] Amazing.

Peter: [00:25:17] I didn't know what.... exactly.

Karl: [00:25:21] I had something really cool happened with my 8 hour class on ethics yesterday. It was a room full of grizzled veterans who were just there to do their expense reports while I was in the front of the room. And I called them out on that. But there was a woman who had just been certified as a CPA. She passed passed the exam. This was her first ethics training class.

Peter: [00:25:50] Okay.

Karl: [00:25:50] That added a new dimension where everybody wanted to... you know it was like oh OK we've got we've got a newbie in our midst. What should we tell her? And that was fascinating. That was an interesting part of the exercise.

Peter: [00:26:06] What did they tell her?

Karl: [00:26:08] It was interesting. It started slow but the punchline to what they told her was that these were the most important classes she would ever take. That the real core of the profession was the fact that we as a profession are the flag holders - the foundation business people for ethics. We are the standard bearers for ethics. And it was really nice to hear that coming from people in different ways.

Peter: [00:26:35] Yeah. That is good. That's a great way to introduce someone to the profession and to the ethics side of it. Back to the point of we've got to make it more interesting, we've got to make it more engaging.

Karl: [00:26:48] What I also did was I went on to YouTube and found interviews with failed CFOs who had done prison time for crashing their company.

Peter: [00:27:00] Oh.

Karl: [00:27:01] And played those videos and then threw it open for discussion of what have we learned.

Peter: [00:27:08] That's... so what CFOs did you find on YouTube?

Karl: [00:27:15] The guy that crashed WorldCom health source.

Peter: [00:27:19] Oh yeah yeah yeah.

Karl: [00:27:21] The guy who worked with Richard Scrushy. And the interesting thing was the story he told - it was a one hour briefing. We listened to about 30 minutes of it - Richard Scrushy, the president that got him to do it.

Peter: [00:27:32] Yeah.

Karl: [00:27:33] You know the CFO did time.

Peter: [00:27:35] Right.

Karl: [00:27:36] The CEO got off.

Peter: [00:27:40] Yeah!

Karl: [00:27:41] It was great because when people got on their Google in the class and look up the CEO's current bio and were incensed that he had written a book and was on the speaking circuit talking about ethics and this is wrong.

Peter: [00:27:56] But never admitted to anything.

Karl: [00:27:57] Exactly.

Peter: [00:27:59] Wow. I'm going to find those. But that's that's another good way to do this.

Karl: [00:28:04] Also people really respond to video.

Peter: [00:28:11] Yes.

Karl: [00:28:12] Imagine if this podcast showed you in your rumpled blue shirt and the wreckage of your office strewn around you.

Peter: [00:28:20] Yes.

Karl: [00:28:21] That it would add a new layer of... You have a face for television.

Peter: [00:28:26] I know it's for radio but thank you.

Karl: [00:28:31] Hey, can we get back to my scary things on the horizon?

Peter: [00:28:35] Yes. What's scary out there?

Karl: [00:28:38] I want to get back to things I learned at the Human Resources conference that people ought to be at least aware of. We covered that age isn't it. We covered that gamification is coming. We covered that personal development and performance reviews are completely shifting in how they're being done. Another big thing that was popping up is big data. With the power of algorithms coming and the power of all of this data that we've been gathering, We can now start drilling into it. We're able now to predict what happens next, Instead of tracking what

happened last week. There's new resources out there. Look for huge amounts of new opportunities to use big data to be more effective. Let me give you an example. I stumbled across a company called synd.io. You've got an organization. You have a theoretical grid like organization chart. You know little boxes and lines. But that's not the real thing. You use synd.io... so everybody gets a quiz on their smartphone and it says Who are you working with? who do you talk to any given week? On this project, Who's in the project? Who do you talk to in your organization? Who do you interact with? And you you enter that data on this mobile app and synd.io would allow... Let's say you're the manager trying to figure out job assignments and what's up and what's not. synd.io, in three dimensions, maps the network, the actual network, of your organization. All the hidden lines, all the people that like you didn't know that the guy in charge of the mailroom is also working on two of your more leading projects because they happen to have some technology knowledge because of their role in the mailroom, and you didn't know that. And so the output from synd.io is you get to look at your organization - live data, real data, real time - and you can look at it like a nest of people from three dimensions and you can turn it twist it figure out oh who's important and who isn't. You can figure out who your key employees are.

Peter: [00:31:09] Interesting!

Karl: [00:31:10] Yeah. And it's not a lot of money, but hey I just wanted to give you that this is an example of a big data application to meet the need of... You've got a 100 percent firm and you wish you can figure out who the most important people are. Well this will be a quick way to figure out who the most connected ones are and who is being ignored. Who's hiding? A lot of times low performers like to get off under a rock and hide. This would uncover Who is hiding.

Peter: [00:31:42] I'll assume that also would help in defining who those high performers really are.

Karl: [00:31:48] Yeah, or the most valuable.

Peter: [00:31:52] So I'm trying to get my mind wrapped around an app concept of basically mapping out my organizational chart in a way that I can look on my smartphone and be able to look at the data and make decisions from that from an organization standpoint.

Karl: [00:32:13] Yeah, go look at that one. I mean it's just one example. It's just a quick example of how big data could be used because I want everybody to be comfortable that big data... Good news: It's a lot of information. Bad news: It's a lot of information. And I think these people have done a good job of making a lot of data simple.

Peter: [00:32:36] So at the conference because I'm thinking about the timing of it had Amazon announced its desire to purchase whole foods at the time You were at the conference?

Karl: [00:32:47] Yeah.

Peter: [00:32:48] What was the scuttlebutt going on about that, or was there any scuttlebutt going on about that?

Karl: [00:32:53] People were puzzled by it. I mean people are at the point where they just kind of shrug and say OK, and if you ask - I have asked - if you ask in your circles how many people have their groceries delivered... 10 to 20 percent of my friends are saying yes, and it's interesting. Some of the unintended outcomes from that they are reporting that their pantry is filled with healthier foods now because they're not making impulse buys look at this. Keebler cookies are two for one. No they're sticking to their list and they're buying the avocados and salads... so you know it's producing a healthier product mix.

Peter: [00:33:41] And I think, either yesterday or today, blue apron - who is one of these delivery grocery type of things - went public. But back to big data and Amazon and whole foods, one they haven't announced what they're going to do, which is why everybody's buzzing around. But when I think of big data I think you know what's Amazon's... Will there still be brick and mortar grocery stores, However there will be less people who are working there? Maybe stocking the shelves. But when you pick up a loaf of bread or you pick something up, there's some data attached to that to your profile and then just continually gathering your shopping habits.

Karl: [00:34:24] I mean one of my grocery clients, for instance, they they know based on their big data that, if an unaccompanied male comes into their store after noon on Friday and before midnight on Friday and they purchased diapers, there's a high likelihood they will also purchase what?

Peter: [00:34:49] Wipes.

Karl: [00:34:51] Beer.

Peter: [00:34:51] I was going to say it but I didn't.

Karl: [00:34:52] Yeah I'm reading your mind. He has the kids for the weekend.

Peter: [00:35:00] Ohhhh. I didn't... OK.

Karl: [00:35:02] So therefore the grocery store, at Friday at noon, builds an end cap of what in the diaper aisle?

Peter: [00:35:11] Beer.

Karl: [00:35:13] Yes. And they strike that Friday at midnight and replace it with hand lotion because the Saturday shopper who is buying diapers is the mom.

Peter: [00:35:25] Interesting.

Karl: [00:35:26] I mean retail has been working on this for decades. But I mean as I'm going through my local grocery store there are people with the grocery store logo on their shirts pushing carts through with an iPad checking off and picking for people who are either going to pull up front grab it or it's going to get delivered to them. This is changing our world.

Peter: [00:35:54] Very much so, and in so many different ways. As someone once said, be careful what you Google because you will get those ads a lot. So if you're out on Amazon and you surfing for diapers...

Karl: [00:36:10] Yeah I needed a specific computer part about a month ago and googled that are just to see where I can buy it. It's been haunting me ever since. The one thing that all people need to be doing is listen to their high performing employees. I keep getting this from all of my clients. I keep getting this from all of my friends who are high performers who are frustrated. Right now, high performers can get a job in two weeks and not have to update their resume because of LinkedIn. It's interesting that the management style of high performers has been incorrect in the last four or five years, where supervisors and managers have been misinterpreting their role and have been spending their time with the low performers trying to get them upskilled, and have been leaving high performers alone. They have been letting them... they've not been wanting to micromanage them they say. They're doing fine. Let's just give them room. Well they're forgetting that high performers have a real hunger for a good relationship with their boss. And if you want to take one thing away from an HR thing, and this was kind of an HR talk today, and the one thing that people need to do this year to overcome all of the storm clouds on the horizon - what you have to do is keep your good people, and the one silver bullet thing you can do right now to keep good people is to appear to listen to them. To know they are, to if an a cat person or a dog person or a Chevy person or a foreign person, and know what their goals are and if they want to become a programmer and you can help them with that. Without that relationship, in the next year and you're going to lose your good people. So there's an excellent book out there, Susan Kane wrote it, called Quiet, and it focuses on the introverted leadership style and the power of listening. I'm an extrovert. I hate listening. That's why I'm so focused on this.

Peter: [00:38:23] I know you I've known you for a while so I would say I don't think that you hate listening. I think I always thought that you're a good listener.

Karl: [00:38:30] No no no. I have learned to appear to listen.

Peter: [00:38:33] Oh ok.

Karl: [00:38:34] I have two modes. Im either talking or I'm waiting for you to stop. Did you notice at the start of this podcast I did like an uninterrupted 15 minute monologue where I barely breathe.

Peter: [00:38:43] I know I did see that.

Karl: [00:38:45] Then I was like Wait a minute hold it peters out there.

Peter: [00:38:46] That's the extroverted style. But we all need to be better listeners. It's a skill that needs to be redeveloped again.

Karl: [00:39:00] In general we need to be better communicators, and communication is to never be too good.

Peter: [00:39:05] Well as I like to say, they call it a soft skill but it's awful hard to master.

Karl: [00:39:10] Ha ha ha.

Peter: [00:39:14] So pay attention to your high performers. From an HR perspective, answer this question for me: if we're supposed to be paying attention to our high performers but we are paying more attention to low performers, those low performers should be out the door, Correct?

Karl: [00:39:28] Or at least in a better seat on the train.

Peter: [00:39:32] Like in the back of the train or.

Karl: [00:39:34] Well or a job that fits them.

Peter: [00:39:36] Because they might not be in the right job.

Karl: [00:39:38] Or they're not a fit for their job.

Peter: [00:39:42] For the job they need to be doing something else. But, from an HR perspective, why do we hire fast and fire slow when it should be the other way around?

Karl: [00:39:50] Because we aren't trained well in hiring, because we aren't comfortable with it. We just want to get the warm body in there so we can get back to our real job. Most organizations don't have somebody dedicated to hiring. It's managers stepping in to do it and they're not trained to do it. They don't like to do it. They want to get back to the real job.

Peter: [00:40:13] And they're just not good at it. Well some are really good at it but most people are uncomfortable having to let somebody go.

Karl: [00:40:24] The failure rate of hiring... you can set aside all the fancy interviewing and just do a coin flip and be statistically better.

Peter: [00:40:33] [laughs] And that's coming from a human resource professional.

Karl: [00:40:38] Hey, next time you get somebody stand you up and you want to podcast, let's talk about hiring.

Peter: [00:40:42] OK.

Karl: [00:40:44] I'm in.

Peter: [00:40:44] I will have you back in a heartbeat because that would be a fun conversation on just hiring.

Karl: [00:40:51] Oh there's a whole lot of things going on in that.

Peter: [00:40:53] Yes. I want just tell tell people what you did. I've got a copy of it. Thank you so very much.

Karl: [00:41:00] It's rare.

Peter: [00:41:02] It is. It really is rare. I love it. My wife is going that's Karl? I've never met him but... Karl? I'm like yeah. And that picture that you took when I was in Indy, with the reflection. She goes he's... she can't figure out which is fun to watch.

Karl: [00:41:23] It's the therapy talking. Let me jump to the punch line and work backwards from there. A class project of publishing and literature senior class at Ball State University hand produced a beautiful art book, a coffee table book, of photographs and poetry themed on the loneliness of business travel. Not the pictures of the destination but pictures of being in transit because, as a business consultant, I'm spending time in airports and shuttle buses and hotel lobbies and hotel rooms. And so you know we're all observant of the world around us. And I have always had a camera. And so I gave myself the assignment to document the world of business travel and, as this book shows, the title of the book is called Spaces Between Places. Business travel is lonely. There's crowds of people all traveling alone. And the message is that you know in all of this dehumanizing environment of shuttle buses and hotel rooms and hotel lobbies and airport lobbies that we all really fight to stay human. And it's 100 pictures. It's about 20 haiku. For those of you, haiku is a non rhyming form of Japanese poetry with the structure of a five syllable seven syllables five syllables. Here's the most recent one that I wrote: anxious upgrade line \ All are platinum status \ So nobody is.

Peter: [00:43:08] Hahaha.

Karl: [00:43:09] That's brilliant! It'll get published in more accessible form, but at the moment the class only made 60 copies. One was given to Mr. Margaritis. But everybody who has loved it. So I'm going to try and build a more accessible version of it and get it out there. The Web site will be spacesbetweenplaces.net and I'll let you know. So that was that.

Peter: [00:43:35] And they hang around this.

Karl: [00:43:37] Oh it's handmade. The one you have is a handmade book.

Peter: [00:43:40] It is very very impressive. And you've been sent in haikus out to a group of us forever.

Karl: [00:43:47] I'm here to entertain.

Peter: [00:43:48] Well you're entertaining me and, actually, over the last few days you've been entertaining Pam Devine as well because she's been to get a kick out of some of the stuff that you've been texting Jennifer and I.

Karl: [00:43:58] I can't make stuff up. I mean last night flying out of Minneapolis. I was 56th on the upgrade line for first class and they had 12 seats. You just can't make this stuff.

Peter: [00:44:11] No you just can't.

Karl: [00:44:14] Back in steerage, I made my own first class.

Peter: [00:44:19] Well you've inspired me to do more with my iPhone when I travel, and a lot of different photographs that I'm beginning to take because you've inspired that creativity. So I thank you very much. And I know you've got to go. I Thank you for taking time out of your busy day.

Karl: [00:44:34] I would love for both of our listeners. Thank you for joining today. And I look forward to returning with more observations from the front.

Peter: [00:44:45] Exactly and the next time it's going to be hiring. So thank you very much Karl. Greatly appreciate it. And we will be talking so.

Karl: [00:44:54] Great. Bye everybody.

Peter: [00:44:58] I would like to thank Karl again for being a guest today and sharing his visionary outlook on the workplace and providing us with valuable information to help us manage this uncertainty. I'd like to talk about Listen, Learn, and Earn. I have partnered with the Maryland Association of CPAs and the Business Learning Institute to bring [an exciting new learning opportunity for accounting professionals to earn CPE credits](#). You can earn up to one CPE credit for each completed podcast episode purchased for only \$29 through the American Association of CPAs and the Business Learning Institute [self-study website](#). The podcast episodes are mobile friendly. Open your browser on your smartphone, tablet, or computer, Go to the MACPA and BLI self-study account, and listen to an episode. Take the review and final exam while you're working out or after listening to an episode on your commute to and from work - It's that easy! While all Improv is no Joke podcasts are available on my website, only those purchased through the MACPA and BLI self-study Web site are eligible for CPE credit. You can get detailed instructions by visiting my website at www.PeterMargaritis.com and clicking on the graphic "Improv is no Joke for CPE credit" on my home page. Remember you can subscribe to my podcast on [iTunes](#), [Stitcher](#), and [Google Play](#). If you'd like to purchase an autographed copy of my book *Improv is no Joke: Using Improvisation to Create Positive Results in Leadership and Life*, for \$14.99 with free shipping, please go to my website, PeterMargaritis.com, and you'll see the graphic on the homepage to purchase my book. Please allow 14 days for shipping. You can also follow me on social media. You can find me on [Facebook](#), [Twitter](#), [LinkedIn](#) or [Instagram](#). Remember to use the principles of improvisation to help you better connect and communicate with those in your organization.

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