



# **Selling Disruption™ Show**

**With Mark S. A. Smith**

*Disrupt Your Market with Smart Human  
Resources (HR) Strategies*

*Stephanie R. Johnson*

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Mark S A Smith: Today's guest on the Selling Disruption Show is Stephanie Johnson. She is a guru in getting the right people in your organization to help you disrupt your market. What if the experience you had with human resources was 100% solution focused and in alignment with your disruptive vision? What if your HR team went beyond a compliance only approach and actually drove growth and revenue? That's where Stephanie is a guru. She helps companies figure out how to get the right people in the right place so they can disrupt the market in sales and marketing, customer support, and everywhere else you need to have those people with the disruptive mindset. Welcome, Stephanie, to the Selling Disruption Show.

Stephanie R. Johnson: Thank you so much for having me.

Mark S A Smith: Well, I'm delighted for you to be here. I've known Stephanie for a very long time. It's one of the reasons why I'm really looking forward to this conversation. How did you decide to get into this business of helping companies become disruptive through smart HR practices?

Stephanie R. Johnson: No matter what your company's product or service is, unless you're 100% in robotics, your people are your greatest asset. Getting the right people in the right position, doing things that they are naturally suited for, and managing them well creates massive momentum.

Mark S A Smith: You're absolutely right. They have to like what they do if you're going to be disruptive. If they don't like what they do, there's no way they're going to go out there and make the changes and the impact and the emotional connection to disrupt the marketplace.

Stephanie R. Johnson: That's right.

Mark S A Smith: You have figured out some interesting ways to make HR a profit center in an organization. Now, that is quite disruptive. Most people see HR as a cost. Yeah, we have to provide compliance, and we have to do the annual reports and the annual reviews and all that nonsense. Yet, you have an interesting way of actually helping HR fund itself. Tell me about that.

Stephanie R. Johnson: One of the biggest differentiators is a top-down approach. If you're looking solely at compliance, you're looking at it from a bottom-up approach. Department of Labor, EEOC, they are implementing laws and regulations because they want to protect the employee. What if you naturally got on the offense of that and created structures and cultures and teams that were automatically doing whatever they were regulating you to do from a legal standpoint, and then you aligned HR and your people management with how you attract customers and how you build sales and how you court your clients? You're going to be massively ahead of the game if you set up structures that do that.

Mark S A Smith: I can see that a company, an organization, an executive in an organization, if they took this approach to HR, it would solve a lot of problems for them.

Stephanie R. Johnson: Absolutely.

Mark S A Smith: If they're looking at HR as just a services organization versus something that can accelerate and amplify their organization, that's a huge, huge competitive advantage.

Stephanie R. Johnson: Absolutely. The further we get along in this economy that we're currently in, the more we can remember that we are in a relationship economy and not a transactional economy, and we can put the humanity back in our business. Those companies that do that are going to be massively ahead of the game.

Mark S A Smith: I think that's a really interesting viewpoint. We are in a relationship economy, not a transaction economy, and so we have to hire and have appropriate culture to make sure that gets in place in our organization. Beautiful. How do you recommend that we do that?

Stephanie R. Johnson: The first thing is to look at who you are, so as a company.

Mark S A Smith: First, what's your culture, right?

Stephanie R. Johnson: That's right. How do you intentionally want to show up with anyone that comes in contact with your brand? Whether that's a vendor, your employees, your employee's family, your clients, the general public, whoever, who do you want to be and building structures around that. I've been on the receiving end of this, and I know many people have who they've interviewed with companies to try to get a position six, seven, eight times, and never hear back. Thinking of that from a client courting standpoint, if you were trying to land an engagement or sell a product to a client, and they didn't purchase, you would probably see that from a sales standpoint that it's not a no, it's a not now. We don't do that on the other side when it comes to the candidate experience, from the talent experience. With this economy that we're in, it's getting more and more challenging to find the right talent than it is to even find working capital.

Mark S A Smith: You're right about that. Interestingly, I was doing a search just yesterday for one of my clients. As I did a search on them, up popped Indeed and Monster and Glassdoor on the front page of the search of their name. They all three displayed that this company had a three-star rating, which means that from a company employee standpoint, they're not happy with the company they're working for.

Stephanie R. Johnson: Right. That goes back to if you say you're a relationship company to your clients, to your prospects, then you better show up as that with the candidates that are trying to get a position there, because in every experience that anyone has, whether it's an interview or just dropping by your website, they are a marketing machine for you.

Mark S A Smith: Yes.

Stephanie R. Johnson: They are experiencing your brand and your brand promise, and so just carrying that along through the hiring process is massively important and has very long-term effects, because if it's a no right now for that candidate, it might be a not now. Five years from now, the economy will be massively different, and you might actually need to work with that person, or at a minimum, they might be at another company that you need to work with and have a very valuable relationship with, and you're solid with them.

Mark S A Smith: What you're saying is that candidate recruiting process is part of the marketing process of the organization ...

Stephanie R. Johnson: That's right.

Mark S A Smith: ... part of the brand experience of the organization, and I think that's a really important thing to discuss, especially in a rapidly growing business that's disruptive. The reason why is because if somebody has a bad experience as a candidate, they're going to let everybody know.

Stephanie R. Johnson: That's right. That's right.

Mark S A Smith: They have a massive voice called social media. I have begun seeing where people use a dollar a day Facebook campaigns to dis organizations that piss them off. For a buck a day, you can generate a lot of negative heat for organizations if you piss people off. I think you're absolutely right. What's the next step?

Stephanie R. Johnson: Beyond that, everything goes back to core values, mission, vision. Who are you and how are you going to show up? You've communicated. You've done a great job of starting the experience and the relationship with the candidate in an interview process. Now you're going to do that as you set them up for success in their position. Really being intentional with your org chart and the job descriptions and making sure that that is very well-aligned with the candidate.

That requires that you have all that foundational information set up prior to even recruiting and hiring this person. That looks at cognitive abilities, personality that this person has. Who is the manager? How are they going to mesh with that manager and the existing team? Getting really intentional and really measurable with how you hire and then communicating through that process of the expectations of the position, the culture of the company, and the cultural expectations as well, and going from there.

Mark S A Smith: Organizations have to realize that everybody that's in the organization contributes to the brand and the value of the company, and of course, we reward people for the value that they bring to the party. That complete alignment with org chart and job descriptions and fitting the value of the job is so important. In a lot of entrepreneurial organizations, I see failure in that area. The end result is executives spend a lot of time doing fire drills, fixing problems that should have never been hired into the organization.

Stephanie R. Johnson: Absolutely.

Mark S A Smith: What's your experience with that?

Stephanie R. Johnson: I think that when people are in startup or entrepreneurial mode, they are on the front side of their company and their vision. The hope is high. The execution is sometimes a little low. It all drills back to where are you going? Not in 60 days, not in a year. What's your legacy going to be with this company? Who do you want to be in five, 10, 20, 50 years? What's going to be lasting in that timeframe for your company, and then hiring to that. There are so many avenues to making sure that you're measuring the right person in the hiring process.

Getting back to your question, though, with these founders, presidents, CEOs who are in a fire drill every day and not able to use their highest and best energy towards the strategic vision of their company, then they need to allow themselves some space, and they need to cut some people loose. Usually it's either the Pareto principle, the 80/20 rule, or sometimes it's just one cancerous person. They are taking down the entire rest of the organization. They are massively impacting that brand that everyone comes in contact with. Taking that courage and taking the time to step back and realize who is not a long-term fit?

Mark S A Smith: All of us have made bad hiring decisions, including me. Almost every organization that I've worked with has had the wrong person that almost took them out. A lot of organizations have issues hiring the right people, because they don't know what they need specifically in that particular role. We have to hire slow and fire fast.

Stephanie R. Johnson: Yeah. I'd like to dig into what hiring slow actually means.

Mark S A Smith: Yes.

Stephanie R. Johnson: That doesn't mean moving at a snail's pace, right? That means intentionally drilling down into let's look at the org chart that we've got. Let's look at our existing team. Let's look at their defined skills and their passions and their abilities and figure out what the true need is. My team has the processes and the systems to easily implement that into your team. Depending on the position, there's the science behind the level of the position and what the needs are. The focus is the intention and aligning that intention with the clarity of your vision.

Mark S A Smith: Then what does fire fast mean?

Stephanie R. Johnson: Fire fast does not mean making a decision based on emotion. That will never get you in cahoots with the Department of Labor and the EEOC.

Mark S A Smith: Just because you got pissed off and you fire them doesn't mean that that's a fire fast thing? Okay.

Stephanie R. Johnson: Absolutely. If you are ready to fire someone because you are so emotionally driven, that is the time when you need to say, okay. This is not the right time to fire someone, because, again, it goes back to who are you? At your core value, how do you want to show up? That means showing up probably with high integrity or high energy or from a relationship place clear to the termination meeting, and remembering that that is a whole person that you're talking to and looking at, and doing it in alignment with who you are and how you want to show up.

Mark S A Smith: Does that mean that you suggest that the HR process be a full circle, not just a hire, but also what does it look like? How do we move this person on to the next position? How do we move them out if they don't work out? It's a complete system for intake as well as release if things don't work out that has to be in place.

Stephanie R. Johnson: Absolutely. I know this is going to baffle some people, but the H in HR stands for Human. There's a person or a human in that interaction. I would say that yes, HR needs to make sure that they are intentionally managing that or, at a minimum, helping the executive manage it.

Mark S A Smith: You know, every executive on the planet has that one person that they really wish they could take out into the parking lot and shoot. Then every listener is laughing right now because they have somebody in mind. How do we deal with that extraordinary situation where you really need to get somebody out of there so you can move on and continue your work in disrupting your marketplace?

Stephanie R. Johnson: Yeah. I think it comes to two key action items. First is stepping back and watching that person's behavior and figuring out is it an attitude issue? Is it they don't know how, or they just don't want to, and realizing what are their motives? Where are they at? Then asking them, having some intentional conversations to figure out if they're even aware that their behavior is out of alignment with what your expectations are.

Mark S A Smith: That could just be some old junk that just hasn't been discussed yet.

Stephanie R. Johnson: That's right. Or, you know what? They could be massively struggling at home.

Mark S A Smith: Sure.

Stephanie R. Johnson: They could be massively struggling health-wise, and so helping them to understand that they need to communicate through that and building a bridge beyond that to get to the solution, to get to the higher level of performance, those conversations need to happen sooner than later.

Mark S A Smith: You can't delay those for very long. Ugly things happen if you choose to.

Stephanie R. Johnson: Yes. There's a massive amount of responsibility that is placed on the employer from the government on the timeliness and the integrity of those conversations.

Mark S A Smith: Oh, interesting. Gotta do it right.

Stephanie R. Johnson: Mm-hmm (affirmative).

Mark S A Smith: One of the things that I've learned over the long haul is ... And this is important, executive ... that you can't hire somebody you like to do a job you can't like.

Stephanie R. Johnson: That's right.

Mark S A Smith: Sometimes we can't make an emotional decision, because the person may be doing something that's required to get the job done we just personally don't care for.

Stephanie R. Johnson: Right. I think that's a big thing that I've seen with my clients is the massive gap between a company who hires for culture and a company who hires for results.

Mark S A Smith: Ooh, interesting.

Stephanie R. Johnson: The more evolved company, it's a synergy of both of those things. The company that only hires for culture is usually the mom and pop or the start up, and they're hiring people that they know and like.

Mark S A Smith: Right.

Stephanie R. Johnson: That's why whenever they go to scale that business, their culture explodes. It implodes. It falls apart, and they end up firing their brother-in-law.

Mark S A Smith: I hear that a lot, where people say we want to treat this as a family business, but every family I know is dysfunctional.

Stephanie R. Johnson: Right. Yeah. The company that focuses on what's needed, where are we at from a macro level, and what do we need in this one position, which is the micro level, and they hire based on skill and actual intentional design, that's a company that can scale.

Mark S A Smith: We started talking about how you figured out some ways to help turn HR into a profit center, actually generate some money. Share with me how you go about doing that, and how the listener can learn how they might be able to do that for their company.

Stephanie R. Johnson: One of the things that I've done most recently for a client is help them utilize government resources to hire candidates who were already a fit for the position that they designed and needed. The last client brought in 15 grand for five positions.

Mark S A Smith: Very cool.

Stephanie R. Johnson: Yeah. That those candidates fit, the sweet spot candidate. They aligned well with their culture, and they made some extra cash because of it.

Mark S A Smith: Wow. Interesting. You can actually, by helping people that the government wants you to help, improve your cash flows and your bottom line. That \$3,000 a person can go a long way to training and bringing them onboard and even buying equipment if that's required.

Stephanie R. Johnson: Right. It's a nice safety net for the cost associated with hiring a new person.

Mark S A Smith: Interesting. You've also talked with me about how we can drive ownership mentality through HR methodologies.

Stephanie R. Johnson: Yes.

Mark S A Smith: Tell me more about what you have in mind with that. That's a fascinating concept, especially as we're hiring more and more people that have their 10,000 hours of expertise in the online gaming, which at one time, really pissed me off, but actually I think it's an extraordinarily valuable insight that they can deliver, like my five kids. They're really good at solving complex problems with people not in the same room. It's called video game. They're really good at it.

Stephanie R. Johnson: Mm-hmm (affirmative).

Mark S A Smith: How can we align with that expertise, those experiences?

Stephanie R. Johnson: First and foremost, I would like to meet a middle market company business owner who doesn't wish that all of his employees had his vision and his ownership mentality. If that's what we want end game, let's start there and work backwards.

Mark S A Smith: All right.

Stephanie R. Johnson: The massive amount of candidates who are available are millennials. What do they need? To feel solid in a company. They need a few things, but the top of the list are to know that they're making impact, to know that they're not wasting their life away without leaving a lasting impression or a legacy. The second thing is they need to know the rules of the game, and they need to know how to win it. Creating a structure and building in games or marketing things within the company as if they're games with rules and with a finish line and how to be a winner is very important to them. Helping your team to understand what it looks like to have a healthy bottom line and building a game around that and incentivizing them to get there. Helping them to understand the margins of the top line so that they understand the impact on their take-home pay of waste in the company, and making it fun. Marketing it as if it's a movie premiere.

Mark S A Smith: Oh, interesting. Tell me more about what you have in mind there.



Stephanie R. Johnson: Look at any ad campaign that exists. Look at how it shows up in social media, in advertisements in any medium, and mimic that with what you want your team to do, especially if they're a high millennial team. Especially if they're thinkers.

Mark S A Smith: This idea is really very simple but very profound. Take a look at their life they live outside of business, and bring some of those most exciting elements into the business where it supports the behavior and activity.

Stephanie R. Johnson: Right.

Mark S A Smith: It's very simple but very profound.

Stephanie R. Johnson: It's very simple, and it goes back to this relational versus transactional company model. At this point, you're still courting the candidates that you hired. You're still investing and engaging with them, and whether it's having a conversation about their performance, it's relational. Whether you're creating a campaign and something exciting to get them engaged and invested in your company's vision, you're still courting them. You're still right there.

Mark S A Smith: Well, I think it's interesting that you've called your company the experience element as part of this embracing the concept that we're in an experience economy, relationship economy versus a transactional economy.

Stephanie R. Johnson: Yes.

Mark S A Smith: Designing the employee experience is a really interesting idea, and I also think that for some of our listeners, it's a really weird idea. "Wait. This is business. This is work. They're coming here to work. There's a reason why it's called work and not play. I really am against this idea that we make work fun." What's your thoughts about that?

Stephanie R. Johnson: Why? Why would you not want to help people do the things that are easiest for their brain, manage them in such a way that stretch them beyond their current capacity and they're happy to get there, and have them see your company as their company with that ownership mentality? With the results that they create, they want to get there because they are so incentivized and engaged to do so. Why would you not want that? When you do that, you create happy employees. That is a lasting impact that goes beyond the four walls of the business that you're in.

Mark S A Smith: Yes. If you don't have happy employees, you don't have happy customers. It's a really simple and well-proven combination. Your answer is absolutely spot on. I got a little more basic answer that came to mind as you were giving this, and that is do you want employees or not?

Stephanie R. Johnson: Right. Right. The economy that we're in, and that we're moving towards is if you don't do this, you will not survive.

Mark S A Smith: You're only going to hire the best and brightest if you make work an interesting place to be.

Stephanie R. Johnson: Right.

Mark S A Smith: Otherwise, you're going to be stuck with people that aren't that bright, in which case, you're going to be installing robots to get the job done. That's a completely different conversation.

Stephanie R. Johnson: Right.

Mark S A Smith: This has been really a lot of fun. I love how we're connecting the concept of being disruptive to the right people and the right culture and the right hiring practices. Do you have something you'd like to offer to our listener?

Stephanie R. Johnson: If any of this has resonated with you, I would love to have a conversation. Conversations are easy. They don't cost anything, and they might get you to the next level.

Mark S A Smith: All right. What's the best way for people to get a hold of you, Stephanie?

Stephanie R. Johnson: The easiest way for you to connect with me is on my website, which is myelement.biz. You're going to find a lot of resources there. There's a podcast coming soon as well. That will connect you to me and all my social media.

Mark S A Smith: On the show page, we'll have the link to myelement.biz and your social media outreach. It's been great to have you on the show. Thanks for sharing your expertise and your insights on one of the most critical aspects of disrupting business, and that is having the right people who can disrupt in your organization.

Stephanie R. Johnson: Awesome. Thank you so much, Mark.