

PODCAST: Scaling Culture - Frances Frei

welcome to the scaling culture podcast
where we sit down with thought leaders
who share their experiences building
incredible cultures on this special
episode of scaling culture we are
presenting an interview from our most
recent a sonnet featuring Francis Frey
professor of technology and operations
at Harvard Business School in 2017
Francis was tapped to be ubers first
senior vice president of leadership and
strategy Francis is the best-selling
author of uncommon service and co-author
of unleashed if you're enjoying the
scalene culture podcast series please
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listening today and for more information
on how you can follow everything scaling
culture please see the show description
thanks so much for joining us today
it's I'm so I feel so lucky myself to
have you here and I'm sure everyone else
does too and I want to start with a
quick story because I don't you probably
don't remember me

I do not perfect you do you remember
being in Halifax Nova Scotia I do
alright alright so we're getting closer
so you came down for the YPO and yo
chapters here now that might have been
eight years ago I don't know the exact
yeah and you delivered a workshop that
literally blew me away I usually sit in
the back of the class and I'm just a
complete jackass for you I was in front
I think I moved from the back to the
front of whoa this is good at every
every time you spoke every since I just
moved closer yeah and so I got to the
front and at one point you said to me
hey fancy watch there and I miss my
wrist and I had a fake watch from China
so well not really I hate to say this
but this is this was \$8.00 in Beijing so
we had a good laugh after that France I
called you at her I read uncommon
service and I was heading down the path
to execute and I literally called you
because I had I had read it and really

wanted to to talk through that with you
and so I think I started
you at Harvard and and the the key thing
and you were super helpful by the way
and the key thing for me was our process
of what was really important to our
customer and for us it was customer
service sorry for the for the for the
clients it was customer service and so
that blew me away I was like wow it's
not pricing it's customer service we
need to be the best at customer service
and so from there we started to screen
our employees for empathy and that
changed everything and we started
competing with Starbucks because we said
look there's no security company that's
got this right
it's Starbucks that is you know in the
same type of business from a facing
customer service that we need we need to
focus and beat them and so look I just
want to thank you because that changed
my entire company path it changed
everything we did and it absolutely had
an incredible result so thank you once
again Frances and welcome you can't you
can't see why I talk about my research
and why I and why I write books so I'm
just like oh and they're in and it's
just so thank you for sharing that and
that's that's when a good job has been
done so I'm super pleased to please
absolutely so we owe you
I owe you my family I've been doing that
I actually and I know we were back and
forth on LinkedIn where I sent you the
title of my book I certainly speak about
it in my book and tell that story you
know rageous empowerment awesome look
let's talk your latest book unleashed I
love this trust triangle I've never
heard that before
yeah can you tell us a little bit about
the triangle in the Wobble I love it
yeah so when we think about like what
could we do to make the world better
tomorrow than it is today that's
completely actionable within every one
of us and I think if every one of us
built more trust

tomorrow than we did today we could lift
up humanity in a great way we could do
it individually in our homes we do it in
our communities in our work
the problem is that trusteth plate was
always seen as this monolithic thing and
he I cannot build more trust tomorrow I
don't know like I'd rather take him back
and try to figure that out I just don't
know how to do it the great aha came
when we found out that Trust actually
has three component parts the good news
about that is each of the component
parts is completely actionable so trust
monolithic to scary
the component parts totally actionable
the actions for each component part is
very different so the trick is to figure
out which component part is getting in
your way at any given time so the way to
think about it is that I am more likely
to be trusted
if people believe on being my authentic
self you know they believe it's the real
me speaking if I say something that I
don't really believe you can tell in a
second and then you will not trust me
right right people tend to trust me if
there's if they don't believe in the
rigor of my logic if right if I if I
have rigorous logic an authentic I have
rigorous logic people are more likely to
trust me but there's a third missing
ingredient which is you need
authenticity you need logic but you also
need to reveal empathy and I think a lot
of your work you talk about empowerment
also gets an empathy in a beautiful way
and I love your journey to being an
outrageously and pathetic leader and
couldn't turn in in addition to
empowering others and empathy part is do
am i making it clear that it's really
I'm in it for you I'm in it for all of
us versus I'm in it for me
here's the thing if I'm not trusted if I
have a skeptic if they're not trusting
me in a certain situation it's because
of authenticity logic or empathy I need
look no further so the triangle we do is
authenticity logic and empathy and we

trusted and ask yourself what did the skeptic
where did they fall short guaranteed its
on one of these three things how do you
know I like you know I'm gonna make that
assumption how do I know I am I missing
it you yeah no it's great
and so what we find is that when people
do this self diagnostic eight out of ten
people are accurate
that's like we've done it now with over
a hundred thousand people eight out of
ten people are accurate but to your
point run how do you know if you're one
of the eight or one of the two right go
and share it with someone who knows you
and loves you okay they will correct you
in a sec tells us poori tell them this
is what kind of story and honestly so
what you just revealed about your family
situation show you to your wife right
he'll tell you if you're one of the
eight or one of the two and and is it
offside it to to be that vulnerable with
someone on the other side like hey you
know Frances we had a conversation if it
seems like there's a lot so that's a
beautiful idea so like when you find out
you have an empathy wobble and then you
like there are techniques that we talked
about how to overcome in a beautiful way
is to if you have the courage to be
vulnerable its to go and talk to the
skeptic directly that's me you'll be
authentic you'll have logic you love
empathy that's like super high varsity
awesome idea okay great I owe someone
that conversation so I mean awesome it's
so last question on this piece yeah you
know we make tons of mistakes I've made
I make them all the time you know I was
on I was listening to to webinar the
other day and someone said look if you
break trust the apology doesn't work you
have to make a new commitment and
deliver on the commitment what she if
you break one of these wobbles or I
guess it's not broken but if you break
trust how do you get it back yeah listen
we are all building and rebuilding trust
fortunately it's the same formula if I

you know was uh Nimbus setting and and my wobble tends to be empathy and we also talk about what your anchor like which one of these three is like super reliable logic is my anchor empathy is my bobble if there aren't times when I am unemployed ik and it's usually when I didn't get enough sleep and I was too so distracted right well what I do is now I do need to be on empathetic the way I have learned to think about it is I hit something with my tail like I just I turned and I whacked somebody it's almost always an empathetic whack and I feel like it haunts me it will haunt me until I make amends right if I hit somebody with my tail publicly I try to make amends publicly ah interesting you can find it if I did it privately I try to make amends I love that because that's also makes it really clear you go back to the same format that you whack them with your tail right I love that yeah great I'm gonna move on I read your your article in Harvard Business Review which I loved I just I'm so proud of the work you're doing too and when I read about the keywords I didn't know I was like oh my god she's crushing it I just loved it and so there was a few things that that jumped out at me one when it talked about uber being a hot mess I loved that action label we were a hot mess I thought that was very real it was a hot mess right it was but it really was yeah and so can you tell me you talked about getting input about the values about the culture from 15,000 snake holes how do you have that oh it's like it's the best way to do it so when you go to a startup chances are its culture was handed on down high in the form of tablets from the founders and the founders and a small team because you started a company and the culture you want right and so you say this is our culture and it will work until the company is at a certain size and then what you'll notice when it stops working is that some of your

values start to get weaponized run ahead
by weaponized I knew that like I was
working with one company and they had a
default to trust was a value and that
meant give people the benefit of the
doubt and it was lovely when people were
small but as it was getting bigger if
your senior to me and I asked you a
question
you could currently say to me default
trust me it's like not its initial
you're saying you're telling me stop
proving I'm just now oh wow so as soon
as someone is taking the original words
and using
for an alternative reason right you
gotta let him go oh I want to scramble
and get the words back there being my
values are being misused know the kinds
have changed maybe there was a song in
pop culture
so you have to recommit to the values
that's a beautiful thing value should
not have liquid cement pour it on them
right and so what happens is many when
you're gonna redo the values please
don't do it from tablet sent on high now
do it from everyone so my favorite way
to do it is to invite people everyone
and we did a lot of it physically but
you can also but we were co-located and
sorry for some places really quickly
before you in stay on that point yeah is
there a baseline before they start from
the found or not it's just wide open now
it's blank slate or is your baseline no
so here's what you do start with the
current values okay give people a pen
okay and say for the first five minutes
at the values it just gets people in the
frame of mind that they're gonna be
editing the values and then ask people
okay which part of the values just are
either extreme you just would be so sad
to lose or they have become so
weaponized or defunct that they're
holding us back so then you ask people
only speak at the extremes got it and
then we got input from everyone on those
and then we started iterating the values
and told people you can come and join us

undress if you want otherwise we will come to you and we did that exercise the senior-most team the junior we opened it up internationally over zoom so one company we were at we 3,000 people 1500 people participated over like a three-week period Wow other companies uber because it was a much larger company far more people participated but everyone knew it was now of them and how did you expect that exercise would have to be done again in five years by right yeah absolutely and so how do you take all that and simplify cuz I'm getting dizzy I'm like all you know how do you how do you do that oh it's you know you you start to hear things it's like you know and you can see all of the data coming in and I don't recommend doing very much with it you could use a I I believe I don't like it but that's because I'm old so yeah but I can like you'll start hearing themes because even when you're asking people you're like so what do you mean by that is it this or is it that so what I did is trained a lot of people how to do it so I did the first meetings and I trained others and then all of us that we're doing the meetings would get together and say here's what we've heard now we did do it with one company with a lot of AI and it didn't the results weren't any better I'm not saying that they I just wasn't new you know you can hear the themes are you know default to trust it wasn't like an idiosyncratic 8-under

it was like a really big straightforward proud of them and there's only ten values right so it was that was that a lot by the way cuz you know we see companies that have you know a lot of little I used to have five I try to pare it down the three trying to scale what are your thoughts too precious at any point in time I think your company is going to need different things so I've seen some companies that have more values but the values are essentially also the employee handbook right right

got it

and then other companies that for a point in time they're like oh my gosh we have had a complicated journey just everybody keep these three things in mind don't think about anything else I don't have any judgment as to which is right or not okay and in the article also talked about this question of do the right thing and that that reminded me of it almost like the I don't know if you heard me talk about those three questions for anything it's almost taking those into one talk me through that how was that created and how did it work yeah and I think so everything is like you gave the context of that where your questions came from because there was a journey to it yes that's behind everything so if you imagine an organization that's gonna have do the right thing as a value what do you suspect was true before that yeah yeah right and here's and I can tell you it over what the what the reason is it wasn't it was filled with bad people but have to remember that uber came in when taxis were entrenched like entrenched lobbyists they were like totally and so for uber and nobody liked like uber was a service that was better for customers in every way more convenient cheaper higher quality but the market wasn't permitted to work because they were protection policies for taxis so Hoover had to work with regulators and work ahead of regulators for us it still wouldn't exist today right this is now super challenging when do you say those rules are old we have to get past them and when do you say those are the rules we have to follow and that is really really hard particularly in a hyper growth organization absolutely when do the right plan came in Hoover had become a relatively mature company it was already in all of these cities it was already in all these nations and then that came after the hot mess by the way was that in yes okay great keep

going sorry yeah no so I think that's that so that's that's where it came from is that we're now gonna we're now telling you if there is ambiguity today and that came in like the fall of 2018 but if there's ambiguity today we're going on the legal letter of the law we did that in the beginning exists right because all the laws were written to protect Texas hmm and last question on values as you remember them when when when when you were there how close were they to Travis's initial values did they you know like that transition this is always the case so every single time I've done this you keep well over 50% of those Wow okay every single time I've done it and we're open we're saying nothing sacred we can have it if we change all of them right every single time we've done it we've kept more than 50% Wow and these are places that are you know challenged so you can imagine the others and to pre-clear vocation same values in north america china mexico same values because i think a lot of the level of abstraction so do the right thing in other parts of the country might not be these are the regulator's it might be these are the bribes right right right so you have to have the right level of abstraction but it will manifest a little different culture as the core values themselves were set there wasn't different values in China as North America super-dangerous if there are yeah yeah okay great love that yeah um last question here in the mean we can open up for a few yeah I love that yes um I just talked about this classroom in how you guys engage everybody in the classroom setting that just blew me away yeah so here's the thing we I got there fifteen thousand people distributed and one of the things we realized is that one of the biggest strategic problems we had was that everyone grew up in an environment where costs were higher than revenue that's really hard like it's

like Oh strategic physics doesn't apply right so we have to teach everyone strategy when physics applies okay we also there was a lot of organ in the company because people were getting promoted at a really fast rate you need to teach them leadership not their fault when you say physics apply I you look this is how a start-up works we just raise a bunch of money we're not gonna be profitable we should we should consider ideas where revenues are greater than costs okay great great we shouldn't consider this is what the customer wants let's do it it's can we afford to do it right basic like just basic fundamentals so when we got there the entire organization needed an upgrading of skills and they were they were still to this day the employees at Ober were the best learners I never encounter how they so really wanted to learn really like exceptional learners so what we did is partnered with HBS which has this amazing studio called HVX online and they had only used it for teaching 60 people at a time and it's like the classroom but it's like zoom but really big zoom on steroids we couldn't solve our problem 16 at a time so I called the folks at HBS because it's very close to them and I was like look we want to teach 2500 people at a time they were like you can't do it and I was like how about this I don't think you I don't know I don't think you would like that yeah no I don't say no it doesn't I here not now but yeah yeah like for a very short not now so I was I well you'll be it's possible because you're perfectionists and you do 60 beautifully and everything you've done you've done beautifully but I know the capacity of the tech team at HBS and it's magnificent so what if I take the burden of all technological fails so if it doesn't work it's on me it's not on you so I want to create a safe environment for you to innovate it's just what you were

talking about earlier yeah so I wanted to create this safe environment for them and we set the conditions and uber sign-off anything that goes wrong it will be us and so we really innovated like crazy and we've gotten up to 2,500 people at a time we they've been all right reflections they all from 1/2 to 2,500 understood it at the same way it's really and then that opened my eyes to education that's how we should educate right that sounds like it aren't working by the way tech folks HPS who are unbelievable that's great Francis look thanks I'm going to wrap things on that or two o'clock let's do a few could you have a few minutes for questions okay great Shannon I'll let you bring up questions I know you're kind of monitoring things when you throw things out I'm gonna let Francis take the lead if I've got anything to say that's not too stupid they're in my open great stuff Francis and thank you so much for sharing all of that I guess the first question on everyone's mind is when are we getting the quiz I will try my best to be ready for that our first question is from a coach as a coach one of my clients was continuously burned by allowing their teams to handle all the decision-making and is now feeling a little gun-shy is he lacking trust yeah I'm not Church trust that's being lacked there when you give someone when you ask someone to do something you it's our job to set the appropriate constraints we should not empower people beyond their capability if we do it's our fault not theirs so it sounds like this person empowered someone beyond their capability like and so if someone can't do something it's for only a couple of reasons they don't have the capability they don't have the motivation or they don't have the license and if you want to see more on that man's name is Ryan Buell and he's written beautifully about it okay but if it's a capability problem train them if it's a motivation problem no training is gonna

over come in and if people are just too afraid to act like I know what to do i I want to do it but I'm too afraid I just don't feel like I have license to do it also no incentives and no training are gonna change it so I would say if you're getting burned in that way get to the source of the problem and address the root you know I love that and she and I would I would also go back to that decision-making process that you know that's the framework or is a is an option for a framework which you least guide someone that process because as I mentioned way back in the beginning this it is scary it's scary not just for us as leaders say ah damn you made a mistake it's also for the employee this is what is it gonna look like what's gonna happen if I pick the wrong choice and I think that's scary for that side anything else Shanon absolutely next question Frances you speak a lot about how authenticity logic and empathy are critical to establishing trust but how can we identify where we're getting in our own way oh yeah so the exercise that I proposed and I it's a 15 minute TED talk but I encourage you to watch it at 2x speed because for some reason I spoke really slowly so you could do that or you can read begin with trusted HP our article that just came out and I just got the first copy of our a it's like I just can't even little reunification and it's chapter one there but all of that to say let me tell you I've written about it on LinkedIn as well you have to find use a real recent example where you didn't generate as much trust as you wanted and then ask yourself what got in the way and if it's authenticity did people doubt that it was a real you talking was it magic it was like new yeah I mean you know it's you and you have empathy but oh my gosh I'm not letting you drive or holy cow it's you you're driving but you're driving to your own drummer if diagnosed which it is and then we have absolutely specific prescriptions that can guarantee you'll

get over it guarantee and contact me on LinkedIn if you for your specific context I'd be delighted to diagnose you can tell you solution Frances it's interesting so my other comes called be to living we are purposes revolutionize apply for this

and so our biggest barrier is trust we you know we buy a building that was maybe managed I hate to say it by a slumlord there is no trust they don't call the landlord in New York in these place they call the media to get something done here the cold building inspector and I'm just thinking as you're talking our challenge is that it's it's you know our wobble is actually we don't even have there is no face-to-face there is no interaction it's usually you know you can't build trust by mamo or sending to a website you know we're not even at ground zero of your wobble in that that's it don't be don't be too clear that you can't throw I mean pillpack is one of the most trusted health care companies in the world I don't think anyone has ever seen a pill pack employee so how they doing that because they're super authentic but I couldn't understand being like you how you getting that yes so they don't pack their mission is and what they'll do is send you your medicine so you don't have to go to stores and get it they want to increase the place we have a noble mission just like you have a noble mission we want to do it and they just use that as a filter through the decisions and they make sure that it's not we're a noble mission in the afternoon but we're greedy like people in the morning like they're consistent and the consistency of authenticity is really important the logic has to make sense but I feel super sure that your people the people that used to run it have no empathy for they yeah yeah so if you ask me where to start its empathy right oh my gosh for sure and they've been stumped on empathy and nothing's gonna matter until you reveal that

you're in it for them right love that
thanks Francis that's helpful for us
Shion let's do one last question and
then we'll wrap great for our last
question how can we build trust with
customers who practice a come
and control management style or don't
practice the same exercises that we do
and just let me make sure that the
customers are in it for themselves or
the company is in it for themselves
the customers are it for themselves yeah
I believe the question refers to a b2b
setting oh great yeah yeah yeah so b2b
settings listen if you aren't meeting
they this is particularly true in these
times where everybody is hit
economically I just shattered people
weren't gonna go very far down their
core needs so you have to be meeting
just an insatiable need of your client
and if you're needing an insatiable need
of your client you have a chance of
creating a lot of value and capturing
some of it but if the lower the lead
need is in your clients the more that
they're going to be completely in it for
them and they're actually going to try
to get you to give them service for free
so what I would say a lot of the pivots
that companies are going to make is that
this is what I used to do and it used to
be enough then it's not going to be when
we come out of this because we used to
be meeting a lot of needs in the company
and now we got to go here so what I
would say is make sure you're meeting an
insatiable need of the customer that the
customer needs you and you're going to
create far more value than you're going
to capture but you are going to capture
something beautifully said I'm gonna
wrap it up Francis I just want to say
it's been great to see you again direct
from Amsterdam and it stunned me I could
go from Amsterdam to Halifax why hello
I don't know if they had a that flight
now I think maybe there was enough did
they and so pick up France a new book
and and by the way if you haven't read
uncommon service read the book I think

it's a must read it's got to be the top ten business from my perspective I don't even think you should go in is without reading that book or be in business no right it's very kind so Francis thank you once again thanks for everybody

sure I did want to mention I just saw this I didn't know Francis but you and I are gonna be on burns his reinvent summit may 7th right after you I'm looking at this right now I'm right after you can't wait don't steal my material

i'ma say no I'll only set you up for says a lot of fun so burns on Mark Cuban is on that that's gonna get some night some of them yeah great lineup of speakers I think there's ten or twelve uh so I'll see you then thanks so much Frances I preach total pleasure everybody thank you everything you do for the community

thanks for head job we want to give a special thank you to Frances Frey gave us your time and those incredible insights stay connected with the scale and culture podcast please subscribe wherever you're listening today and for more information on where you can participate in scaling culture please see the show description thanks we'll see you soon