

Jerry Colonna: Hey bubbie.

Seth Godin: Jerry, Jerry, Jerry. It's good to see you man.

Jerry Colonna: Oh my goodness. We're going to just start off by saying it's probably been u-uh, I don't know, seven to 10 years since we ran into each o-, and we ran into each other at the On Being Gathering.

[00:01:00] Um, thank you Seth Godin for joining today on the call. And so everybody knows 'cause, 'cause they're going to feel the affection that we have for each other. We've known each other since 1996 I think.

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Seth Godin: Yeah.

Jerry Colonna: And uh, so everyone has some context 'cause those who regularly listen to, to the podcast know that I used to be a VC, uh with this unknown VC named Fred Wilson, um that Yoyodyne, uh Seth's company launched many eons ago, was the first investment that Flatiron made.
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Seth Godin: Yeah, and as often is the case, you're selling yourself short. You weren't a VC, you were the VC. Y-, not only did you change my life but you changed the life of literally tens of millions of people who engaged with the stuff you helped build. And not just because of tactics but because of a way of walking through the world. And from the first day I met you I knew that that's who you were.
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Jerry Colonna: So now you're going to make me cry, which is not a bad thing. Um, thank you for saying that. Um, what I have come to know about myself is that uh, and we've both been um, uh honest and open with the world about our, our own emotional vagaries. What I have come to know about myself is that the degree to which I can be in alignment between the inner and outer me, um that mitigates my depression.
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Seth Godin: Yep.

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Jerry Colonna: And uh, when I can live set in, in a way in which um, my actions vibrate well with, in harmony with my inner aspirational goals and values, then I sleep well. And uh, um so what I'm hearing you say is some- something that I have come to really l- love when people say, which is "Oh, you've just been Jerry."
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Seth Godin:

[00:04:30] You know, let, let me make a broader point. Uh, Frederick Taylor, Henry Ford, Harvard Business School, which are three problems. And the reason they're problems is Frederick Taylor brought the stopwatch to the factory and Henry Ford encouraged him, and the thinking was that there is a right answer. And that right answer might involve the exploitation of labor, the exploitation of assets or the exploitation of market, but there's a right answer. And Harvard, wanting to teach this, needed there to be a right answer the same way they teach you about um, you know, knee surgery. The thing that you demonstrated more than almost anyone I have ever know is that what separates winners from losers, not just in business but in life, isn't the hard stuff or the stopwatch or the exploitation stuff. It's the soft stuff, the heart, the way we dance with our fear, what we think when we are on the edge of the abyss.

Jerry Colonna: Mm-hmm (affirmative).

[00:05:00] Seth Godin: And you don't blink about it and you don't shy away from it. You see that there is an abyss, that each one of us is dancing at the edge of it. And I think your act of genius has been living out loud and generously teaching people that this is the most important part. And so you can say that you do it to mitigate your depression but I think the rest of us benefit from this magical side effect, which is that humans are who we are, not AIs, and as humans the search for the stopwatch and the right answer isn't the point. It's who are we dancing with and why are we doing that dance.

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Jerry Colonna: Oh, thank you for saying that. Um, I'll allow it to come in.

Seth Godin: Good.

Jerry Colonna: You know, and...

Seth Godin: I'm not backing down.

Jerry Colonna: (laughs) Um, but I'll expand on it and say that I think that, I think that there have been seminal moments uh, this is going to sound like a big-ass statement, seminal moments in human history where um, we kind of take a right turn into the abyss, if you will. And you just need three really important things. Frederick Taylor, Henry Ford and Harvard Business School. I would say that in some ways Descartes kind of set us off on the wrong track by saying, "I think, therefore I am." Uh, putting the primacy of thought over the existence of the human. And um, you know, when I was in an abyss um, uh following that time period as a, as a venture capitalist, part of what my teachers taught me, people like Pema Chodron, Sharon Salzberg, Parker Palmer, part of what they taught me inadvertently was that I exist and therefore I create all sorts of thoughts.

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Seth Godin: Yep.

Jerry Colonna: And some of those thoughts actually alleviate suffering and some of those thoughts actually um, extend suffering.

Seth Godin: Yep.

Jerry Colonna: And some of those thoughts become tools and machines and things in the world, stopwatches. And some of those are rules that, that don't actually suffice or bump stocks on AK-47s. And some of those thoughts make life easier for people. Um, and, and you, you my friend are beautiful in your capacity to find um, these gorgeous little stories that tell um, about the human experience. And, and I'm remembering in this moment um, we reconnected at the, at, at On Beings Gathering uh, a few weeks back and you stood up and you were telling the story about, I'm forgetting the country but I remember the animal, the chickens.

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Seth Godin: Ethiopia, yeah.

Jerry Colonna: Ethiopia. And the difference that the thought, "Could we make a higher protein chicken?", in effect, could have for an entire culture. And that's a thought made manifest that alleviates. It creates its own problems and challenges and y- you recognize that, but it creates that. And what I see you doing all the time is this wise collector of these uh, really beautiful data points and stories that, that elucidate um, a process of learning while simultaneously affirming a particular way of being.

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Seth Godin: Yeah, thank you. I, and I think the fork in the road for so many of your clients and for so many of us is there's two kinds of work, there's the work where we know what to do and then there's the work of this might not work.

Jerry Colonna: Yeah.

Seth Godin: And the work of I know what to do is the factory, it's the assembly line, it's the stopwatch. And we've been brainwashed into thinking that that's safe work.

Jerry Colonna: Yeah.

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Seth Godin: 'Cause it's someone else's responsibility. And where a technology and innovation and culture make things better is when we're confronting something that might not work. So that this, the EthioChicken story that I told uh, I had never told it in public before and I was telling it in front of a few hundred people who, a few of them were judging me and the rest were open and eager to hear what I had to say. But it would've been easier to tell a story I

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knew worked. But I wanted to tell a story that I wasn't friends with yet because I wanted to explore what happened when that story collided with other people. And so the collecting part's not hard, it's the connecting part that's hard. And too often we spend time collecting dots not connecting them.

Jerry Colonna: Can you take a- a- as short a time as possible to just describe what the EthioChicken story is?

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Seth Godin:

Well, so 47% of the kids in Ethiopia until recently were significantly malnourished. And the reason is that most farms are very small and that there aren't a lot of animals to go kill and eat. So uh, kids would eat eggs, but not many 'cause the average Ethiopian chicken lays one egg a week. And uh, a guy from the US uh, realized that there are other chickens that are better suited.

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So the question is how do you rebuild the installed base of chickens in a whole country? And yesterday and the day before that and tomorrow EthioChicken will sell one million six week old chickens to farmers in Ethiopia and those chickens will lay on average five lay eggs a week. I don't know what they do on weekends, but five eggs a week. And as a result, you've increased uh, egg production by five X at no cost to the farmer. And that's a complete

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game changer. And the question is uh, what will you do next? Now that you know that giving up years of your life and moving to Ethiopia can change the life of millions and millions of children, should we go watch another cat video or should we figure out another place where we can do that sort of brave work without a manual, not sure it's going to work and you don't get to start with a million chickens, you got to start with three?

Jerry Colonna:

Well, and I'm going to make a connection that I just heard you make. I'm just going to r- re-articulate it and mirror it back. There were two steps of

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uncertainty that you've just identified. One was the uncertainty that you felt whether or not you should share this story, 'cause it's not necessary a story that you had told before and therefore, to use your language, was friends with. And the other is uh, the entrepreneur who decided to try, to, to manifest this thought, "Huh? What if we actually had a different breed of chicken available? What would that ha-, what would happen?" There's a, there's that moment of uncertainty ...

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Seth Godin:

Right.

Jerry Colonna:

... crossing a kind of abyss of unknownness.

Seth Godin:

Yep.

Jerry Colonna: And because uh, in a small way hu-, you might of had to experience humiliation in that room full of people. I, I, I think you're, you're emotionally resilient enough to be able to have handled that. That's fine.

Seth Godin: Yeah.

Jerry Colonna: But ...

Seth Godin: Certainly not life or death.

Jerry Colonna: [00:13:00] Right. And in this case, I don't know the life story of thi-, of this entrepreneur, but I can say that there was a moment of facing a potential of humiliation that ec-, that, that, that comes from, "So you quit your job and you started raising chickens. Ha! What did you think was going to happen you idiot?"

Seth Godin: [00:13:30] Right. And we've, we've weaponized that, right? So, so David grew up in a, a normal, you know, American household cultural thing and you don't win any prizes for saying you're moving to Ethiopia to raise chickens on a shoestring. We get what we give prizes for so, you know, one of the only reasons that Silicon Valley works is you're likely at Trader Joe's to be surrounded by people who are encouraging you to do the thing you're doing, right? But it also leads to a, a new kind of group thing, which is there's a certain thing that they respect and honor and if you're not doing that thing, again you've got to fight against the status quo.

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[00:14:30] So just, it's this narrative in our head, the drama uh, it's, it's as real as a lightning bolt from the sky if it causes us to not move forward. And, and you know, and so what, what Pema and your other teachers I think would say is we need to feel the feeling but drop the narrative. 'Cause the narrative is what keeps the feeling coming back again and again and again. We can experience the feeling and say, "In this moment I'm feeling uncertain 'cause I feel like I have a lot to lose." If we say, "Oh, I feel a little uncertain but I'm not going to keep reminding myself of the story. I'm just going to experience that and do it anyway." Then we have a chance to do that work we're proud of, not just to fit in and follow instructions.

Jerry Colonna: [00:15:00] Yeah, they, the uh, k-, Pema's got this gorgeous tiny little book called "Comfortable with Uncertainty", which is 108 sayings um, and it's 108 because 108 happens to be the number of beads on a mala and it's a very magical uh, I love Tibetan magicalism. It's, you know, it's ...

Seth Godin: They love enumerating things in numbered lists.

Jerry Colonna: Ye- uh, totally.

Seth Godin: (laughs)

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Jerry Colonna:

Anyway, Pema has this beautiful teaching um, in which she advises to sit like a mountain in the midst of a hurricane, um where all around us the weather is happening, all around us the storms astir. And, and, and what I love about that, I mean just as, as an image, it's a gorgeous image uh, of life advice. But,

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but it's also this gorgeous image of how should we be when we're David saying, " Yes, I have this idea about chickens and Ethiopia." And the storm is internal, it's, it's the all those counter thoughts that say, "What are you crazy? You're not going to move." Or external, there's a spouse uh, who's terrified or uh, colleagues who say, you know uh, um, "What are you thinking of doing?

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What are you up to?" Or just the, the collective, unconscious expression that says, "Stay behind your gated fence of your community. Don't go to that edge."

Seth Godin:

That's right. And a key part of it is the mountain is not allowed to say, "I can't get wet, erosion is not permissible, I must remain the same mountain I was yesterday." Mountains don't get that privilege. Mountains have to say,

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"There's a hurricane, I'm going to lose some trees, some topsoil is going to go away and I'm going to get really wet. What else you got?"

Jerry Colonna:

You know, I keep, he, he keeps sitting in my mind as we're talking, maybe because of the chicken association but there's a, there's a guy named Kent who came on the podcast one time and, uh I'll tell you a quick little story about it. He wrote to us and he said, "My wife has been bugging me to listen to your podcast. She began listening to the podcast and she said, 'You really need to go on it.' And I listened to your podcast talk about" ... where I was talking about somebody's superpower and the superpower was their ability to cry.

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Seth Godin:

Mm-hmm (affirmative).

Jerry Colonna:

Their superpower was their ability to feel. And he said, "What is my superpower?" And he told his story. So Kent grew up in um, I think it's Minnesota and he grew up a um, son of farmers and grandson and great-grandson. And, but he and his brother um, uh went to college and got deg-, engineering degrees. And Kent had developed, has developed, a robotic, think of it as a Roomba, that moves through the cornfields [inaudible 00:18:14] more accurately applying seeds and fertilizer and pesticides ...

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Seth Godin:

[crosstalk 00:18:20], sure.

Jerry Colonna:

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... so that it does not, so that you don't have the runoff problems, so that you're more efficient, so that uh, you're basically, as he said, taking care of the land that is a precious gift that comes from our ancestors.

Seth Godin:

Yep.

Jerry Colonna: And uh, and, and this'll come back as one of the things I wanted to talk about was an old book of yours called "The Dip". And he was calling to see, "Should I quit or should I stick?"

Seth Godin: Mm-hmm (affirmative).

Jerry Colonna: [00:19:00] Because the truth is, this is not something where the Silicon Valley VCs are knocking on the door saying, "This is the next Snapchat." Or I'm sorry, Snap, not Snapchat. That's how old I am. "This is ne-, this is the next whatever." Like all he's trying to do is preserve the quality of the land and feed people. That's all.

Seth Godin: Right, and this isn't a marketing podcast so I won't chime in with my marketing take on that.

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Jerry Colonna: (laughs) So, but, but, but if we can loop it back if we will to one of my favorite little books, and you do some wonderful little books and some wonderful big books, and we should note that you both and you've done some amazing books over the years, life-changing books my friend.

Seth Godin: Thank you, thank you.

Jerry Colonna: Okay. And I'm looking over the video of your shoulder and I'm seeing "Purple Cow" there and I, I'm seeing a whole collection of books but I know the effect that your work has had on people.

Seth Godin: Thanks.

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Jerry Colonna: The, but "The Dip" always struck me as a really interesting little book.

Seth Godin: Mm-hmm (affirmative).

Jerry Colonna: Because I relate to it. An- a- an- and, and I th-, you know, so I think, and as I'm thinking about your David in the EthioChicken and I'm thinking about my Kent and his growbot, it feels like we're often faced with that quit or stick moment.

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Seth Godin: And most of the time we don't realize it.

Jerry Colonna: That was, that, yeah, I was feeling that. Tell me more about that.

Seth Godin: So I don't know about other authors but one way to frustrate this nonfiction author is to read a book I wrote and not get it. And "The Dip" is a book that

[00:21:00] lots of people got, that it changed their life. It's also a book that a lot of people didn't get. And they get to the end and they say, "Yeah, but it, it didn't tell me if I should quit or stick." And I was like, "Yeah, because the purpose of the book is to tell you you need to pick." And we don't often pick. So let me explain the thesis of the book. The thesis is that even in a post-industrial world, scarcity drives almost everything where we associate there is value. Scarcity is based on the fact that there isn't enough. So in many parts of the world people are lucky in that fresh water from the tap is not scarce. And because it's not scarce it's almost free.

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[00:22:00] On the other hand, if you live in a place where fresh water is scarce it could cost you your life because it's so precious. Okay, so why is it that doctors get paid more than jugglers? Well, it could be because we need a doctor to save our life and a juggler's not going to save our life. But the main reason is there are way more jugglers than doctors compared to the demand for each. And the scarcity of doctors is what makes being a doctor quite valuable. If there were 10 million heart surgeons in America, heart surgery would be a lot cheaper.

[00:22:30] So what creates the scarcity? Well it turns out that for many things where we associate value the scarcity happens because there is a dip. Lots of people start and almost no one finishes the process. So if you're thinking about, you know, six-pack abs, which many people think are attractive, lots of people join the gym in January and most people quit in February. And if they had just made it till April they'd be in shape, but they quit in February because it's fun to join the gym, you get to tell everyone you joined the gym, you have a new habit, possibility and hope. It's also fun to quit the gym because now you don't have to get out of bed in the middle of the night and blah, blah, blah. Most things that people try that are valuable, almost everyone quits along the way.

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So if we think about the startup world, lots and lots of people say they have an idea for a company. Lots and lots of people write a business plan. But we go from lots and lots to 10 make it to the end, to the IPO thing. Where did all the other people go?

Jerry Colonna: And, and, a the, uh with the IPO being perceived as some sort of end [crosstalk 00:23:28]

Seth Godin: Some sort of end, right.

Jerry Colonna: Yeah, yeah.

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Seth Godin: But, right, so where they went is they quit in a fairly predictable spot, that people quit most things in a fairly predictable spot. And if you know that that's

true, the argument of the book is do one of two things, either don't start or begin knowing that the journey has a dip and be prepared for it.

Jerry Colonna: I'm going to, I'm going to take this moment and I'm going to read from the book to you.

Seth Godin: Please do.

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Jerry Colonna: Uh, you, uh you wrote, "The Dip is the long slog between starting and mastery. A long slog that's actually a shortcut because it gets you where you want to go faster than any other path. The Dip is the combination of bureaucracy and busywork you must deal with in order to get certified in scuba diving. The Dip is the difference between the easy "beginner technique" and the more useful "expert approach" in skiing or fashion design. The Dip is the long stretch between beginner's luck and real accomplishment. The Dip is the set of artificial screens set up to keep people like you out."

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Seth Godin: Exactly. Now, there's a danger here, a huge danger. And the danger is some people have a structurally defective idea or approach and they persist. And they persist and they persist and they persist because they believe that persistence is all that is required. And so I hesitated with the book because if I was going to encourage someone like that to waste three or four years of their life on the wrong idea, that would break my heart. And so I think there is room for process and technique and understanding and insight, a lot of room for it. So I begin this thing with the assertion that uh, you're on to something. And so I would argue that the growbot, from what you've described, is on to something. It's not a ridiculous idea. It's not saying, "I'm going to make headphones out of candy," right?

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Jerry Colonna: Mm-hmm (affirmative).

Seth Godin: That there's also some problems with headphones made out of candy, they get stickiness on your ears, they don't make sounds, et cetera. But even when we have a decent idea, even when we are a musician who people come back to night after night or uh, an inventor who's built uh, an appropriate device for the farm, we're still going to hit the dip. And the question is when the dip occurs what are you going to do about it? And if you view that as a referendum on your quality as a human, if you go into high alert, DEFCON 5, acting like you're at war, all of those processes are where suffering starts to show up, right? That [inaudible 00:26:31] the difference between what we want and what we have. You need a little of it to keep going, but if you have too much of it because you've just, you've catastrophized the whole thing, you've just signed up for a, a lot of unhappiness.

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[00:27:00] And so when you and I were working together it was really interesting because I knew that working with you and Fred was an appropriate dip. I knew that it was going to be the hardest work I was ever going to do but if I could get through to the other side with support from people like you guys, uh which was obvious and manifest from the first day I met you both, the other side would be worth that effort.

[00:27:30] But there was another board member who was a short-cutting shyster, bad guy, and he made my life difficult every time I talked to him. Not because it was going to help me get through the dip but because he was a bad person, literally a bad person, and he was enjoying watching me suffer. And distinguishing between who's on our team as we go through the dip and who's not and who are we listening to and who are we ignoring are essential, 'cause we know it's a dip, right? So if you're going to have to walk across the Sahara, yes bring water, but also bring a Land Rover and bring s-, a team of people with you who you can trust. Because there's a dip here, and let's not pretend there isn't.

[00:28:00] Jerry Colonna: Right. Um, and I'll just say I know who you're talking about and he'll go unnamed and um, uh in my more gracious moments I can see his suffering manifested in the violence that he perpetuates in the world, and we'll leave him over there.

Seth Godin: Okay.

Jerry Colonna: Um, I had this connection when I was rereading "The Dip" this weekend with a podcast conversation I had, uh a few month ago with a young filmmaker whom you may know, Jeff Orlowsky. Jeff uh, did a film called "Chasing Ice" which uh, won a whole series of awards including an Emmy, uh because it was also shown on television, I think Netflix. But um, and what, what Jeff did was um, just to summarize quickly, he uh, uh ended up as a young, um college student, uh volunteering himself as a unpaid intern to work with James Balog, who's a climate sci- scientist and photographer, who went around uh phot-, setting up over a three year period photographing glaciers as they've been disappearing.

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Seth Godin: Yeah.

Jerry Colonna: And Jeff, who uh, was not, did not perceive himself as a filmmaker but, as he tells in the podcast, went to college thinking he was going to either be a professional cyclist, a professional pianist or a professional photographer.

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Seth Godin: Okay.

Jerry Colonna: [inaudible 00:29:37] one of those three. Ended up becoming savvy enough to build websites for photographers, his father was a photographer, and so found his way, tumbled his way by staying open, uh tumbled his way into this opportunity where he suddenly finds himself in Greenland setting up cameras, automatic solar-powered cameras to photograph, you know, every few minutes around the w-, clock, right? For, for, for months at a time. And then having all this footage and then making a film. Anyway, in that conversation we were talking about um, the role of what I refer to as asteroids that come into your life and strike you in a particular way, change your life, change the course of your life. And he describes being at summer camp in high school years, um a y-, a youth leadership camp in upstate New York and sitting around the campfire and one of the elders in the camp telling a story, he's a chess player, and speaking about the strategic retreat.

Seth Godin: Mm-hmm (affirmative).

Jerry Colonna: And the strategic retreat realizing at some point in Jeff's life, realizing that he was not actually going to be a professional cyclist, a professional pianist or a professional photographer, but the asteroid had hit him and he was in fact, not even a filmmaker, he sees himself as an entrepreneur focused on social impact issues whose medium h-, and art happens to be film for now.

Seth Godin: Yep. Yeah.

Jerry Colonna: Um, and I'm w-, I'm curious if you, i-, how you respond to this notion of the strategic retreat.

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Seth Godin: Okay, so the number of people that you and I connect with g-, now and going forward who own a factory is very low.

Jerry Colonna: Yeah.

Seth Godin: My dad, who passed away a couple years ago, owned a factory. And um, in fact ...

Jerry Colonna: Our friend Steve Kane's father owned a factory.

Seth Godin: Yes.

Jerry Colonna: Go ahead.

Seth Godin: [inaudible 00:31:42].

Jerry Colonna: Yeah, yeah.

Seth Godin: And um, so what do we own? You know, we own a very singular asset, two of them. One, what do we know? And two, when people think of us, what do they think? Do they trust us? And so you can call it a network, you could call it connections, but I don't like to think of it that way. I like to think of it as are there humans in the world who think of you a certain way and trust you a certain way? That's your asset. Combine that with what you know, what are you good at, and that's who you are. That's your factory.

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Jerry Colonna: Yeah.

Seth Godin: So when you think about your dip and your career and the impact you're making, any project where taking a step back will increase the value of those two assets is not a retreat, it's actually an investment. Whereas if going forward involves double-crossing people, wasting an enormous amount of time and learning nothing, you better be really sure that on the other end of that dip there's something that was worth it.

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Jerry Colonna: Mm-hmm (affirmative).

Seth Godin: Because you're going to be around a lot longer than this project. And then the question is what's the shrapnel you left behind and what are people saying about you to your face and behind your back? Because if you've built the asset of insight, expertise and trust you're going to get to make an even bigger impact next time.

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Jerry Colonna: Uh, I love that. I love that 'cause the, the truth is I've played chess and I understand the role of the strategic retreat in chess, but I never liked the word retreat. And what you just did was you gave me a way to connect that. Because what I saw, I mean the, the, the image I like is the way one crosses a lake with a sailboat, which is tacking, right? And reading the wind rather than necessarily saying, "Well, I h-, I need to get to the other shore so let me just set off across the lake."

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Seth Godin: Yeah. I'll tell you one other cool thing about sailboats. If the wind is at your back you don't go at your fastest speed straight across the lake.

Jerry Colonna: Right.

Seth Godin: Even when the wind is at your back, going sideways across the wind is actually faster than going straight downwind.

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Jerry Colonna: Right. And I like that notion of reading and feeling. And, you know, you made this point about how um, my way of being and my, my, the counsel that I can sometimes give is about heart. What I actually think I'm doing is asking people

to use their heart to feel which way the wind is, i- which way is it best to trim your sails to the winds that you're dealing with.

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Seth Godin: Yes. It's very important to distinguish the feeling in your heart from the feeling in your amygdala because your amygdala is a wily beast.

Jerry Colonna: (laughs)

Seth Godin: We are afraid of a lot of things and often, and I have encountered people who are on the I'm going to, just going to say the woo-woo side of spirituality.

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Jerry Colonna: Yeah.

Seth Godin: Who will use heart talk to justify hiding talk.

Jerry Colonna: Yeah.

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Seth Godin: And what makes you a spiritual warrior, which is a fascinating expression, um is there's not confusion about the two, that we can distinguish between the thing we wish would go away, the thing we wish we could avoid, the thing that's making us really uncomfortable, which is something we have to do.

Jerry Colonna: Yeah.

Seth Godin: Versus the thing that probably would work but wouldn't make us proud, probably would work but wouldn't nurture us. And in those situations, that's when we should walk away. And so when I think about projects, people, uh industries that I have quit, in general I'm glad I did because in general I did it for the right reason. I said, "These people, I know what they want and I know how they want it and it's not going to make me better so there's no sense in me" ... You know, the, the one I'm thinking about right now, a- and you can see it over my shoulder if you want to try to guess, but it was my biggest client, a, a third of my business when I was a book packager, and it was a very successful project that I created and initiated and kept my promise. But the client got angry that it was so successful because my share went up as it succeeded.

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Jerry Colonna: (laughs)

Seth Godin: And they thought that I had intentionally made it successful so that I would do better. Who knows? And they started sending lawyers to meetings and they were very difficult.

Jerry Colonna: Mm-hmm (affirmative).

Seth Godin:
[00:37:00] And after two months of it, four months of it, where we had danced and danced and danced and done good work, I said, "You know what? You are training us to be good at working with difficult people and I don't want to become an organization that's good at dealing with difficult people." So I just gave them the project. I just said, "This is what you want, keep it." And the project went on to become quite successful and it took my team less than two months to replace the business, because suddenly we were energized by the understanding that we could do the work we wanted to do with people we wanted to do it with. And so quitting that, as opposed to going through the dip, even though it would've been super profitable and I could see the path, it would have made my asset, me, into something I didn't want to become.

Jerry Colonna:
[00:38:00] Yeah, so that, so that, uh and I don't like the word pivot, I'm not 100% sure why, but that strategic shift, rather than forcefully white-knuckling your way through it, "No, that's what the contract says. Dude, come on, you owe me this money," amygdala-driven, fear-driven anger w-, uh what, what I hear in that story is that you pulled back, I'm going to project into it a little bit, you said to yourselves perhaps, "What's actually important to us?"

Seth Godin: Yep.

Jerry Colonna: "What do we actually care about?"

Seth Godin: Yep.

Jerry Colonna:
[00:38:30] "Uh oh, we actually care about doing good work with people we like. Let's not invest time and energy building the muscle of being in confrontation with people we don't like."

Seth Godin: Yes.

Jerry Colonna: "Because that actually might manifest more of those conversations."

Seth Godin: Exactly. That's how you, that's how you get those, more clients like that, is you've earned it, right?

Jerry Colonna: You've earned it and you create them.

Seth Godin:
[00:39:00] And so this is where we need to talk about scale, 'cause so much of the [inaudible 00:38:47] and the suffering that you're counseling people away from is somewhere along the way they came to believe that raising more money is better than not raising more money, that getting more aren't they big media is better than not, that th- scale is such a bizarre concept that the companies that are big today are so much bigger than IBM 1968, so much bigger than what were considered titans then. It's all relative. It's all a status

[00:39:30] game. It is not actual, it is not um, we're not basing it on the absolute number. We're basing all of this narrative on relative numbers. And, you know, I got very frustrated with, my kids both went to public school, I got very frustrated with uh, the sports program because they act like there's a shortage of soccer trophies, that the purpose of soccer in high school is to win. That's absurd. That's not the purpose. The purpose is to teach people to be on a team, to teach them to contribute, to teach them to put in effort even when they're not winning, right?

Jerry Colonna: Or even when the field is muddy and it's raining.

Seth Godin:
[00:40:00] Exactly. So, you know, the coach is up, the team's up by five points but they still don't put the second string in, because second string hasn't "earned it". Well how is the second string ever going to earn anything if they don't get to play, right? So, the, the point of the rant is in a culture where the easiest thing to do is compare, "I have more Facebook likes than you, I have a higher SEO than you, I have more than this and more than this and more." Tha-, we do what's easy. But that's not what's important. And if you can identify who you seek to serve and serve them at the appropriate scale, who cares if there's someone bigger than you? Why is that worth suffering for?

[00:40:30]

Jerry Colonna: You know, you, you, you, you made an observation before and, and I, I, I hear the admiration, and, and again I'll take it in, this notion of spiritual warriorship. And you were, you were relating it back to what one of my teachers, [inaudible 00:40:52] Rinpoche, called spiritual bypassing, which is the use of spirituality to actually avoid real issues.

[00:41:00]

Seth Godin: Yeah.

Jerry Colonna: Um, and I think that what you're, what we're talking about now is another form of bypassing where perhaps the soccer coach ...

Seth Godin: Right.

Jerry Colonna: ... is avoiding a, a particular feeling, which is paucity, which is emptiness inside of me.

Seth Godin: Yep.

Jerry Colonna: And that the only way I can do that is to build, now we'll switch gears again, to build the next tech ti- titan.

[00:41:30]

Seth Godin: Yeah.

Jerry Colonna: Because the, because scale becomes, in effect, a, a, a proxy, uh or, or, or a medicine, ill-used, ill-applied medicine, for feeling small myself.

Seth Godin: Yeah. And it also makes it easy to avoid difficult conversations because the easiest conversation is how do we get bigger now? How do we close this deal?
[00:42:00] How do we get more basis points? How do we get better terms? Those are easy compared to what's underneath the skin of the person sitting next to me?

Jerry Colonna: Yeah.

Seth Godin: Right? Or what am I afraid of? Those are hard conversations ...

Jerry Colonna: Yeah.

Seth Godin: ... and so we avoid them because the public says, "Oh no, it's way better that you were on Vanity Fair's list of the powerful people."

Jerry Colonna: Yeah, see there's, there a phrase that I hit upon a couple years back that um, is one of the components that we try to teach. It's only one but it's a powerful one and, and I, and I, and I defined it as radical self-inquiry. And it kind of goes like this, "What am I really up to?"
[00:42:30]

Seth Godin: Yeah.

Jerry Colonna: "Like really. Like, why do m-, a- and why did I launch this business in the first place?"

Seth Godin: That's right.

Jerry Colonna: See, whe-, whe-, whe-, when, when we work with a client or a client company and we're encountering what feels like an insurmountable, intractable internal problem, we will sort of throw a curve ball at them and say something like, "Well why did you launch the business in the first place?"

Seth Godin: Yeah.

[00:43:00]
Jerry Colonna: Right? And I think that you naturally got to that in that story you told about the client that was so difficult, who was bringing in lawyers and all this stuff. What I think you connected back into was your inner alignment with your inner v-, not you personally but a collective inner alignment of what, what do we want to do with this business?

Seth Godin: Right. And it's really hard to do it when you're about to miss payroll.

Jerry Colonna: Yeah.

Seth Godin:
[00:43:30] And so we add this other drama. And the thing is that so many people who manage to get to the next level in tech aren't in danger of missing payroll again, but they're remembering the way it felt and so they'll still stuck in that mode. So I was lucky enough that even though those were not easy times for my organization, somehow I got back to the truth of why I was doing this. And I think part of it was I knew I could make more money at Goldman Sachs, I
[00:44:00] knew I could make more money in a "real job". So every day I didn't go and do a real job I better have a good reason for that. And it's not so that later I win, it's so that today was worth doing.

[00:44:30] So I want to just, um throw in a little aside here because it occurred to me, I'm being indirect and you're being direct in the teaching that we're doing. So the altMBA, uh which is the school I run, we talk about the hard stuff, not the soft stuff, as a way of getting people to engage with us. But once they get in, over the course of the month, it keeps coming back to the soft stuff. Over the course of the month what people are realizing is, "This is a cool little technique but deep down where is my empty spot that I'm trying to fill?" And I have such respect for the people who are raising their hand and coming to see you and your team because you're leading with that and then that takes a, a, a s-, a big step forward, um because, unlike hard stuff, there's no easy answer for any of this.

[00:45:00] Nobody says, "Oh, thanks," after five minutes. "I got this." It's not like, "Oh, you just need to change these three variables and your SEO will get better." And I wouldn't have it any other way. That what's the point of spending 100 years of your life on the practice of what we do if it's all involves changing some variables in some, uh python code? It's not that. It's this endless slog of peeling an onion and realizing there's nothing to hold onto. And the deeper I get into it the more thrilling it is to be able to help people see that that's the hard part.

Jerry Colonna:
[00:46:00] You know, I, I uh, I appreciate the distinction that, that, that you're making and I actually feel more alignment with the way you're approaching things with altMBA, uh, uh then perhaps you defined it in that way. Um, because a lot of the folks who come out, um or who, who re-, who reach out either to Reboot generally or to me specifically, they will say, "I don't know how to be a CEO." And I will implicitly promise to help them learn how to be a CEO. But the little jujitsu move I will do is, "But humor me."

[00:46:30]
Seth Godin:

Tell me about your dad.

Jerry Colonna: "Tell me about your dad. Give me 10 minutes. Just give me a few minutes to do this." And, and um, Khalid Halim, my, my co-founder and partner says we smuggle in consciousness. Um, and I think that you and I are trying, in a sense, to do the same thing, which is provoke a certain kind of conversation.

Seth Godin: Yep.

[00:47:00]

Jerry Colonna: You know, a, a few days ago uh, a, a fellow has come to a number of boot camps um, uh, um, and he came to Boulder. Um, a number of boot camp alumni have now formed their own little circle, we call them circles, and they're meeting in person and they're doing this without us, which just makes me super happy, right?

Seth Godin: Yeah.

Jerry Colonna: So they're just, then we're going for a walk and he said, "You know, several years ago I had successfully raised a bunch of money at a way too high valuation and I hired 55 people and now, and, and I had a half a million dollars a year in revenue. And now I have 12 people."
[00:47:30]

Seth Godin: (laughs)

Jerry Colonna: Right, right. "And now I have, you know, um 12 people and we're on track to do five million in revenue."

Seth Godin: That's better.

Jerry Colonna: Right. And a-, and he's like, "And I'm happy and I'm spending more time with my son and I have two great people who are effectively running the business and I'm thinking about big strategic issues and I don't feel so anxious anymore and this is magical."

Seth Godin: Yeah.

[00:48:00]

Jerry Colonna: And what he said was, "You know, I, I, I want, I, I, I, my wish is that others could experience running businesses in this way." And, and let's acknowledge that there are some people, Tim Cook does a magnificent job with Apple, God bless and Godspeed. That is not the way, that's not my job.

Seth Godin: Yeah.

Jerry Colonna: That's not my karma, it's not who I am. But if there's a little band of um, dreamers like you, like myself. And, and I think I'm going to bring you back in time. I remember when you sold Yoyodyne to Yahoo. And if I remember correctly you made a deal with Yahoo where you weren't going to have anybody reporting to you. And there, there was a glimmer of everything that you're talking about just in that first deal. Am I remembering correctly?
[00:48:30]

Seth Godin: Well, this is, I don't know if we have another hour.

Jerry Colonna: (laughs)

[00:49:00]

Seth Godin: Um, it was, it was one of the most difficult years of my life.

Jerry Colonna: I remember that.

Seth Godin: Uh, it was emotionally challenging. Uh, the relevant thing here was, yes, my goal was to show up as an agent of change, not as a manager, I had a couple complications. There, there were five people at Yahoo who voted on acquiring my company, four said yes, one said no. So they thought it would be good to have me report to the person who said no ...

Jerry Colonna: Oh my God.

[00:49:30]

Seth Godin: ... so I could persuade him that it was a good idea. Um, but after I'd been there for six weeks I had a list of really cool things that we had developed, some of which have come into the world in other ways, not with me. And I went to Jerry Yang and I said, "Jerry, here's the deal, I would like to cut my salary by 80%. I would like you to uh, let me rent an office two blocks away for \$600 a month and I will bring you the businesses that you're busy spending a billion dollars to buy because we could build them faster." And he looked at me and he said, "Seth, I would love to have you do that, but then everyone else would want to do it too."

[00:50:00]

[00:50:30]

And that was such a startling thing to hear because that's not a good reason to forfeit the future of your organization, nor was there anybody else who actually wanted to take responsibility for having a clean sheet of paper and bringing back something that was going to work. And that's who I am. I don't work in a company, I work in a studio. And in a studio you deal with a different set of problems. It's not the problem of how do I bend the bureaucracy to my will? And it's not Tim Cook's problem of how do I manage with reliability? It's how do I see something that's not there yet? And so the thing that I wrestle with, when I'm not doing good work, is what am I afraid of? Because if I can dance with that fear I'm way more likely to say something surprising.

[00:51:00]

Jerry Colonna: Perhaps, and, and we'll start to wrap on this I guess, perhaps I, I had a question as you were saying that, that formed, which was can we all build studios? Which is an interesting [inaudible 00:51:19]. And then I would add to that, what is the role of facing our fear if we want to build studios?

[00:51:30]

Seth Godin:

[00:52:00] Okay. So I believe uh, nurture is 500 times more powerful than nature. I think where you grow up, how you grow up, what you're informed by, who you're surrounded by, who are your three closest friends, those things impact us. So is everyone capable of saying something original, something funny, something generous? Is everyone capable of connecting and touching others? Absolutely. Is it natural or easy for many people? Definitely not. But neither is running a marathon. So it's a choice. Uh, and the question is, as each of us, if you are not being replaced by a computer you are way more likely to have a job with degrees of freedom than any time in human history. If you have a job with degrees of freedom, you're in a studio. And the more degrees of freedom the more it's like a studio.

[00:52:30] So if you want to thrive going forward, you're going to have to figure out how to do a job that someone didn't tell you to do, 'cause if it's a job that someone tells you what to do they'll find someone cheaper than you to do it. And I firmly believe that going forward our challenge is to build business model structures where we're not just screwing around when we're in the studio but we actually have a chance to create value and sustain ourselves. Because otherwise it's just a hobby. And there's nothing wrong with hobbies but it's hard to do a hobby all day.

[00:53:00] Jerry Colonna: I'm going to, I, I love what you just shared and if I can elaborate on it, I think that uh, I often speak about the fact that we're at a pivotal moment where we have an opportunity to build businesses that are nonviolent to the self ...

Seth Godin: Yep.

Jerry Colonna: ... nonviolent to our community and nonviolent to the planet.

Seth Godin: Yeah.

Jerry Colonna: And, and I think that what you've just described is a, is an essential element of building that business.

[00:53:30] Seth Godin: Yep.

Jerry Colonna: Which is if each of use uh, had the courage to go through the slog of creating a studio, tur- t-, their, you know, I, I, speaking back to the client that I took a walk with the other day, he was emulating the startup playbook. He was r-, he was, he was following the startup playbook. He raised the right amount of money and he built the team and he had the VP of marketing, even though they didn't have a product market. But he had the VP of marketing, right?

[00:54:00]

Seth Godin: Yeah.

Jerry Colonna: And then all of a sudden, through a series of very profound, radical self-inquiry style conversations where he said, "Well what is it, the business that I've really created here?"

Seth Godin: Yep.

Jerry Colonna: And, and all of a sudden the per employee, by the way the company is now profitable, right? Not just \$5 million in revenue but profitable, right? So it's now self-sufficient, ch-ch-ch, it's a little machine ...

Seth Godin: Yeah.

[00:54:30]

Jerry Colonna: ... in which human beings get to grow and actualize into more of themselves.

Seth Godin: Right.

Jerry Colonna: I think that, that all of that, in a sense, comes down to facing the fear of being humiliated, facing the fear of failure, facing the fear of being told, "You're not a member of the tribe. You're not one of us."

Seth Godin: It's like being dead, isn't it?

[00:55:00]

Jerry Colonna: Yeah, yeah, yeah. But if we do that, then 20 years later two old friends get to have a gorgeous conversation on a podcast. And even though we had different paths my friend, we actually had very similar experiences.

Seth Godin: It's true. It's true.

Jerry Colonna: I want to say thank you and that I love you.

Seth Godin: You're amazing. Namaste my friend.

Jerry Colonna: Be well.

Seth Godin: Cheers.