

Frances Frei

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SPEAKERS

Ron, Frances

Ron 00:13

As we sit down with thought leaders who've shared their experiences building incredible cultures on this special episode of scaling culture, we are presenting an interview from our most recent ESA featuring Francis Frey that sort of technology and operations at Harvard Business School. In 2017. Francis was tapped to be Uber's 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 scaling culture podcast series, please rate SHARE and SUBSCRIBE wherever you're 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. Is 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 remember being in Halifax Nova Scotia. I do. Alright. All right. So we're getting closer. So you came down for the YPO and EO 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 like whoa, this is good every time you spoke every sense. I just moved closer. And so I got to the front. And at one point, you said to me, Hey, fancy watch there and I did 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 in Beijing. We had a good laugh. After that France I called you at 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 talk through that with you. And so I think I startled you at Harvard. And 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, or 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, but a basic customer service that we need to we need to focus and beat them. And so look, I just want to thank you because that changed my entire company path that changed everything we did and it absolutely had an incredible results. So thank you once again, Francis and welcome

Frances 03:17

you can't you can't see me but I am like that just is why I talk about my research and why I and why I read books. So I'm just like, Oh, and there I am. And it's just so thank you for sharing that and that's that's one good job has been done. So I'm super pleased to release.

Ron 03:37

Absolutely. So we owe you I owe you my family. Oh, no, not at all. Just make it contagious to others. Absolutely. 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 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 trust triangle on the wobble I love it.

Frances 04:08

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 could do it in our communities in our organizations. The problem is that trust is like was always seen as this monolithic thing. And I cannot build more trust tomorrow. I don't know. Like I'd rather taken that 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 I'm being my authentic self. I believe it's going to be elite 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 believe in the rigor of my logic, if, right if I have rigorous logic and 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 that you talk about empowerment also gets empathy in a beautiful way and I love your journey to being an outrageously empathetic leader who couldn't hurt in addition to empowering others. And the empathy part is do Am I making it clear that it's really an 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 sort of triangle we do is authenticity, logic and empathy and we trusted and ask yourself What did the skeptic where did they fall short? Guaranteed? It's on one of these three things.

Ron 06:33

How do you know I like you know, I'm gonna make that assumption. How do I know? I?

Frances 06:39

Yeah, no, it's great. And so what we find is that when people do this self diagnostic, eight out of 10 people are accurate. That's like we've done it now with over 100,000 people. Eight out of 10 people are accurate, but to your point, Ron, 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, we'll correct you in a sec tells a story.

This is what the story, honestly. So what you just revealed about your family situation showing to your wife, right? They'll tell you if you're one of the eight or one of the two

Ron 07:10

and is it off side to to be that vulnerable with someone on the other side like hey, you know, Francis, we had a conversation and but seems like there's

Frances 07:19

a lack 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 it a beautiful way is to you have the courage to be vulnerable is to go and talk to the skeptic directly that you'll be authentic. You'll have logic you'll have empathy. That's like super high varsity. Awesome idea. Okay,

Ron 07:41

great. I also on that conversation, so awesome. Awesome. 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 a 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 once you if you break one of these wobbles or I guess not broken but you break trust. How do you get it

Frances 08:10

back? Yeah, I listen, we are all building and rebuilding trust. Fortunately, it's the same formula. If I, you know, was an empathetic and my wobble tends to be empathy. And we also talked about what your anchor like which one of these three is like, super reliable. Logic is my anger. Empathy is my wobble. If there are times when I am an empathetic and it's usually when I didn't get enough sleep, and I was too self distracted. Right? And what I do is now I didn't mean to be an 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. Interesting. If I did it privately, I tried to make amends privately.

Ron 09:06

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 going to move on I read your article in Harvard Business Review, which I loved. I just am so proud of the work you're doing to and when I read about it, I didn't know I was like, Oh my God, she's crushing it. I just love and so there was a few things that that jumped out at me one when it talked about Uber being a hotness, I love it actually labeled the real hot mess. I thought that was real. It was a hot mess.

Frances 09:42

Right? It was I mean, it's hard to remember but it really was.

Ron 09:46

Yeah. And so can you tell me it talked about getting input about the values about the culture from 15,000? Stakeholders have Yeah.

Frances 09:56

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 it's not your values start to get wet. Nice. Nice. I mean, that was a company and they had a default customer was your senior to me, I asked you a question. You can trust me, like nod its initial. You're saying you're telling me stop probing now. Oh, wow. So as soon as someone is taking the original words and using them for an alternative reason, right? You got to let them know. Oh, I want to scramble and get the words back. They're being like values are being misused. Know, the kinds of change maybe there was a song and pop culture and so you have to reconnect to the values that's a beautiful thing value should not have liquid cement poured on them, right? And so what happens is then when you're going to redo the values, please don't do it from tablets and 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 that we were co located at certain places really quickly before you

Ron 11:17

can stay on that point. Is there a baseline before they start from the found or not? It's just wide open now it's blank slate was your baseline?

Frances 11:24

No. So here's what you do. Start with the current value, give people pin Okay, and say for the first five minutes at the values, it just gets people in the frame of mind that they're going to be editing the value, okay? And then as 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. And so then you ask people only speak at the extremes. 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 on graphs if you want, otherwise, we will come to you. And we did that exercise. The cdmoss team, the junior we opened it up internationally over zoom. So one company we were at we 3000 people 1500 people participated over like a three week period Wow. Other companies at Uber went 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 size? What have we got again in

Ron 12:28

five years, right, right. Yeah, absolutely. And so how do you take all that and simplify because I'm getting dizzy? I'm like, oh, yeah, you know, how do you do that?

Frances 12:36

Oh, it's, you know, you start to hear schemes. It's like, you know what, you can see all the data coming in and I don't recommend doing very much with like, you could use AI I believe. I don't like it, but that's because I'm old. So. Yeah, but I can like you'll start hearing memes because when you're asking

people you 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 were doing the meetings would get together and say, here's what we 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. Yeah, you can hear the themes are default to trust. It wasn't like an idiosyncratic hate under it was like a really big straightforward product. And there's only 10 values right so

Ron 13:28

it was that was that a lot by the way because you know, we see companies that have you know, a lot of little I used to have five I tried to pare it down to 320 scale, what are your thoughts?

Frances 13:37

I wouldn't be too precious about it. 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 are 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.

Ron 14:01

In the article have 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. I did. I loved it. It's almost taking those into one. Talk me through that. How was that created? And how did it work?

Frances 14:17

Yeah, and I think that so and again, everything is contextually like you gave the context of where your questions came from, because there is a journey to it. Yeah, that's behind everything. So imagine an organization that's going to have do the right thing is a value. What do you suspect was true? Before that? Yeah, yeah. Right. And here's and I can tell you what Uber what the what the reason is, it wasn't that it was filled with bad people. But you 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 tech, 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 put to work because there were protectionist policies for taxis. So overhead to work with regulators and work ahead of regulators or else 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 hypergrowth organization. When do the right thing came in? Hoover had become a relatively mature company. It was already in all of these cities. It was already in all these countries until then decade

Ron 15:39

after the hot mess, by the way, it was yes. Okay. It came after the hot Okay, great. Keep going. Sorry.

Frances 15:45

Yeah, no, so I think that's the so that's what 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, right? We did that in the beginning of Uber. Uber wouldn't exist, right? Because all the laws were written to protect taxis.

Ron 16:12

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?

Frances 16:23

This is always the case. So every single time I've done this, you keep well over 50% of the values. Wow, okay. Every single time I've done and we're open, we're saying nothing sacred. We can have it, you could change. All 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 clarification

Ron 16:45

same values in North America, China or Mexico, same values because I think a lot

Frances 16:52

the right level of abstraction so do the right thing. In other parts of the country might not be visa be regulators it might be these are the bribes, right, right. So you have to have it at the right level. of abstraction, but it will manifest a little different than other cultures. The

Ron 17:08

core values themselves were set. There wasn't different values in China as well.

Frances 17:13

And it's super dangerous that there are Yeah, okay, great. Love that.

Ron 17:18

Last question here and then maybe we can open up for a few Yeah, I love that. Yeah. I just talked about this classroom in how do you guys engage everybody in the classroom setting that? That just blew me away?

Frances 17:30

At Uber? Yeah, we did that. Yeah. So here's the thing we got there. 15,000 people distributed and one of the things we realized is that one of the biggest strategic problems we had, was it 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 had to teach everyone strategy when physics applies. Okay. We also there was a lot of org debt in the company because people were getting promoted at a really fast rate. We had to teach them leadership. It's not their fault. When you say

Ron 18:08

physics apply. I look, this is how a startup works. We just raise a bunch of money. We're not going to be profitable.

Frances 18:13

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. We afford to do it right, basically 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 Uber were the best learners I've ever encountered. They so greedily wanted to learn really like exceptional learners. So what is partnered with HBS, which has this amazing studio called HBs online, and they had only used it for teaching 60 people at a time. And it's like the classroom but it's like, zoo, but really big zoo on steroids. We couldn't solve our problem 60 to 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 can't do it. And I was like, how about this?

Ron 19:14

I don't think you I don't think you were like that.

Frances 19:17

Yeah, no, I don't and when people say no, it doesn't I hear not now but yeah, like for a very short not now. So I was like, Look, I get what you'll think it's possible because you're a perfectionist and you do 60 beautifully and everything you've done, you've done. I know the capacity of the tech team at HBS. And it's magnificent. So what if I take the burden of all 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. So I wanted to create the safe environment for them and we set the conditions and Uber signed off anything that goes wrong, it will be us and so we really innovated like crazy and we got it up to 2500 people at a time. We they would all right reflections. They all from one to 2500 understood in the same way. It really and then that opened my eyes to education. That's how we should educate, right?

Ron 20:12

That sounds like artwork, by the way. And it really

Frances 20:15

is. And it's to the testimony of the tech folks at HBS. Who are

Ron 20:20

unbelievably that's great. Appraisers look thanks I'm going to wrap things on that. Were two o'clock. Let's do a few. You have a few minutes for questions.

Frances 20:27

I'm I'm all yours. Okay,

Ron 20:29

great. Shannon, I'll let you bring up questions. I know you're kind of monitoring things. Let me throw things out. I'm gonna let Francis take the lead if I've got anything to say. That's up to stupid. There my Oh 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?

Frances 20:50

I'd be delighted to send everybody I love quizzes. I do those with my children every night.

Ron 20:55

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?

Frances 21:10

Yeah, I'm not sure it's trust. It's being like 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 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 overcome it. And if people are just too afraid to act like I know what to do, 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 going to change it. So what I would say is if you're getting burned in that way, get to the source of the problem and address the root.

Ron 22:07

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 at least guide someone through that process, because as I mentioned, way back in the beginning, this is scary. It's scary, not just for us as leaders say, Damn, you made a mistake. It's also for the employee that says what is this going to look like? What's going to happen if I pick the wrong choice? And I think that's scary for that side. Anything else? Yeah, absolutely. Next question. Francis, 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, golly.

Frances 22:49

Yeah. So the exercise that I propose, and I have a TED talk on it, then it's a 15 minute TED talk, but I encourage you to watch it to XP because for some reason I spoke really slowly. So you could do that or you can read begin with trust to HBR article that just came out and I just got the first copy of our it's like I just can't even believe so beautiful. And it's chapter one there. But but all of that to say let me tell you, I've written about it on LinkedIn as well. You have to find us 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, do people doubt that it was a real you talking? Was it logic? That was a great idea. I mean, you know, it's you and you have empathy but oh my gosh, I'm not letting you drive. Or Holy cow, do

you? You're driving, but you're driving to your own drummer. If diagnose which it is, and then we have absolutely specific restrictions that can guarantee you'll get over it guarantee, and contact me on LinkedIn. If you read your specific comments. I'd be delighted to diagnose it and tight Sumption preferences

Ron 24:03

it's interesting so my other companies got beat a living we our purpose is revolutionising love your purpose, and love it. And so, our biggest barrier is trust we you know, we buy a building that was maybe manage I hate to say it by a slumlord. There is no trust. They don't call the landlord in New York in these plays, they call the media to get something done here, the building inspector. And I'm just thinking as you're talking our challenges, 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 Malmo or sending to website. You know, we're we're not even at ground zero of your wobble in that that's it. Don't be

Frances 24:45

don't be too clear to Chandra. I mean, pillpack is one of the most trusted health care companies in the world. I don't think anyone's ever seen a pillpack complete so how are they doing that? Yeah. Because they're super authentic, but I couldn't understand being like, yeah, so they like pillpack. Their mission is and what they'll do is send you your medicines so that you don't have to go to stores and get it. They want to increase compliance. They 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 were a noble mission in the afternoon, but we're greedy, like rifle 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 so if you asked me where to start, it's empathy, right? Oh my gosh, for sure. They've been some been empathy and nothing's gonna matter until you reveal that you're in it for them.

Ron 25:42

Right. Love that. Thanks for that. That's helpful for us. Channels. Do one last question and then we'll wrap great for our last question. How can we build trust with customers who practice a command and control management style over don't practice the same exercises that we do?

Frances 25:58

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 in for themselves?

Ron 26:03

Yeah, I believe the question refers to a b2b setting.

Frances 26:06

Oh, great. Yeah. So b2b settings. Listen, if you aren't needing then this is particularly true in these times where everybody is hit economically just shattered. People aren't going to go very far down their core needs. So you have to be meeting just an insatiable need of your client. And if you're in needing

an insatiable need of your client, you have a chance of creating a lot of value in 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 it's just what I used to do, and it used to be enough and it's not going to be when we come out of this because we used to be meeting a lot of needs in a 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 some of them.

Ron 27:05

Beautifully said. I'm going to wrap it up Francis, I just want to say it's been great to see you again.

Frances 27:12

It is nice from Halifax I remember I flew direct from Amsterdam and it stunned me to go from Amsterdam to Halifax why?

Ron 27:18

I don't know if it's like now I think maybe there was enough all he did then. And so pick up France new book 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 10 business from my perspective. I don't even think you should go into business without reading that book. Or be in business. No, right. That's very kind. So Francis, thank you once again, thanks for everybody. Sure. I didn't want to mention I just saw this. I didn't know Francis, but you and I are going to be on burns. His reinvent summit may 7,

Frances 27:49

and awesome. And now we already have a report.

Ron 27:52

I skewed it right after you I'm looking at this right now I'm right after you I'm here warm up act and it's my privilege can't wait don't steal my material. I will set you up for a lot of fun. So burns on Mark Cuban is on that. That's gonna get some yeah, great lineup of speakers. I think there's 10 or 12 or so. I'll see you then. Thanks. So much. Francis. I

Frances 28:12

prove total pleasure I buddy See you on LinkedIn.

Ron 28:15

Thanks for everything you do for the community. I want to give a special thank you to Francis Craig gave us her time samples incredible insights. Stay connected with the scaling culture podcast. Please subscribe wherever you're listening today. For more information on where you can participate in scaling culture, please see the show description. Thanks. We'll see you soon.