

Gi Costi

The Power of Kindness

WITH GUI COSTIN

As the Leader Grows with Ken Joslin

KEN JOSLIN: Welcome to the As the Leader Grows podcast. I am your host, Ken Joslin, former pastor turned coach and host of CREATE, the number one faith-based entrepreneur conference in America. And my mission is to help faith-based entrepreneurs become the best version of themselves by growing in what I call our core five-- faith, health, relationships, business, and finances. We do that in a couple ways in our weekly GSD collective meetings, our quarterly mastermind that meets around the country, and our annual CREATE conference that I host in Atlanta every January. Remember, the world deserves the best version of you. Hey, guys. Welcome to another episode of As the Leader Grows. I've got a really cool special guest for you guys today, Gui Costin, all the way from Philly, even though we're doing this over the internet. Gui is the founder and CEO of Dakota, founded that in 2006. And since then, not only has he published a best selling book, but he's helped raise over \$40 billion, with a B, through his equity firm. Gui, man, thanks for being a guest today, my friend.

GUI COSTIN: Thanks for having me.

KEN JOSLIN: Hey, take a minute, and just tell our audience a little bit about you, maybe a little bit deeper than I just went in on your intro, a little bit about you, where you're at, and what you've got going on currently.

GUI COSTIN: Sure. So we founded our firm in 2006. And I'd say, just think of us as a sales organization. And we work with investment firms and help them raise capital for their investment funds. It's a highly competitive world, as you know, if you think about the investment world. And over the course of since 2006, up until 2019, we built a database of institutional investors, both domestically and globally. Then in 2019, we decided to take that database really for our own purposes

and commercialize it. And so other investment firms could subscribe to it. What that really means is it allows them to keep CRMs up to date in real time. And so those investment firms or fund raisers like us can tap into a resource where they can set up meetings with investors to raise capital for their funds. And that's grown into a business of 65 people and 1,200 investment firms as subscribers, so a really fun business to build.

KEN JOSLIN: I love that, man. We did a little interview, kind of a connection, off air a couple of weeks ago. And the one thing that I was just uber impressed with what you've done has been the team that you've built around you. You guys have been going since 2006, almost 20 years. Talk a little bit about the development of your company and the development of your team, and the importance of the team in your eyes at the very beginning.

GUI COSTIN: So if you think of now, I've been doing this a long time. But if you think about any business, any organization, I mean, a church, a team, a business, you name it, everything's a people business. And, as I say, I don't want to use-- I have a funny term when I talk about culture. It's very easy to be think of a negative connotation. It's easy just to say whatever you want, whatever comes into your brain, when you're interacting with your team. However, if you're thoughtful, and you actually care about them, and you have a sense of kindness, you can attract unbelievably talented people and keep them for a long time. But it really comes down to the words you use and how you treat them. And that's why culture is an overused-- it's a great term, but it means nothing today. Because everyone says the word. But it's really, in my opinion, how you treat people. And then how you treat people is the words that literally come out of your mouth. And a lot of people give themselves too much permission to say whatever they want to people.

And that can, over time, as we all know, that can just have those little cuts, if you will. And what breeds a great organization is keeping your best people for long periods of time. Because they develop institutional knowledge of how to get a job done. They also develop relationships with your customers. And if you treat them well, they're going to treat your customers well. And then people know, hey, if I stay here, I'm treated with respect and kindness. We're always growing. And that's really been the hallmark of the firm, is to always play at the highest level of professionalism, treat people with kindness. And don't be nice. Nice is a bad thing. Kindness is the most important. Because sometimes, tough conversations have to be had in people's best interest. And if you're nice and don't have those, then they don't grow. And so that's really how we've just given a lot of thought to how we treat everyone.

KEN JOSLIN: I heard Patrick Lencioni, I don't know if you know Patrick or read any, Five Dysfunctions of a Team or Advantage...

GUI COSTIN: Yeah.

KEN JOSLIN: Ideal Team Player. I heard Patrick say this one time. He said clarity is kindness. When you have to have a tough conversation, and you're giving clarity, he goes, that's actually as kind as you can be to an individual. Just a minute ago, you said something about, we speak kindness to each other. Psychologists say it takes seven positive words to outdo the effect of one negative word. And you can lead a team and an organization, as you have, grow that, help grow people, and still be kind. My question for you, Gui, is where did that come from in you? Where did you learn that? What was the moment or the season in your life where you said, I want to start this business, and I want to do this. Because when you look around, especially in the investment world, if

you've seen any of the movies about investing, it's almost like a dog-eat-dog world. Where did that come from in you?

GUI COSTIN: Yes, I mean, boy, you start a company, and you realize you're only as good as your people. And then you realize people don't-- like I said, it's very easy to be a jerk, just lazy, lazy stuff. You say whatever comes into your brain, and you don't care how much that affects them or hurts them. Then you realize as you start to develop people-- and listen, I'm the most imperfect person on the planet. That's why I can speak to this. Because I've made all the mistakes. And I can't even say I'm perfect today. But we've achieved, and we're out to absolutely be about kindness and then hard charging culture, though getting after it, and developing people. And so it really came down to an obligation that if you're going to hire somebody, and you have an obligation to lead them and develop them. And everything has to be about their best interest. And if you think about every human being is going to come home to a family, friends, dogs, kids, you name it, and if they've had a bad day at work because their leaders or their people are not nice to or-- excuse me, not nice, kind, whatever, say words they shouldn't be saying-- and we all know it. We all know how people drop that one liner or what have you. It really has a negative effect on their lives. And also, one thing that I like to think about is turnover for individuals is really painful in their profession. It's not as bad as a divorce, but it is really painful. Why do people leave firms? If they're doing well, they leave because of the people, because people aren't treating them well. And so if you start to think about, what's the magic? Well, but you have to remember, you have to be very vulnerable, I believe. Because you have to be willing for people to take advantage of you, to then create an environment where they want to stay and grow for a long period of time.

KEN JOSLIN: What are some of the practical things you've done to help that, not just in your life, but in your, let's say, your immediate reports? Because, obviously, if you've got 65 employees, you're not managing everybody. What are some of the practical things, Gui, you've done throughout the history of your company to be able to reinforce and build the kind of culture that you wanted?

GUI COSTIN: It's how I treat them. Because what ends up happening is everybody knows the rules of engagement. If I treat them a certain way, they're going to treat everyone else that way. And I know that's maybe not quite as practical. But if you think about it, if I treat everyone, number one, with kindness, number two, with an expectation of playing at the highest level of professionalism, every organization doesn't maybe want to have that. We do. Because I just feel that people that come to Dakota, they want to be the best they can be, the best version of themselves every day. And so as long as we're doing that-- but then instead of me saying whatever I want to say to them, then they're going to say whatever they want to say. Or if I'm making a joke I shouldn't make, or if I'm saying something like, if someone's going to play golf in the afternoon with their friends, and they tell me like, oh yeah, I'm going to be on the golf course after 2:00 so I probably won't be available, then a lot of people would say, oh, it must be nice you're playing golf. No one wants to hear that. They've worked hard. That's one example that you could extrapolate out across how many comments, or whatever it might be. "Oh, I'm going on vacation with my wife to Cabo." "Oh, it must be nice. You're going to Cabo. I'll be back at your office, doing all the hard work." That's how people a lot react. And that feels horrible to the person. And it's not giving yourself permission to act in those ways or say those types of words. And I think that, at the end of the day, Ken, when I think about the word "permission," it's a discipline of, what are you permissioning yourself to be able to say to your team?

Because I know a couple of things. You'd never say that to your client, and you'd never say that to your grandmother. If you wouldn't say it to your grandmother, we wouldn't say it to each other. Actually, it's funny we're talking about this right now. I actually said this on my call last night in our collective, our online coaching community. And I just asked the question. Would you work for you? Would you work for yourself?

For me, it's like 1,000,000,000%. Because I know we're not perfect. And the reason I know I would is because there has to be a level of compassion. And even at moments where there are-- listen, we're all trying to do things. We're all trying to grow things. We all have responsibilities. And then you make that comment. And I had a phone call at 7:40 this morning with Pat, our head of product. And I kind of walked through-- because I talked to him last night. I walked through just a little incident that we had the day before. And I'm going to call him at 7:40 to say, look, I love you, brother. I love you to death. But I just want you to know, this is how I react to this way. I want you to know why it's important and as we go forward. Because I have all the confidence in the world in you. But I wanted to make sure that he knew a second time how much I appreciate and loved him. But sometimes, hard conversations have to be had if we're going to grow. And so that's why I just know. And that shows a human side of you. But I don't do that as a technique. I'm simply doing that more from just having compassion for the human condition.

KEN JOSLIN: It's who you are. It's your DNA. Who have been some of the people leadership-wise or some of the people that you-- because the way that you lead your company, and you've grown this thing, obviously. You've raised over \$40 billion for your clients. Who are some of the people that along the journey for you, that you've learned from,

that you've went, Yes, I want to emulate kindness? Yes, I want to apply what they're teaching into my business and into my leadership style.

GUI COSTIN: I just got very lucky. And I met a guy in 2005 named Alan Breed. And he hired me to be his fundraiser in 2006 and, effectively, our company. And he never sat me down and hasn't since that time ever sat me down and been like, look, I'm going to be a mentor to you and like a structured thing. He's just been Alan. And I've just paid attention. And I've never seen anyone, anyone, behave in the way that he does. I mean, he is the most dynamic individual the way he treats people, the way he uses words, his love of kindness, his competitive spirit, his ability to acknowledge, build a team. He's one of those guys-- remember back in the day, people at organizations would reply all to a whole email, and then they would argue over email in front of everybody. Remember those days? It doesn't happen a lot today. That was still happening back then. Never one time did he ever, ever, ever even initiate it. Thus, at his company, it never happened. And it was just such a great lesson to me. I'm looking at that. I'm like, wow. So if you're observing around people you really respect, they don't need to be a technical mentor, where you have a call every month kind of thing. But it goes to show you, just like you, Ken, how you represent something, where people just listening to you and being involved in your ecosystem, you're a mentor, and they learn. And Alan Breed has been that to me to a level that I can't-- I could go on the whole podcast bragging on him and how he's behaved and how he's changed my life.

KEN JOSLIN: Well, where did the self-awareness in you come from to put you in position? Because I tell people a lot of times-- and I've got great mentors, and I've got great relationships in my life. I was just mentioning my good friend Gary I mean, I've lost 100 pounds in the last

four years. And Gary's been a huge part of that health journey for me in the last three and 1/2 years.

GUI COSTIN: You look amazing, by the way.

KEN JOSLIN: Thank you. It's just been an unbelievable journey for me. But he's been huge in that. But a lot of people aren't necessarily self-aware, and they don't know how to. Like you said, this guy didn't schedule appointments with you-- "OK, once a month, we're going to sit down, and I'm going to mentor you." You learned from afar. And listen, with the books and the podcasts and all the opportunities people have to learn and be self-aware, it's now more than ever. But where did that self-awareness come from in you?

GUI COSTIN: Boy, I'll tell you, I think that's the greatest trait in life and in business, particularly, is having that self-awareness, being able to read the room. I've been very lucky, too, as I have an uncle, my Uncle Breck, B-R-E-C-K, complete character, but one of the great life coaches, LA-based, BreckCostin.com. I went and worked with him in the mid-'90s. And he's absolutely just genius coach and one of the most dynamic people I've ever met. Obviously, he's my uncle. He's in his mid-70s. And you want to talk about a guy that looks good in his 70s, go check out his website. And so when you start to think about what he went through in his life and then how he put himself out there, and now he helps all these people, and his life coaching program has been extraordinary-- so I've kind of had a front row seat to a real dynamic, unbelievably vulnerable individual. And it's like he's just an incredible guy. So I've definitely had people around me. And then you just learn over time, right, Ken, is that I'm probably maybe too in tune sometimes of the feelings in wanting to make sure-- but reading that room, reading other people. But I also know, too, if you use certain words, you see how

people react. And do you want to have an organization where people are reacting, or they're scared to say something, or they're not having fun? I'll stop there. Because I do want to bring up one really funny story about the show Friends, which I think is pretty hilarious. But I'll let you go.

KEN JOSLIN: Let me ask you this question. Over the past, say, six months or a year, what's been a moment? I know you just shared one from today. But what's been a moment where you had to have a tough conversation with somebody? And how did you how did you maneuver and handle that, just practically speaking, with an employee? How did you handle that as their leader?

GUI COSTIN: So those, it always comes back. But I think the best leaders always have the other person first in mind. That's number one. Number two, everything has to be a coaching moment. And it has to be about them, what's in their best interest. And so if you coach, you can be very, very tough and very direct. You can't be judgmental. You can't be mean. But it has to be seen as a coaching moment. But you have to tell them that this is a coaching moment. Because they have to know what good looks like. And they have to know, hey, right now, this is not good. We need to show that this is not good. But we're going to get through this together. But I want to paint the picture for you for what good looks like. And so you're, essentially, enrolling them in your way of thinking that's in their best interest. And when you do that, when you're not coming at them and saying, you're lazy, if they're maybe not working as hard as you think you should, you don't just come out and say, hey, look, I really think you're lazy and this. It's like, how are they going to internalize that? That's not a coaching moment. That's not inspirational.

It's an attack. And instead, what you have to do is have a conversation and with them, with, what's the result that you're looking for? Where are you looking to get to? Or maybe, sometimes, it's just you're asking them, hey, what's going on? So yesterday, we had a moment where we were delaying a meeting by eight days. And I called our CFO, another guy. I'm like, guys, why are we delaying this meeting eight days? We can do a Zoom call today. This is on our product. This has to move forward. And our head of data is like, well, Gui, really, Tim pushed it. And Tim goes, well--0 I'm like, Tim, this is killing us, man. Because I'm not convinced they're going to hold the meeting face to face next Thursday. They might just punt to a Zoom. Then we've lost eight days. Tim goes, well-- he's an amazing CFO and been a partner for seven years. He goes, well, I had a 100-degree temperature last night, and I passed out and smashed my face, and I was bleeding. So I couldn't come in the office. I'm like, Tim, oh my goodness, Tim, I'm sorry. I didn't know. Meaning, sometimes, you've just got to make sure, even before you have that conversation, is like, is there anything I'm missing? You know what I mean? But I think it's always having incredible compassion for the person. But you've got to be kind. And like you said about your friend, you've got to have clarity. But you do have to tell them what good looks like. But you don't have to judge them or be mean. And so I think it's one of the most important things in business.

KEN JOSLIN: I love that. And I wrote that down. You have to let them know what good looks like. That's casting vision. That is being the visionary. This is what this looks like, and I have enough confidence and belief in you. And I hired you on my team. If I didn't, I've got enough confidence and belief in you that you can take it to the next level and turn this into exactly what it needs to look like. Walk me through that visionary journey for you, Gui, in developing. That's a pretty amazing

skill to be able to have, and making it about the other person and not necessarily about or the growth of your company.

GUI COSTIN: And I never believed that I could necessarily do it. And it was probably 15 years ago where it started. And it took me a long time to get over that. I don't know if it's necessarily imposter syndrome. But it probably was that. Would people believe in me? Would people follow me? And will people do that?

And it took time. But, Ken, when I look at your background, and I look at everything you've done, if you have someone on your team that's implementing something-- and this is the way I think about it-- it's a design thing. Because clearly, you're all about design and branding and style and obviously, tons of substance. But there's a certain way of doing things in your organization. When someone's not doing that, or it's not quite the way it should look, I think details matter. But it's also grabbing someone to say, OK, look, I know what you did here. And I'm not here to shoot you down and your ideas. But this is how we do things. And I just want to make sure we're really clear on it, and I want to tell you why. So I think it doesn't happen enough, Ken, where people are enrolling in the why. Because a lot of people just want to short circuit it and say, just do it this way. But then there's not the why behind it. And then all of a sudden, you give the why. Then people are like, Oh, now I get it. And it's more the why. And the question you asked about 10 minutes ago is, it's much more your actions versus your words. And so how you're doing things is-- and people emulate that. And then when you're coaching, is making sure people have a sense of the why behind the direction that you're giving them or whatever that might be.

KEN JOSLIN: What have been some of the most fulfilling moments for you, being the CEO of this company since 2006, raising \$40 billion for

your clients? What have been some of the most rewarding and fulfilling moments for you?

GUI COSTIN: The team, unquestionably, the people. It happened in 2011. The reason I know that date is because I get asked this question a lot. But I put it on our website. We got out of the gate. We were making some money. I was feeling pretty good about things, but feeling very empty. And I realized that I had to-- the mission became to help other people get what they want out of life. That became the mission. I put it on the website. And from that moment on, it was all dedicated to people walking through the door. I envisioned people walking through the door of our company. I tried to get in their shoes. And what was their feelings going to be like? What was their day going to be like? Were they going to have an inviting office environment, where they can be treated with respect and kindness, where they can be challenged, where they can be always aspiring to excellence, you can never achieve with an aspirational situation, but to excellence. And it was all about other people. And the best story I can tell you about helping other people get what they want is we've always had an internship program. This summer was 29 interns on our third floor, which is our conference, tons of windows, beautiful downtown Philly. We did a survey after the 20 days. Everyone said, I learned more in this 20 days from business than I did in any class in college. The second survey question is, what was your favorite part of the internship? This is the tricky one. They said the community day. So we have a community outreach program we started in January of 2021. We hired Barb Loeslein to be dedicated head of community outreach. We give to micro charities in Philadelphia, where we can have an impact, very important to us. Well, they did a day with one of our charitable partners. And they said that was their favorite day. But I said, but you just said that this is a better experience than any business school class you took. And they still voted for the community

day, which tells me the gratification people get with giving back and helping others far outweighs raising 40 billion and making the sales. Now, we need revenue to pay the bills. So I'm not a dummy there. We all know that. But helping other people get what they want and being dedicated to that mission and straight on to today, trying to think about and grow and having self-awareness over my own leadership skills and helping others, is really the most gratifying thing, and trying to create. I don't really care about being voted the greatest place to work. I mean, sometimes you have to go through that process, and everybody votes internally. And we've always gotten a stupidly high, high, high rating. But what matters to me is, are we really impacting them at work? And do they love coming to work? Do they love what we're all about?

KEN JOSLIN: I love that. In the journey of being a visionary and being a CEO, you just said, it's all about the individuals that are on our team and helping them become the best version of themselves. But the lifeblood of every organization and business is revenue. How do you merge those two things? How do you go, here's our sales goals, here's where we want to be, and still keep it about fulfillment, and the team, and helping them become the best version of themselves?

GUI COSTIN: That's the easiest question you could ever ask me. But I don't believe everyone follows it. Anything we do in any endeavor-- you losing 100 pounds-- it's focusing on what matters most. So if you peel back any activity, there's really only one thing generally that matters to get a job done or accomplish something, whatever that might be. And so to answer your question, we can do all the stuff that you spoke about in terms of kindness, best version of themselves. When it comes down to it, every activity has to be focused on what matters most. And so if we're going to be selling a subscription to a database, where what

matters most is, are we getting first-time demos of our database with our qualified buyers?

And so when I do that, there's no judgment. There's no, oh, OK, cool. Show me a list of qualified buyers. Show me the email to send. And I'll send it out, and I'll book the meetings. So it's zeroing everything down in the organization to exactly what matters most. What I have found is a lot of people and a lot of problems anybody has in an organization is, whatever people are doing, they're not focused on the thing that matters most. And then you can sprinkle in the concept of focus on what you can control. It's just those two things. And if every single thing you're doing-- it could be your newsletter. Are we focusing on what matters most? What matters most to your readers? What do they want to see? What information would add value to them? What matters? If we only could do one thing in our newsletter, what would it be to give the maximum value to our subscribers? And so that guiding light, that North Star, is the thing that supersedes everything else. Because then revenue has to come from it. Because we're not here for just fun and games. And everyone knows that. And that's how they get paid. But you can do it. And I even think the higher way, which is, what exactly matters most to get the job done for this particular goal?

KEN JOSLIN: I love that. We, last night on my call-- it's funny because you're talking a lot about some of the very same things that we talked about on our call last night. Serve first. Sell second. Money follows impact. Serve first. Sell second. Money follows impact. When you solve people's problems and help them, the finances are coming your way. And my favorite Zig Ziglar quote, you mentioned it earlier. If I help enough people get what they want, eventually I'll get what I want. Final thoughts for our audience, Gui?

GUI COSTIN: So I would say, I am writing a new book. It's going to be called Be Kind. And this is coming from somebody who has made a lot of mistakes along the way around the concepts of leadership, leading everything. But it's important to evolve. And being thoughtful about the words you use within your organization as a leader to your people, to me, makes and breaks everything. And the more thoughtful you can be without sacrificing in any way, shape, or form, growth and achievement and professionalism and always trying to be the best version of yourself, that's my final thought, is just if I could say it a million times, it would just be kind. Be thoughtful about the words you use when interacting with your teammates.

KEN JOSLIN: Because when you're not and thoughtful, then it becomes, for the person that works for you on your team, it becomes just about your compensation. And when you read any of Patrick Lencioni's books and Maslow's Hierarchy of Needs, that's low on the thing. That's not the driver for us as human beings. The driver isn't just compensation.

GUI COSTIN: No. And it's also being involved with somebody that you feel like they have your back, that they have your genuine interest at heart. And you show that, just like I did with Pat this morning. I needed a second clean-up to call him and just be like, hey bud. I literally told him. I said, look, I love you. But yesterday, I know it wasn't that comfortable, and the whole thing. And I care about you deeply. I love working with you. And it was the second time I did it just to make sure I reinforced that. And he was like, I got it. I couldn't be more on board. I'm fired up. Thank you. So yeah, I'm such a fan of that. Because then people will want to stay with you and be involved more. And then they are going to treat everyone around them the same way you're treating them. That's the thing I don't think people quite get. You treat them

well. They're going to treat people well. And it just becomes a vicious circle.

KEN JOSLIN: I love that, Gui. Listen, when you get your book, do you have a date on your new book coming out?

GUI COSTIN: Literally, this morning was our kickoff call. Because we just finished our The Dakota Way, which is our sales training book for investment sales professionals. So we're just kicking it off right now. So I had about a week break, and then we're right back into it.

KEN JOSLIN: Well, when you get a date, let me know. I'd love to have you back on and help you promote that book and get that out there for you.

GUI COSTIN: Well, thank you so much, Ken. I love being on with you. And by the way, congrats on you and 100 pounds.

KEN JOSLIN: Thank you.

GUI COSTIN: Your energy is infectious.

KEN JOSLIN: Thank you.

GUI COSTIN: Thank you.

KEN JOSLIN: Thank you. Best place for people to be able to get in touch with you, Gui?

GUI COSTIN: Dakota.com.

KEN JOSLIN: Dakota.com. Guys, Gui Costin, G-U-I. Dakota.com, you can get in touch. You can connect with Gui there, Learn. More about what they're doing, obviously, the book they've got for the sales team and his upcoming book, Be Kind. Gui, thank you, my friend, for taking some time out with us today.

GUI COSTIN: Thank you very much. Thanks for having me, Ken.

KEN JOSLIN: Hey, guys, thank you so much for joining us on another episode of As the Leader Grows. Cannot wait to bring you another amazing human being and an amazing leader next week on our show. We'll see you then. Thank you for joining us for another episode of as the leader grows. Listen, the best way that you can thank me is by sharing this episode on your social media, on Facebook and Instagram. Tag me when you share. Also, thank you, thank you, thank you from the bottom of my heart for being a part of this amazing community. If you want to learn more about GSD, you can do that on our free Facebook group. The link is in the show notes. I'll see you on the next episode.