

CARL: And it just stuck with me that he always said, you know, when you're in your first 30 days, spend time listening, spend time listening, not, not telling, taking charge, you know, all those things, take time listening, and then move into learning mode, in that next 30 days where you're applying what you've listened to and learning from a curious and asking questions. And then if you've done those two things well, you're prepared to lead and you're ready to go.

CHRIS: Welcome to *No Turning Back*, a McChrystal Group podcast hosted by General Stan McChrystal, and me, Chris Fussell. Our goal here is simple: to have serious conversations with serious leaders, so we can learn from the best, and navigate these complex times together. Thanks for joining us.

Over the next several weeks, Stan and I will be embarking on a new mini-series, called “Slow is Smooth, Smooth is Fast.” The title comes from a concept in special operations, where operators move more methodically and slowly to, in the end, make fewer mistakes. I learned early on in the SEAL teams that the adrenaline and push during moments of crisis can create an unnecessary level of speed, leading to unnecessary errors and ultimately causing critical time.

In this series, we're excited to hear how industry leaders are managing their pace as COVID-19 continues to challenge operations. We're curious to hear how they are tackling unpredictability, being intentional in their leadership, and adapting to crises as they unfold.

ANNA: This week, we are teasing the “Slow is Smooth, Smooth is Fast” mini-series with a conversation Stan and Chris had with Carl Liebert. Carl currently serves as the Chief Executive Officer of kwx of Keller Williams. Carl has had a fascinating, distinguished career. A member of the United States' Naval Academy's basketball team, Carl went on to serve in the Navy, before navigating his way through a variety of positions in General Electric, Circuit City, Home Depot, and 24Hour Fitness Worldwide. Carl spent eight years on the USAA leadership team, before becoming the CEO and President of AutoNation, and now, his current CEO position at Keller Williams.

In this discussion, Stan and Chris learn more about how Carl navigates new industries and role positions. They get Carl's take on the role that both truth, and curiosity, play in a board of directors meeting, and hear about how Carl thinks about his first 90 days at any position. We were really interested in hearing about the *intentionality* behind all of Carl's decisions, as we start the “Slow is Smooth, Smooth is Fast” series of *No Turning Back*.

Thank you to Carl and his team for making the time. Now, over to Stan.

STAN: Well, Carl welcome. We're really excited to have you on today and I'm going to be a little bit more aggressive than usual, because I got two Navy veterans on with me, so I figure I've got you slightly outnumbered.

But we're excited. We've been friends for a number of years, and I've watched you as a leader. So, I'm excited to share your leadership experience and wisdom with people, but I'm going to

start in an unlikely place because you've been a Chief Executive Officer more than once. And so, you have dealt with boards of directors.

And so, I'm going to start with that experience. You know, I've had some time on boards as well. So in the latest book, we wrote, *Risk: A User's Guide*, Anna Butrico and I looked at boards. And one of them we came upon, was Overstock.com, where Patrick Byrne, the CEO, was a believer that it was a Sith Lord after him. And he also talked about some other things, shenanigans, he was involved in with the government and whatnot.

And interestingly enough, his board of directors seem to either not notice or not care. He had had quite a business run of success, but the board of directors, rather than responding to what was clearly pretty strange behavior, didn't do anything. And it was finally their insurance underwriters that said, "Stop, you know, we will not cover this anymore, as long as the CEO's acting this way."

We also talk about Elizabeth Holmes who formed the board for Theranos, and sort of famously that didn't come out very well. I think the trial is, is still ongoing. So, boards of directors have a mixed history. There are obviously some great ones. And there's some that not as great.

Can you give us some of your experience with boards of directors, how you feel about them, where you think we could make them better?

CARL: Yeah. And, it is apropos, I think, Stan, and, to start there, I think, as you think about risk and what's the role of the board, and it's really governance, right? It's the governance of the company and, and kind of, ensuring that management, is doing what they're supposed to do to, on behalf of the shareholders and the boards represent the shareholders.

And I think that conversation of boards approaching board meetings from a natural intent of curiosity is extraordinarily important. And, and this idea of when you are on a board, how much time do you spend preparing for those board meetings? How much time, you know, do you, start writing your questions down and be curious?

How do you identify is the CEO or members of management telling me the truth? In other words, an adage, I always kind of come back when I was raising my three or we were raising our three sons was: if it takes me 10 questions to get to the answer that you knew, the first question was, then I've got to become a better question asker.

But if you know the intent of my question, I, you know, boards have to get through quickly through the CEO and members of management that, the truth is an extraordinarily important effort for the board to fulfill its role. And if they feel like they aren't getting the truth in that conversation, I think it's really important for the board chair to be spending a lot of time with the CEO and the members of management to say, you know, we've got to we've, we've got to be able to cut through this clutter, especially when it pertains to, you know, governing the company properly.

CHRIS: Carl, do you have, do you have any tools there? I love that idea of clarification of the intent, that you've learned over the years? Like, for example, asking a question and then making sure that you understand the intent behind what I'm asking right now? Like you do, you put that into the conversation?

CARL: I try to. I'm not always good at it, Chris, you know, cause as, you know, sometimes your, your mind thinks really fast and, and those kinds of things, but, creating a safe environment to hear good news, but also receive bad news, is an important capability that board members can either screw up or, or actually provide more barriers to management ... And so how a member of management or a CEO presents to a board in a lot of cases ties to, well, last time I said it this way and before I finished my sentence, you know, the board member was coming across the table to go, how did you let this happen? Why did you let this happen? And those kinds of things.

So there is a... there's an important contract of psychological safety that if boards want unfiltered, transparent information and solutions, that they really, really have to practice, Chris, this idea of creating that psychological safety and allowing to ask curious questions in a way: well, well, okay, so, so how did, what led you to make that decision then, that led to this outcome? And then saying, I'm asking from a point of curiosity, I'm not here to, I'm not trying to second guess you, but I'm just trying to understand so that, Hey, what did you learn from that? So that, you know, we won't do that again.

Unfortunately, or fortunately in the world we're in, pausing to recognize the messages we're sending by the, how we asked the question and the tone, and the body language we use on those board meetings, it will either put the management or the CEO on their heels, or it will bring them into the conversation to say, okay, let me, let me, let me talk further about that. Does that resonate?

STAN: Yeah, I think you hit something really important there, Carl, it's sort of a chemistry of what's happening in the room. The first board of directors I joined after I left the military was a company that was trying to develop a new kind of emissions control for diesel engines, diesel truck engines, and they had made a great effort and the CEO was a great believer in it. When I joined the board, he told me about his passion for it.

And I shared that passion. And then two or three months later, it proved out the Environmental Protection Agency wouldn't approve it. And so, it was an existential moment for the company. We went into a nosedive and almost... it took about seven years to turn around the fortunes of the company. Now, the CEO was a good man and he was absolutely focused, but soon after he was removed, quickly after this, the, some of the engineers came and we asked him, or I asked him, why didn't you tell us? Or why didn't you know was my first question that this wasn't going to work. And they said, oh, we did know. And I said, well, why didn't you tell us? And the one responded, you never asked. And it was one of those cases we didn't know to ask that question. They didn't feel safe enough to volunteer it, and the company was almost lost.

CARL: It's, you know, Stan, and this is so interesting because this works with boards and management, it works with CEOs and their senior leaders. I had a great boss, at GE in then 90s, shortly after leaving the Navy. And, he ran... which was the industrial diamond business that said inside of GE plastics and his name was Bill Woodburn. And he said, you know, Carl, I think it was 1996. He said, someday, you're going to be a CEO. And you're going to spend 95% of your time seeking the truth.

And I, you know, I was like, no... I'm going to spend 95% of my time seeking the truth, he said, because everybody's going to tell you what you want to hear. And so, you're going to have to filter what five people say to you in their own words to get to that truth. And he said, you know, what's really exciting about that is when you go from 95 to 94%, you've made a quantum improvement. And if you can ever get a team around you, that you can go from 95 to 75, you have a team that is built on trust and communication and being transparent with one another. And it will accelerate how quickly you can lead and transform it.

And it resonated with me, Stan, just in, in hearing your story. And, one of my dearest friends is and mentors is Allan Malally who ran Ford and did the turnaround there. And, and you know, Allen in his book talks about red, yellow, and green and scorecards, and his first two months there, they were... everything was bad at Ford, but every scorecard was green. And, the day Mark Fields walks in, who who's now running Hertz, who's also a friend of mine and, and, and Mark showed red on his scorecard and Alan paused the meeting and started clapping. But all the other Ford executives thought, Mark, wouldn't be there the next week.

Right. And then the next week, Alan set Mark next to them in the meeting. And in that moment, it, it created that transparency that we're all in this together. And I just want to know the truth. so that we can all work on this together as a team and bring that together. And I think that's, that's what boards and management are, should always continually strive for.

CHRIS: Carl, that's sage advice, right, at a young age, and I'm assuming that came into more and more clarity as you, as you were, I'm curious, as you served, they through the question here would be about leading up, like advising up into the executive level as you moved up, did you find ways to alert your CEO executives above you that they weren't capturing the full truth? Because there's always those people that say, oh, we kinda knew it. They just, they didn't ask the right questions, or... so we try to work a lot with leaders, then I think the military can be good at this and such, especially in special operations of sort of leading up, bringing that truth up to the leadership once they've set that tone. I'm curious if you have any thoughts or experiences there.

CARL: Yeah. I think it's a learned behavior, Chris. I've failed more than I've succeeded in that. And you know, what has been fortunate for me as I've been in, what, seven or eight industries and what's fortunate or unfortunate is, each one of them have been the largest in the industry that I got the lead in.

So, and you know, I'm doing it now in real estate. And you know, Admiral Mullen, I I've carried this with me. I'm sure Stan, you, you worked with Admiral Mullen and you knew him. And, he was very instrumental early that, you know, in the, in the military, you move from command to

command, and you do all these things. And it just stuck with me that he always said, you know, when you're in your first 30 days, spend time listening, spend time listening, not, not telling, taking charge, you know, all those things, take time listening, and then move into learning mode. And that next 30 days where you're applying what you've listened to and learning from a curious and asking questions.

And then if you've done those two things well, you're prepared to lead and you're ready to go. And as, as the first 90 days in any new role, in any new job at any new company are extraordinarily important to establishing a framework for people to tell you what you need to hear, versus tell you what you want to hear and how you approach those, creating safety when there's fear of a new boss, fear of this new boss comes with this experience and all those things. I just think it's really important to, to humanize, but also almost democratize the chain of command, in, in a world where they've had a different leader or they have had a leader who's been autocratic, or they've had a leader who... it's about the themselves versus about the team.

And we've all seen and worked with leaders and executives that it was about them versus about their team.

CHRIS: Carl, do you forecast that to your team when you've come in as the new executive multiple times, as you said. Do you let them know, here's how I think about... because you've been through some intense, the first 90 days and here are the phases I'm going to go through?

CARL: Yes. Do that, and then after the first 90 days, I have my coach, and advisor do a one hour, 360 individually with each team member on my, on my team, and get feedback, that I can deploy and I can learn from, and correct, because I think that first 90 day's really important, in building trust and building awareness and, and where you can make adjustments, which is important.

The other piece, Chris is, I carry around with me a one page and, it's, it's one page of I call it "the what and the how." It's a one team, one mission slide. And on the, on the left-hand side, for example, at the top of the page, it says purpose-led, people first, values inspired. And then on the right hand side is how I expect us to show up.

And that's including me. So, humble, positive, respectful, and belonging. And so, this one page, is every meeting. Every time I meet with them, I talk to them about it. When I see examples of it, I call those examples out. When I say poor examples of it, I bring them into my office and, and chat about, well, you know, was that kind? Was it, was it... you know, and, you know, even some of these words, when you use words, like kind of, really kind of it's, it's a, it's a new world we live in, from a leadership perspective is, compassion, even over the last two years has been really difficult to find in a lot of folks.

It's either, you're either, here or you're here. There's a great divide. There's no middle ground. And so, what I find myself doing is, is continually reinforcing the what and the how of what I expect and just constantly drilling on it, you know, pounding the rock and continuing to come back to that.

STAN: Yeah. I'm going to take a, a deviation from what we were planning to talk about, and because you've talked a lot about, making the organization work aligned with you as the CEO, with, you as a leader, a lot of human parts. You haven't talked about the mission of the organization or the product you're building. You've talking about the organization as being the product.

This last weekend, I watched an old movie, *Twelve O'Clock High*.

CARL: My favorite! My favorite movie ever!

STAN: Absolutely. It's Gregory Peck takes over a squadron, or a wing, during the bombing of Germany of Europe during World War II. And he's got a very low morale across the organization. They think that they're not succeeding. They they'd had a very beloved boss that he replaced, but who wasn't being as effective as they need to be.

So, the focus was the focus of the movie was entirely about leadership. So, when you talk about leadership, Carl, I'm going to go back, you came across a few minutes ago is very intentional about your leadership being very intentional about being good about it. Will you pull that string a little further?

CARL: Sure, Stan. I, I love that movie. You know, daylight precision bombing and Lieutenant Colonel ..., you know, there's just this I, how many times have I watched it? I, I think what, w you know, put it this in terms of that movie, and risks. And I think about a couple of things in that conversation is: is everything we do has inherent risks, right?

And those inherent risks are the things that just whatever you're doing, you're getting your car, driving to the grocery. There's inherent risk in doing that. There, you don't have your seatbelt on, you get hit pulling out, or all those things. And what we try to do is leaders are what what the, Gregory Peck was teaching in that is: is the, to implement mitigation factors. That this idea of execution, like we are, we're going to ground everybody, and we are going to practice. We're going to practice. We're going to practice. And if you've got a bomber who can't hit this, he goes to the leper colony. And you know, the whole thing in that movie, but this idea that we're going to drill, drill, drill, because he recognized that, you know, the low, the daylight precision bombing was so important at that point in the war. And that those planes were going to have to fly at such low altitudes to be able to do that. That execution was the only way to deliver a better residual risk framing.

You know, I always kind of laugh when I think about leadership and whether you like Nick Saban or not, he doesn't focus on the scoreboard or whoever he plays. He focuses on execution because he knows there's a high residual risk playing in the SEC, and the only way that he can win every game when he plays against Georgia and Auburn, and everybody else, is to focus on those mitigating factors of execution. He's, that's the only thing he can control. And so, I think Stan, this idea of leadership in the, in the idea of risk, in a risk framework or in a risk taxonomy, I think that's the mitigating factors of how do you have people show up the right way?

And, and as I describe it: the more it hurts, you to tell me, the more I want to know. So, the, the, the worst you think it is, the more I want to know. Now, if I react really badly, when you tell me something, and I start judging you, second guessing you, and all those things, or if I say, well, let's go solve this together. The next time that's not going to happen. They're not going to bring it to me if I react wrongly. And I think creating that, that partnership with your team, allows you to move quickly to solve problems together. And I think it's one of those things, later in the show and that *Twelve O'Clock High* moment where you see them starting to really work together as a team, even when there were some mistakes. So, they lost something and how that happened. And it just, it's a, it's a brilliant leadership movie. And I think it just, it, it breeds... it has so many lessons for us today.

STAN: Absolutely. I'm going to pull on a little bit more because interestingly, we talked about a bomber commander, but you have lent across a range of sectors. You've been in seven industries as you just said. Now, all of us have been in organizations where there's somebody who's been there for 45 years. They knew where the bodies are buried. They, they did everything and there's this incredible institutional knowledge on the part of that person. And, and there's some advantages to that, but I'd like to get your perspective of how about moving between different industries and companies.

What has that diverse series of perspectives done for you? And would you recommend a young person on their way up follow a similar path?

CARL: Wow. You said that so well. Some might say I just can't hold down a steady job, Stan, so I really appreciate that. I think I'm a fairly curious person and I like learning. I liked solving complex problems at scale. I enjoy those. I think the balance, though, as you're in those, is recognizing when you get to a new position or a new company or new industry is: who do I surround myself with that can help me embrace the culture that exists, right?

Because every company has a different culture, and being adaptable to that culture, while adapting that culture to the future of where we're going and, and transforming, and then bringing that through and finding those folks in the organization that I always commonly refer to as ground truth, is how do I, who am I going to go to as I'm learning.

And I think it takes, you know, a good 12 to 18 months to really get, become proficient. Even if you're a quick learner in these industries that have jumped around in, who's, who do I go for truth and who do I go spend time with? And how do I use them to be reverse mentors for me as I'm learning this new industry, this new organization, this new culture, and those things.

And so, seeking those three to four people out, very early, and using them as, as confidants. I always talk about a master chief that was on my ship when I got to my first ship, I was 23. I didn't know anything. I was so excited to get there, as we're leaving a guy that got relieved for, cause. But I got there and we had Master Chief Sherman... 48 years in the Navy, 48 years.

He had two retired senior chiefs that were kids, had son and a daughter. And he was the master chief of our, of our ship. And, and, I said Master Chief, can I pick your brain on some things I'm just here obviously. And he said, yeah, meet me at 4:00 AM on the... And, you know, cause he's the Master Chief ... and he starts at the... he starts and walks the deck every morning before everybody gets up, so that he can get the boatswain's mate, you know, going to work.

As soon as they wake up, he knows exactly where he should deploy the work. But in that moment, you know, it was the, him at 48 years in the Navy, taking his jobs so seriously on that ship to keep it professional, to keep it running, but be so into the details of where corrosion and we're chipping and we're painting and where everything needed to happen. The attention to detail of that moment and understanding that, you know, as a leader, I can't delegate that, that I have to be involved in those details as well.

STAN: Yeah, it's interesting. When I was a Second Lieutenant, we went for a flight across the country in airplanes and do a parachute jump into California. And I am seated across from the division command Sergeant major, who had jumped into Normandy in 1944. And so, I'm looking at this guy and he literally is a god to me. And then as we started going into these low-level maneuvers, he got air sick and started puking all over the place. And it was actually good because he wasn't embarrassed about it.

He goes, Hey LT. This is what happens. So, I was free to get sick as well.

CARL: See? How powerful was that? Right? I mean, that's a, that's such a, it's such a big deal and it's such a big moment. And, and so, like him probably for you, I'm extraordinarily thankful that people that had a lot more experience than I did, and that, you know, could, could do so many incredible things were able to be such patient teachers and and coaches and mentors to me along the way as I, as I rose.

And, I think about those moments quite frequently, as you can imagine.

CHRIS: So I just, I love the idea of a young soldier jumping into Normandy at 19, and afterwards, thinking I'll just do this for the rest of my life. Yeah, that's great. Carl, having moved between so many different industries, a very thoughtful approach on how you... people, people can't see this, but you literally have like this structured, approach in front of these that you just showed Stan and I on camera.

I'm curious, do you still see things, problems that surprise you? I'm not talking about like, that's an interesting way that this thing is manifesting. There always be differences there when you look at different markets, different industries. But have you, do you have sort of root cause assessment of: these are the big types of problems that make companies struggle and you can identify them pretty quickly?

CARL: Wow, Chris. Yes and no. I think what you find with large companies is they're just, they're big, they're complex. The, you know, what's happened over time is, you know, the pace of change internally, probably hasn't kept up with the pace of change externally. And, Stan's been on several boards, you know this, there's pressure on every board and every CEO for

quarterly earnings for, to hit targets, hit performance targets, and every company in every situation that I've been a part of... and I guess it's probably just the story is, is it has three types of debts.

There's a process debt where you've, you've, band-aided things with human capital, versus tech process debt and cleaning it up and, and really getting procedures right. There's technical debt where you have a 12- to 15- to 30-year-old system that you're using. And it just costs so much to change the mainframe or change the architecture of the company because you're so big. And then there's human capital debt, that the business has tripled in size and the people are the, the leaders inside the company haven't tripled in size at the rate, the company's grown and, and so have a tendency to really kind of think about those debts as, as you come in and start to explore where, you know, what to do first, how to do it, and then how to bring folks along in a way.

And it's just, it's happened everywhere. And, and I, and I think as we think about that for what that means, it just, it evolves into a natural conversation of, okay, how do we help with this? How do we bring people along? How do we scale folks? And, and then how do we, how do we then go spend time with our board and tell them, the stuff that they probably didn't know, or they didn't ask those questions. So, that's, that's one of the delicate parts of that is when you explore this and you find it, how do you get your board in executive session and share, you know, that first hundred days feedback of what you learned and what are the things that you're still curious about that you're going to be involved in?

STAN: Wow, Carl, that's a, that's a term I've never heard, process debt, but I really think it's powerful. When I joined the counterterrorist community, it was 1985 and it was five years after the failure of the Iran Rescue mission. And we were in a period where we were trying to perfect things for certain select missions: hostage rescue, counter hijacking, and we were trying to take to perfection because that was the personality types we have in the organization.

The idea we could take each of these missions and get them so good that they were almost like art, the, the elegance of our, our precision. And that was an interesting pursuit, and it was, it got us all very comfortable. But then when I took command of JSOC, some years later, 2003, instead of being able to stay on that path of continuing to do better what we were doing before, just improving it, we had an entirely different problem set.

And as you described, we'd had an organization that was very comfortable in focusing on fixing things that were internal and comfortable to us. And suddenly we had external changes as you said, they've changed faster. We almost hadn't paid attention. And it was suddenly a different world, certainly a different counterterrorism world. When you're in that situation, if you walk into an organization and you see that disconnect, because you, as you've taken over as a CEO, a number of times, and you walk in and you see that, how do you point it out to people? How do you communicate it?

CARL: It's a great... the goal is to not communicate it. The goal is to let them communicate it because if you're willing to get them to trust you enough, to come out and talk about this stuff, there'll be the first one to say, we've got a 30 year old system. It's almost... I'm keeping it held

together. As my dad say it was bailing wire and chewing gum or something. And it's really a risk item. Why? Well, this is how we pay everybody in the company. Okay.

We should go fix that together. Right. But that that's the person in the company actually knew that and knows that, and for whatever reason, Stan, as you know, they didn't have the right leader that cared enough about that risk item to actually go, you know, do something about it, right? If you turn over a rock, you see a snake, don't put the rock back down, take care of this, you know? Right. It's like, hold on, we're going to turn over a lot of rocks here.

And, and the people that are here, if you create, that, that framework early on are the, are the best ones to tell you what those, those items are, that haven't been invested in either process or technology. The human capital one is a little bit more difficult, right? Because that is uncomfortable, and, you know, you have to really create safety to be able to talk about, okay, what are our talent gaps that we need to go to do that? But process debt and technical debt, usually the folks that are here know exactly before you, before you even spot it.

STAN: Yeah. Well, said.

CHRIS: I love the way you framed that up on it. Asking about like how, how, how you view, identify different problems. It's very hard for, my observation, for leaders as they get more senior and more competent at being a leader of a big organization to force themselves to see things differently. We all we want to process... or sort of recognize, pattern, recognize and say, you know, there's six things that I usually look forward. Malally did this, you, you, you obviously articulated this, Stan did this. Do you, do you coach younger leaders or peers across the industry on how to keep that sort of fresh mindset? Are the things you do to force yourself to not get into just pattern recognition?

CHRIS: Yes, but I have to manage it, Chris. Because of my curiosity and learning, I find myself looking at other industries, looking at other situations, looking at other companies, and trying to apply. Okay. Could that happen to me? Could that happen to here? And so I'm in this continual information seeking point of what other leaders are going through in situations and, and, you know, I'm fortunate, you know, I've got 14 leaders who work for me that became CEOs or who are CEOs, in other companies, in all sorts of industries. And so, try to spend quite a bit of time with them, seeing, you know, what, what through their lens, right, what's going on with their business, you know, and, and did it very early on during COVID, purposefully, because I wanted to, I want to understand how COVID is impacting this business and then how it's impacting that business.

And if you're, you know, at that point in time, if you were in the fitness business, you wondered if you were done and Peloton was going to win and all those things. And so, I had a lot of friends in fitness that I was trying to help survive. So, so I think that ability to have an Omni learning perspective that you can bring back and then translate, but the, the, the, the part that I said is you gotta be mindful of is, is that's how I learned., that's what I love. Many of your teammates that, that are on your team, they've never been in any other industry. So, when I start using an

example from automotive or an example from fitness, or an example for home improvement or example from the Navy, they're like, how does this apply to real estate?

Right? And so, you've got to be very purposeful in, in kind of how you translate those things to your team, because they didn't, they don't have those outside perspectives along the way. And that can be very intimidating if you work for somebody who has all those perspectives. So be careful, I have to be really, really careful, with that kind of perspective. Does that make sense?

CHRIS: It really does. I think it's a, it's an important skill, but the idea of keeping it balanced. So you're not, you're not pulling everybody into those rabbit holes with you as well.

CARL: Exactly. Right. And I think, and I think, you, you figure it out when you tell a story and you got all these dead pan faces in the room, it's like, oh gosh. Okay. That was a bad story. It was a bad example, but that's just part of it.

STAN: Carl, Chris and I have a special power to control time. So, we're going to take you back. To the day you stepped out of the Navy and you haven't decided in our scenario, what you're going to do, but you have the opportunity to start a business.

Maybe we're going to see on *Shark Tank*. Now, what would you choose for an industry in the world today or a role that would be fulfilling to you, potentially successful? And we're really obviously talking to young people, the 25-year-old, new Carl Liebert.

CARL: Yeah. That's an easy answer for me, but it's a layup, right? Because I've worked in large scale companies. I've, I've really never... I'm an operator, not an entrepreneur. I'm always wanted to be an entrepreneur, Stan, but I was just, I'm a fixer "make things better" kind of thing. And somebody else had a great idea. But now that I'm in the real estate industry, and I get the privilege to lead 174,000 agents in the US and Canada, and a little over 200,000 agents, worldwide. These are entrepreneurs, right? These are, these are small business owners that, you know, Gary Keller wrote a book called the *Millionaire Real Estate Agent*. Several thousand of them read that book and they became millionaires, building their business called real estate. And so, now that I'm, I've been here a little over a year, I can tell you, this is a very contagious industry and it's a lot of fun.

And if you were, if you had the appetite, to be an entrepreneur and build a business, it's hard pressed where you could find another industry where you could go from, you know, to zero to be a millionaire in several years and build a business with a team, with an office, with all those things and do that.

So, I'm, I'm kind of a fan of the industry I'm in, because I've never been in an industry that's been this entrepreneurial and I think it's a, it's a, it's a great place. It's one of the reasons why we started KW Military is as folks were exiting the military, is because the independence that comes with, you know, running your own business and those kinds of things, a lot of that, that's very attractive to a lot of, of military people exiting in the military and being a part of it.

So, I'm excited about it and, and that's where I would go. So, because I'm, I'm not a tech guy, I'm a wannabe be tech guy.

STAN: Well, you've done pretty darn well, Carl, I just want to express my, thanks for sharing your wisdom with all our listeners. I bet you're going to have a flood of people now knocking on the door to go into real estate. But the reality is: I think you're going to have even more knocking on the door to go into leadership in all kinds of areas. And so, Chris and I want to express our thanks for taking the time to join us today.

CARL: Well, thank you so much. Stan, Chris, I'm saying I, I carry your book, *Team of Teams*, along with *Risk*, now that I've gotten through it, but, I have, I have, I long reflect on that leaders can let you fail, but not let you be a failure.

And some of the invaluable lessons that you shared with me over the years, in my leadership journey and, and, to, to be here with you guys today on this such an important topic right now, and, and I just, it's, it is extreme honor.

CHRIS: Carl. Thank you. Thanks to your team.

CARL: All right. Thanks so much. See you guys. Beat Army!

STAN: I knew you'd get that in there.

CHRIS: I could've spoken with him for another hour or more. We should have him back. He's... it's super interesting to see leaders that can move across domains that effectively. Do you think that's a, how do you view that? You've met other leaders like that, but there are rare, they're rare breed. And do you think there's a different type of leadership skill there, or do good leaders have that in them and they just need to hone the muscle when they move across.

STAN: Yeah, that's a great point. I think that it is something we might've called self-actualization a generation ago, and that was a very popular term, because I think there are lots of leaders who could do that, but lack either the self-confidence, or the willingness, to sort of cut free and jump into it.

And what Carl's done is he's, he's really proven to himself time and again, that he can do leadership if he goes back to the basics, and he focuses and, and is intentional about it. And I think that has honed his skills. I think if any of us were in one place a long time to get very comfortable with the way it's done in a certain organization, I think there's always a danger that we're not quite as thoughtful about all the elements of taking over an organization, connected with people and making ourselves better.

And so, I think Carl's journey has been like a diamond, it just keeps polishing.

CHRIS: Yeah. It's a great point. I wonder what the Carl at his second move across the industry or third would have been versus, who he is today. And I was super impressed by his, his answer when, you know, when, so, you know, what do you, what do you look for?

Do you see the same problems? I would have expected, yeah, there's six kinds of big things. So, I start with people, and then I look at this, and then I look at this, and he didn't do that at all. He's, in fact, identifying that, especially recently, speed of change, all that has created a whole new thing to, to have to wrestle with. And he broke it down underneath that, but it was very, a very unstructured reflection at the top, which I was, I thought it's super impressive.

I also just as a side note, I want to make sure that our listeners know that that discussion about *Twelve O'Clock High* was completely unscripted. I don't know, two people in the world that could go all the way down the name, like the, what was the pen that the bad pilots got sent to? That was, that was an impressive amount of, movie history, knowledge being shared.

STAN: I mean, it's such a motivational movie. I mean, it, for me, it's just extraordinary, but it also gets to the leadership thing because what I really believe Carl is... he describes himself as an operator.

And I think that's true. But he is so much more of a leader because you think he jumps from sector to sector. He does just go to different companies in the same industry. He goes to completely different. We got to know him in the insurance industry, then he goes in the fitness industry, now he's in the real estate industry. I mean, they're not even touching each other. And yet in each case, what he does is he brings that open-minded ability to listen, that problem solving focus. And in my view, he creates a better organization and then that organization does whatever they do.

CHRIS: Yeah, no, it's really powerful. He doesn't, he doesn't have that, I mean, most of the CEOs that we've talked to on here, I have a calm, demeanor, but his is especially noticeable. Just focuses on... to your point, making sure the right people are talking about the right stuff. He's not afraid to ask "why?" a dozen times until he gets to some root cause. And then things just turn out better as a result.

And he's got an amazing track record of that. Yeah, that, that, sort of very, almost a self-deprecating comment. I wish I was an entrepreneur, but I'm not, I don't, I don't know if you'd probably sell himself short. But I'm curious if you bucket people like that, that you've led over the years, or do you view yourself along those, those lines?

I haven't, I've never heard of a person that senior that successful. So, you know, I'm not, I wish I was this, but I'm not. Did, did that strike you?

STAN: Yeah, it struck me as very self-effacing and very self-aware because I think it's popular now to say I'm not a great entrepreneur, but hope that all the people who hear you actually say no, no, you really are a great entrepreneur, but I think he very carefully focused and I don't think it was false modesty.

I think it was an understanding of where he's really good, and he is really good at making organizations do that which that organization is designed to do. And so, I think that's a unique strength. You know, we've talked a lot about how leaders parachuted from one organization into another, statistically don't do very well. The idea that you go get a very successful CEO and bring them into fixing other company happens occasionally, Allan Mulally for example, but it's the minority. Most of the time they don't work because the context is too different. And that's why Carl is so interesting because he's moved so many times, with success every time.

CHRIS: So I'll, I'll put you on the spot with your military peers. You can edit this out later if you, if you don't like it. Do you think you could take Carl Liebert, put three stars on him and make them a senior head of something in the Pentagon?

STAN: Oh, tomorrow. And in fact, I think he'd be suburb. And I think he'd be better because he's had these different experiences and he would look at problems differently and he's got all of course, he's got that, as he mentioned that, that humility to listen, and to ask questions well. In fact, I think he would be amazing and he wouldn't have to be the expert in the room on the issues of the day, because you can surround yourself with experts in the room. The key is to create that environment where the expertise is leveraged. So yeah, I wish they grabbed him.

I would say grab him and pull them and put them back in uniform, even an Army uniform, even though he's a Navy guy and most Navy guys aren't fit for Army service, but...

CHRIS: He might be the exception.

STAN: He might be the exception.

CHRIS: No, it's just an interesting point. I think, you know, now a decade out of the military, I think we undersell ourselves as a nation, by thinking Carl Liebert got out of the military, now he's gotta be a civilian forever. And it's top of mind, because I recently had one of our clients reach out and ask about, if someone in our world that was an expert on China, they want to bring in, have them talk to their board. And, but this person said, but somebody that understands China, business in China, not just that the geopolitics side and military side.

And I said, well, in China, they're kind of all the same thing. You can't be an expert in one and not understand the others because they have that very integrated approach to how they're, I don't disagree... I don't agree with how they're running the country, but it's a very powerful tool when you allow yourself to reconsider, why isn't that possible? And I do think, you know, you see leaders like Carl and think, wow, that that person should be able to float back and forth if he chose to.

STAN: Yeah, we'd be a better Defense Department, better government, if we had more ease of movement. And of course, in the last generation, we've made it harder with legal things. People coming out of civilian sector go through so many hurdles and financial loss often to gain, to join the government.

So, we don't get as much talent as we should. And so, I think we need to look at making it easier to come into just civilian government, but also in the military.

CHRIS: Maybe we'll have a recruiter reach out to Carl, surprise him. Great, great discussion. He's a, he's a truly exceptional leader. I'm looking forward to seeing where, where he goes next.

STAN: Absolutely. Great discussion.