

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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Jacob: Hello everyone. Welcome to another episode of the Future Of Work podcast. My guest today is Nigel Travis, the executive chairman of Dunkin brands, the former CEO of Dunkin brands, and also former CEO of Papa John's Pizza. He's also the author of a brand new book called, The Challenge Culture: Why the Most Successful Organizations Run on Pushback. Nigel, thank you for joining me.

Nigel: Jacob. Delighted to see you this afternoon. Think you're on the west coast.

Jacob: [00:00:30] I am. Yes, and you are in Boston I believe.

Nigel: Yep. East to West.

Jacob: Yes. Yes indeed. Well, I have so many questions for you. I had a chance to read an advance review copy of your book. Before we dive into some of that, why don't we start with just some background information about you. I mean, how did you get involved with all this stuff? I read you used to be a DJ way back when. You were in HR, and then got to be the CEO. How did you go from DJ to CEO?

Nigel: [00:01:00] Well, yeah, it's kind of, a fascinating story. I think the first thing I'll say on that is something I've always believed in. You gotta enjoy life. We're on earth for a very limited time. It's important that you put a lot of energy into it, and you enjoy life as much as you can. I've had a lot of fun. I was talking to someone earlier today. I think there's only one organization that I wasn't that enthusiastic about working for, when I was working full-time. [00:01:30] Most companies have always been a lot of fun, very interesting. When you told me, before we started, you love doing what you do with podcasts and The Future of Work. I've always felt the same. To answer your specific questions. I'm a great believer that you overcome barriers ... When I was about 15, 16, [00:02:00] my voice didn't break properly. I had some embarrassing experiences. When it did break, I wanted to use it as much as possible. It was the time in England, when we had no true commercial radio. DJ's were a thing that were seen as very special. I became a disk jockey. I also became a soccer coach. In many ways, when I look back, both experiences were very [00:02:30] important to my development. They were both vocal. They were both about connecting with people, and audiences. Being a soccer coach was important, because one week people are in, one week they're out. I've now been a soccer coach, seems an awful long time, 50 years.

Jacob: Wow.

Nigel: That's been very instrumental. About the same time in my mid teens, I did a test at school, [00:03:00] that basically said I should become a social worker. My response to that was, "Well, I really want to work in industry." They said, "Why don't you go into industry and do social work there," which it called, in those days, personnel work. I don't think that's a good description of personnel. When I did my degree as a result of that, I did a business studies degree, specializing in personnel management. I got into that. HR, just to summarize [00:03:30] 20 years. I've been a general manager now, since 1991.

Jacob: Wow. That is an interesting story indeed. Now you have this brand new book that you just wrote, which, like I said, was quite an interesting book to read. What are you doing now, these days? What is a typical day like for you?

Nigel: Well, the first thing is, there's no typical day. It [00:04:00] says in the book, I'm also chairman of Lake Norman Football Club in East London, in England, which is a club we're trying to return to its former heights. We bought the club, where it had been appallingly managed, and was a great insight in how not to manage any organization. We bought the club in June, last year. We're making great progress.

Today, [00:04:30] for example, I've been out visiting a kit supplier, I've been out visiting the Boston Red Sox. In fact, just come back from Fenway, just before this call. Later on today, I'm coaching. I've got two young teams I coach. Both my young kids, who are 13 and 11 play soccer. I coach both their teams. I've got a professional [00:05:00] team and two kids teams. I started earlier this morning about five o'clock, working on a presentation for Dunkin, cause I'm still involved there. I'm preparing obviously, to talk to a lot of people about the book. Everyday varies. One of the big changes now, I'm doing a lot of work thinking about presentations and speeches that I've given.

Jacob: Yep.

Nigel: That's [00:05:30] helping me become a lot more thoughtful about the thing that you're a specialist in, which is about organizations and leadership. What I'm doing now is really enjoying life, thinking about culture, thinking about the leadership of people. At the same time, helping my soccer club get back hopefully, to where they should be.

Jacob: Yeah. I played soccer for many years. I actually had the [00:06:00] CEO of Worldwide Technology, based in Saint Louis, he was a guest. He played for the United States Olympic team. I believe it was in 1984. There have been a couple CEO's that are big fans of soccer.

Before we jump into your book and talk about some of these concepts, I wanted to ask you, do you remember your first real job, you know, real, real job. [00:06:30] First, do you remember what it was, and do you remember what the work environment was at the time. How different is work today.

Nigel: Well, great subject, is one I'm very interested in. My first real job is tough to define. Just to try, and go through it, I worked for my father, which is referenced in the book.

Jacob: Yep.

Nigel: It's all about the subject of why. [00:07:00] I also ... I think your viewers, listeners will find this interesting. It's different from the US. The US is changing. My first external job outside the family business, was I worked in a betting shop in England, where people came in, place their bets. My job was to payout the winnings. You don't pay out any losses obviously. My first full-time [00:07:30] job was actually as an intern for Exxon, or as it's called in the UK, SO Petroleum, where I specialized in labor relations research. That was in 1970. Work was very different. People turned up late normally. People worked the hours of nine to five.

When, I migrated to [00:08:00] my next job at Kraft Foods ... I always remember. I got in early one morning. Seven I thought, which doesn't seem early these days. Seven o'clock. My boss said, "Nigel, you got in at seven o'clock. Wow. Why don't you relax and go have a late breakfast." The pace of life was very different. I used to write things, give it to someone in those days, called a secretary, who would type it up in [00:08:30] triplicate.

Jacob: Triplicate.

Nigel: Yeah. I mean I had to have a special code to get into the copying machine. I always remember, when I was at Kraft, one of my superiors didn't like what I'd written and tore it up. You have no record of what you had. You have to start again. It was very different indeed. I've often said, and I don't know the actual answer is, but work in those days was [00:09:00] really slow. I think I probably do in two days, what I did in a whole year at that time. We just don't get that much done. So you know, I never yearn for the old days, I yearn for more of today.

Jacob: Makes complete sense. Well it definitely sounds like work was quite different.

So I wanna jump into your new book here, and it's interesting that you talk about pushback. And maybe the very first thing we can start off with is [00:00:30] what is pushback and why is pushback so important? I mean obviously you wrote a whole book about it, so what is it about pushback that's so crucial for us to understand?

Nigel: Well I think there's a lot of people in the world who are pretty arrogant, and they think they know the answer to everything. And if I take one of the worlds that I work in, which is professional football in England, or professional soccer. Many [00:01:00] of the clubs I see have someone who's done well, bought a club, and it's his way or the highway. I think because for most of my life I've been a professional manager/leader, I've learnt that you get better answers by working in a productive environment with people.

So the best way of getting the right solutions is to find ways where you can incorporate people's ideas and thoughts, which may well [00:01:30] be different from your own. So I think pushback gives you the best solutions, I think it gets the best engagement,

because after you come up with ideas and concepts you have to execute. And to get people truly bought in is so important.

Now, what I would say, I think a lot of people find this approach difficult because it's a lot easier if I just said ... Say you were working for me. "Jacob, [00:02:00] go and do this." I mean it doesn't mean that you've bought into the concept, you're just obeying the law, the order.

So my approach on pushback is somewhat anti hierarchical, and I mentioned in the book that perhaps some of the different countries around the world may find it more difficult to apply than say the US, which is in my view quite an egalitarian society, and people [00:02:30] tend to work well in groups. And again going back to the changes in technology, I think that's getting better because of collaboration software.

But pushback, to answer your question directly, gives you more views, often different perspectives, and builds I think greater engagement and probably alignment in the organization.

Jacob: Makes sense. Now you've been a part of many different organizations, [00:03:00] great brands, Blockbuster, Papa John's, Dunkin, you were a part of Burger King. Do you recall a distinct culture at each one of those companies? Was one very hierarchical? Was one more open? And also, what was the culture like at Dunkin when you first got there, and did it change after your 10 years as CEO? Like were there certain things that you had a change in the company to fix or improve the culture?

Nigel: Okay [00:03:30] so, a lot of sub questions there. And I think one of the great things about culture is it's really about questioning, so I truly appreciate good questions like that.

So when I think back over my career, I've worked for many companies and I'll just list a few of them because I think most of them are big names. I mentioned Esso, and I was very very junior, I was like 20 when I was there. Kraft, and [00:04:00] then after that I went to Rolls-Royce, which I found incredibly stuffy and bureaucratic. That was the one company I somewhat don't look back with relish. I loved the job I was doing shop floor labor relations, but I don't think the culture was the most conducive, certainly for me.

I worked for company for Parker Hannifin out of Cleveland, Ohio, but I did that in the UK.

Jacob: Oh, Parker Hannifin, my wife is actually going there next week to speak with their [00:04:30] leadership team.

Nigel: Okay, so when I was at Parker, which was from 1982 to 85, it was known as the biggest unknown company in the world. It was the Parker seal that had a problem on the space shuttle, but incorrectly used. It was a wonderful company, it truly believed in people. And then after that I worked for 10 years at Grand Metropolitan, which took me ... because [00:05:00] we bought and owned Burger King. So I spent the latter part of my

time at Grand Met in Burger King. And in Grand Met I was actually involved in writing up the culture. So that's how I actually got into all this thinking and writing about it.

So I was the group head of management development, and we had a CEO [00:05:30] called Alan Shepard - and this is all talked about in the book - who had an approach of management. And we said, "Well let's try and codify it, let's try and capture and put it down in writing." And there was a lot of things about communication, about accountability, but the biggest thing was he had this approach where he wanted people to challenge each other. And I called it the challenge culture, so I named it the challenge culture.

[00:06:00] So I think Grand Met had a culture that was pretty strong. Burger King, when we bought it, in my view, was a fairly sloppy culture. I think we made it much more like the Grand Met culture. And then-

Jacob: So what was sloppy about it when you bought it? How was it different than Grand Met?

Nigel: Well Grand Met was a pretty aggressive culture, everyone kind of got challenged by senior management, by their colleagues, [00:06:30] and that's why I kind of looked at it and said, "We should call this the challenge culture."

So there was true questioning to make the right decision, but Grand Met had a very fast pace. My observation when I went to Burger King is that Burger King didn't. We also I think found Burger King, when we bought the company, to be somewhat over bloated in terms of head count, and we tackled that. And that was a project I lead. [00:07:00] And then moving on from there, after I left Burger King and went to Blockbuster, and Blockbuster was an interesting company because the culture evolved. It was very entrepreneurial when I got there, and I got there when Wayne Huizenga was the chairman, the CEO, the leader. Great guy. And one thing I've never managed to copy that he did is his memory for names and faces [00:07:30] was staggering, and he had that very ... he had a terrific personal touch as a result of that.

We then bought in, and again this is all in the book, a person from Walmart who tried to apply the Walmart way. So you could say that was the culture. We used to have these Friday meetings like they have on Saturday's at Walmart, where you know, everyone would stand up and then suddenly [00:08:00] he'd say, "Right Nigel, what's happened last week in Europe on sales?" Or something like that. So you were put on the spot. I'm not saying that was bad. In many ways that made people be prepared to be let's say unsettled. So we had that culture, but unfortunately Bill didn't last very long, he lasted like 10 months.

And then after that, and this is a major part of one of the chapters in the book, John Antioco came [00:08:30] in. Bill Fields had actually said, "You will never see another day of positive video rental comps at Blockbuster." When John Antioco came in and put the team together I became the head of international initially. We then found a way to drive comps very strongly, by focusing on rental. And you might say the lesson there is focus.

Now at Blockbuster we went through many interesting things, [00:09:00] and I'll try and simplify it to help answer the question. We obviously had to battle technology change the whole time I was there. When I joined the company they actually said to me in the interview, "Hey Nigel, you'll need to get another job in five years."

Jacob: They told you that?

Nigel: They actually told me that. I said, "So tell me why?" "Well technology will kill us."

Jacob: I can't believe they told you this.

Nigel: Yeah. I was still there 10 years later, [00:09:30] and we had the biggest year of the company's history in 2004, which was the year I left. Unfortunately lots of things happened after I left that weren't so good.

So Blockbuster was fantastic, and when I look back, because of the challenges of all the technology that was coming at us from every direction, and we may come back to this in the conversation, I decided that it was great. It made me much more technologically aware. [00:10:00] For instance I had to learn all the intricacies about video on demand to really understand it. I think it made me much more tuned in to the customer and what the customers wanted. And I learnt a lot at Blockbuster, and I think we avoided our demise. But at the same time, and again, as I reference in the book, we made some pretty bad mistakes. Like we could have bought Netflix for 50 million, and now Netflix, I think last time I [00:10:30] looked up, was over 80 billion. So that was a pretty big mistake.

Jacob: Making some notes.

Nigel: And we belatedly got into the business of challenging Netflix, actually was taking market share away, about the time I left. But it was great learning and I think one of the things when I look back, Jacob, on Blockbuster, we made mistakes, you got to be humble. You can't work as I have for nearly 50 years without recognizing you've screwed up a lot. [00:11:00] And I think in many ways it makes you more humble, it makes you more approachable, and makes you more committed than ever to believe in the challenge culture as critical, because you know you haven't always been right in the past.

And then just to quickly finish up, I went to Papa John's, which obviously has been in the news fairly recently.

Jacob: Yeah so I ... Actually before you jump to Papa John's can I ask you some more things about Blockbuster?

Nigel: Yeah please.

Jacob: So [00:11:30] as you know, so Blockbuster, everybody knows Blockbuster, and in a lot of books and in a lot of presentations people always say, "Oh you know Blockbuster, they didn't pay attention to what was coming, they had no clue ..." Obviously these people

don't know what was actually going on at Blockbuster, but they say, "The company didn't know, they got blindsided by technology." But it sounds like, at least from your perspective, that's not true, because even when you started working there they told you that technology is going to disrupt the company.

So [00:12:00] I mean was it lack of challenge culture that you think ultimately hurt Blockbuster or ... I mean what was it? Because it sounds like they were aware of technology, they knew it was going to disrupt the business, I mean then they told you about it, yet still it wasn't something that they were able to overcome.

Nigel:

Well it's actually even more interesting than that. So let's give you a time perspective. Blockbuster I think was actually founded [00:12:30] as a software company, they then developed a video rental software and a guy called David Cook really founded Blockbuster but then Wayne Huizenga bought it. But in the early 90s before I got there they actually did a joint venture with Sega and IBM called NewLeaf. And NewLeaf was an incredible concept because what it did was in the stores it [00:13:00] enabled us to copy music, video, and games, video games. So you stick say a cartridge in this machine and it would copy it. And I joined in 94, I actually saw this. So I can attest that it worked.

And then the music industry got all stressed out about it and said, "It's a bad thing, all this copying." And banned it. The net result of [00:13:30] that was Napster came along, caused havoc in the music industry. And you could say that was the start of the downfall of the music industry, because they didn't embrace the change the Blockbuster was making.

So that was under the leadership of Wayne Huizenga. We then got bought by Viacom. Viacom bought in the Bill Fields that I mentioned earlier, which took us very much back [00:14:00] to just focusing on retail. John Antioco then replaced Bill Fields. We then focused on our rental business. And even though we saw in the back end of the 90s all the changes with the internet, if you remember there was a lot of fizzle at the back-end of the 90s, early part of 2000. We probably didn't pay enough attention to the underlying trend is that everything's gonna go online.

[00:14:30] And then Netflix, again we probably didn't challenge ourselves, to answer your question, strong enough the Netflix came along. We tended to see it being a bit of a regional chain around your neck of the woods, San Francisco. We also then noticed it was doing really well in Austin, which is obviously a technological hub. So we tended to dismiss it. So was it the lack of a challenge culture? A little bit. But I think [00:15:00] rental, and we just converted to DVD. I mean sometimes one forgets that Blockbuster went through the transition from video tapes, VHS, to DVD. So perhaps we missed the big trend.

We also missed another trend, so I'm perhaps siding a little bit with the critics of Blockbuster. Another trend that came along was vending machines. I mean we [00:15:30] had vending machines going very well in the UK, Israel and Spain. We tested it in Dallas, Texas, didn't work out so well, and basically canned the idea. But then Redbox comes along.

Jacob: Yeah and they're still around, Redbox.

Nigel: Well yeah, I was just gonna say that because I read an article the other day that the number of Redboxes that still exist, I can't remember the number, absolutely amazed me. So they've done a good job.

So I think we could have [00:16:00] been a lot more challenging on what we did ourselves, I think we got caught up a little bit in the success of DVD, and I think the lesson that comes out of that is you need to constantly challenge everything you do, and I actually say in the book, I think you can do that through strategic processes to make sure that you are staying up to date.

Jacob: Yeah. I actually interviewed the CEO of a company called FreshBooks. It's a small software company, [00:16:30] they create accounting and billing software. And he told me that one of the ways that they challenge themselves, and they have around 200 people, so nowhere near the size of any of the companies you were a part of. But one time he created a secret company to compete against his company. And he didn't tell people he was doing this, but he created basically a new company, new software, that did exactly what his current company did. And when this new company started getting more sales he kind of revealed what he was doing and then they brought in a lot of those new [00:17:00] features from this new secret company to his older company.

So he literally created a new company to compete with his existing company as a way to challenge himself, and I thought that was a great story.

Nigel: No that is ... Can I just go back to Blockbuster?

Jacob: Yes, yes please.

Nigel: I left in 94. After I left the ... we built Blockbuster Online to compete with Netflix, we also recognized that we had a competitive advantage, that we could [00:17:30] use our stores as a leverage. We gave away per month I think it was four free rentals. And what's interesting, all those free rentals, when people redeemed them, spent more than the average customer. So that was an interesting learning point.

But anyway, it continued to grow, very successfully after I left. Then there was a change of management and a activist investor came in and said, "Well all this stuff [00:18:00] is periphery, let's focus back on the stores." They tried to merge with different companies, including Circuit City. So again-

Jacob: Which also disappeared.

Nigel: Yeah, well they kinda disappeared fairly similar times. So the net result was they went back to retail, ignored the big trend again. But Blockbuster I think could have been as big or perhaps nearly as big as Netflix.

The other interesting thing is another business that [00:18:30] we did really well in was video games, if you remember.

Jacob: Of course, I used to work at Blockbuster by the way, many years ago.

Nigel: Well thanks. Thank you for your service. So video games, so I always remember, and I think this shows how companies work. We believed that the way to take our video games to the next level, and this was in about 93, was to go out and buy Electronics Boutique, which at the time was up [00:19:00] for sale. We put a proposal together. Controlling company Viacom, and by the way Viacom were always very good to me, so I'm gonna sound critical but they did some great things. Viacom came back and said, "Interesting proposal but we're making so much money on our cable business, MTV, VH1, et cetera, that to go more down [00:19:30] the retail route of Blockbuster would be, if you like, diluting our margin. So we don't wanna do it."

Now if you look back, guess who's still going strong, GameStop who bought Electronics Boutique. So I know the benefit of hindsight is sort of [inaudible 00:19:53] about the guy creating a competitor. So I think a major learning from this is that challenge culture has to be about constantly challenging [00:20:00] what are you doing today and are you missing the big trend?

Jacob: Yeah. That's a great story. Well I know we could talk all day about Blockbuster, but the next was Papa John's, which as you mentioned has been in the news quite a bit lately. So maybe you can talk about your time there, the culture and if that challenge culture was present there too.

Nigel: Well yeah, I mean firstly John Schnatter, the founder, has received a lot of [00:20:30] comment recently let's say, about-

Jacob: Yes, even today.

Nigel: What happened today? I've been out all day.

Jacob: I think today or yesterday I read an article how the Papa John's executive team wrote like an 800 page letter, or 800 word letter, to the CEO of Papa John's basically kind of not saying very nice things.

Nigel: About John Schnatter or about the company?

Jacob: [00:21:00] No about John and his involvement and how they told him not to do certain things and he would do it. John said that they wanted him to be executive chairman and the letter said not they never did. So it's a lot of back and forth, he said, the company said, who's right. So there's just a lot of stuff going on there.

Nigel: Well it's certainly a lot of stuff. So the first thing I wanna say is a very positive statement. The pizza category is incredibly competitive [00:21:30] and John built a phenomenal company. He founded it, as he describes the story himself, in a small room in his father's

bar. They quickly found that selling pizza was more profitable than the drink. John analyzed, because he did washing-up, which pizzas were returned and which ones were not. He developed his sauce on the back of that. He developed [00:22:00] a brilliant company. And John is one of the smartest guys I've ever come across. So that's, if you like, all the positive stuff.

I was recruited end of 2004/2005 because the board had decided that we needed to improve franchise relationships. But I'd also heard some stories about John, about how he interferes, how he has views on different things, doesn't always [00:22:30] like outsiders involvement, if you like, a bit opposite of the [inaudible 00:22:34] culture. So I insisted I reported to the board, not him.

So I came in, I tried to apply all the lessons I'd learnt at Grand Met, I tried to put the challenge culture in place by telling people very overtly that's the kind of culture I wanted. Also, this is interesting, when I went to Papa Johns, I think a few people [00:23:00] suggested I may want to change the team. I actually changed no one. No one at all. None of my senior team. And I just inherited the same team that John had and I put those in place.

The net result of all that was that we were very successful for the first two years, we actually focused very much - again on the learning from Blockbuster - on the opportunity of digital. When I got there I noticed we weren't spending enough money on [00:23:30] digital marketing behind online pizza ordering. At the time that was like 5% of our revenue. We totally focused on it, we did things like coming up with the football bowl, the PapaJohns.com bowl.

Jacob: I remember, I remember.

Nigel: Yeah. That reinforced how important online was. And the net result was we had a great period. [00:24:00] Like everyone we hit the recession, struggled a bit then. But I think we built a good culture. Most of the time to be honest I got on really well with John, but as he omitted recently, he then started to come up with ways of looking at the business, he used to come once a year with a different budget from the one that we were proposing at board meetings. And eventually I decided it was time to move on and I got headhunted by Dunkin and I went [00:24:30] to Dunkin.

But great company, very sad to see what's happened recently. A lot of people have obviously talked to me about it so it's gonna be interesting to see what happens. But I truly think Papa John's can be a successful company again.

Jacob: Yeah hey maybe they'll bring you back in to be CEO, you never know.

Nigel: I've been asked, franchisees have reached out, and what I'd say is I've been a CEO for 13 and a half years, time to move [00:25:00] on and do other things.

Jacob: Right. Well we heard it here, so no more. And Dunkin brands of course, I mean such a famous brand. Coffee, donuts, you guys are everywhere. So let's talk a little bit about

your recent time at Dunkin brands. And maybe you could start with, well first when you first got to Dunkin, what was the culture like? And did you change it and how?

Nigel: [00:25:30] Okay, so I'm gonna make a very important point. And I think for your viewers/listeners, this is an important point. I think it's true in any job. And by book, by the way, is not just about CEOs, it's about people who run anything. You could have two employees and still apply it. And it doesn't have to be a business, like we're applying it now to my football club.

But one of the things that's very important is if you've been say a CEO twice as I have, [00:26:00] the second time is so much easier. Papa John's, as we've just discussed, wasn't necessary the easiest place to be a CEO. I have to say being CEO of Dunkin has been an absolute pleasure, and that I think is because it's the second time round, so everything seems a bit slower, and also we have a fantastic board. And I took a lot in the book about boards. I started when I first got there with three private equity firms; Carlyle, [00:26:30] Bain, and T.H. Lee, and then we went public in 2011.

But the key thing when I got there was we had very few statistics, very few data points, we didn't ... I mean retail, which essentially we're in, is about pace, and it's about responding to the consumer. We didn't even have daily comps, we had weekly comps. Now I came from Blockbuster [00:27:00] and Papa John's where we measured everything ... Well at Papa John's we were actually measuring it by the hour, because we wanted to see what was happening in different hourly breakdowns.

So I went there, it was a fairly slow culture. Innovation was done by a few people, not by a lot. It didn't truly embrace in a very open way because one of the things that's inherited in the challenge culture [00:27:30] is openness and fairly free communications. So I went in there, and I think one of the other lessons I would say to anyone is if you're gonna apply the challenge culture, and you don't have to call it that by the way, I think you have to state right upfront what you're gonna be.

And it was interesting, this morning I talked to someone who was there when I arrived. He now works at another company. And his words were to me, "I remember you came in, you talked about the challenge culture. [00:28:00] I now realize, because I've been at this other company-" I won't name it. "How badly I miss it."

Jacob: Interesting.

Nigel: In other words, because it is open, a lot of communications, people are allowed to effectively say what they want in a civil way, that's the key thing. And I talk a lot in the book about civil discourse. And he said at this other company, this [00:28:30] is by the way a very big company, a very well known company, the decisions are effectively made by one person.

Jacob: I see this a lot. A lot, a lot, a lot.

Nigel: And he said, "I now want to move on, because I know what I'm missing."

Jacob: Interesting. And so when you got to Dunkin, that challenge culture, it doesn't sound like it was there when you got there but you had to kind of instill it inside the company, right?

Nigel: Yeah I mean there is an installation [00:29:00] process and you have to explain it and it doesn't happen overnight. And I talk in the book about the first time I had a leadership meeting. Now, my predecessor used to have leadership meetings once a month. I think the world moves too quickly now, that you've gotta have them more often. And I've always moved ... Sorry someone's dialing me while I'm talking to you so I can't see you right now. I don't know if you can see me. But effectively when [00:29:30] I got there I said, "This is the kind of culture I want." Obviously having been a CEO before I had a true benefit of having seen it work.

But in the first meeting, we talk about things, no one said anything. I mean having operated at Papa John's where we had [inaudible 00:29:50]

Because it means people are fully involved in discussions and questioning [00:30:00] and supporting each other. One of the first things I always do, anywhere I go, is I would say, "Okay so Josie, you're the marketing person. Take off that hat. Think about yourself as a general manager. So if you wanna comment on finance or R&D or operations, please do, because it's those different perspectives that are a major part of the challenge culture."

So I was highly specific about what I wanted and described it [00:30:30] I think pretty clearly.

Jacob: Well and then how do you create I guess that challenge culture? Because it's one thing, like you said, to have a challenge culture, but how do you balance that between not just being somebody who complains or somebody that's being difficult or somebody that's just kind of trying to be a thorn in the side of the company? Versus creating that true challenge culture. Because it's a fine line it seems like.

Nigel: It does, and I think you're asking the question [00:31:00] from an individual. I think the leader of the department, the company, the not-for-profit, whatever it is, has to model it, and I continuously model it.

Now, in Blockbuster and Papa John's, very strong franchise organizations. Dunkin today is just about 100% franchise. We've got kind of a challenge culture built in, because no one is more challenging than franchisees, I mean these are people that put their [00:31:30] life's money on the line, they've had to trust the brand, and I can assure you franchisees are pretty straightforward with their opinions.

But I think you have to find ways where you can channel it. So we actually upped our communication with franchisees, encouraged them to take part in all kinds of discussions. And one example I talk about in the book is what I call coffee chats. Now, coffee chats is no different from something I had at Papa John's called tea time with Nigel. [00:32:00] And effectively what it is is you get a group of people together, it's not a Q&A. You get people to talk about questions, concerns, things on their mind, and you

try and get as much as you can, and it requires very very obvious modeling and making sure people understand what's expected. So you get people to question and answer and discuss as a group, [00:32:30] and I always say an ideal coffee chat is when I don't actually say much.

So that has worked very well, you get franchisees involved. I then did it with employees. I actually do it and Dunkin still with employees, usually below director-level, a diagonal slice of functions. Ideally, though it's a bit more difficult, different ages. Different service is always interesting, I mean one of the things we always say is [00:33:00] how long you been with the company? And it's always great to get people who have only been there a few weeks and people have been there 30 years.

So by that modeling you get out of people who challenge being seen as complainers. Now, what I will tell you, it's a lot easier to be an autocrat. I mean it's a lot easier just to say, "I'm gonna do it this way, I don't really care what anyone else thinks. I'm not [00:33:30] gonna take any other opinions on board, and just follow it." That's the easy way. This is the hard way, but you end up with better solutions, and I stand by ... I think our record at both Papa John's but more particularly Dunkin, in the nine and a half years I was CEO I think we did great things, through an IPO, whether you measure it in terms of sales, whether you measure it in terms of reputation, or measure it in terms of stock price. I think it worked fantastically well for us, particularly [00:34:00] in a difficult environment like the franchise business.

Jacob: Why do you think so many people are scared of pushback? It seems like especially managers are not comfortable with their "subordinates" challenging them. I feel like in a lot of companies it's the way that you described, where you have a friend now working at this company, one person makes the decision, they tell you what to do, and it's like, "I don't wanna hear your opinion or your pushback, I just want you to do it."

Why do you think it's so [00:34:30] hard for us to kind of get that pushback challenge culture going?

Nigel: I think there's several reasons. I think one, a lot of people spend their whole time aspiring to get to a senior position, and there's a certain feeling that hey, I'm here now, I've earned it, I'm the boss, I'm in charge. There's actually a great little, one of these little sign things that people hang in their office. I'm in charge [00:35:00] and you'll do what I say.

But I think that's part of it. I think it's easier, as I said earlier, just to say, "Okay this is the way we're gonna do it." I mean it's interesting, as I said earlier, I coach kids soccer teams and I've got, in fact, two practices later on this afternoon. And I've always given the kids the opportunity to say what they think. Because what that does, it helps them think about the [00:35:30] game and it helps them integrate the learnings far better. If I just tell people, "Okay you kick the ball like this and this is all you do." You need to tell them why you're doing it. So I will ask them, "Why do you think we're doing it this way?" So I apply it there.

But to get back to your question, I think it's rising through the ranks, certain status goes with it, and I think the biggest reason is people are too lazy. It's a lot easier [00:36:00] just to get on with it than set up all the sessions of trying to challenge the work.

Jacob: Yeah, yeah. I definitely agree. You actually had a really good story in your book, and I'll let you tell it, it was about Paul. And it was during a meeting and you guys were talking about hiring costs. Do you remember that story from your book?

Nigel: Yeah, yeah yeah. Well Paul's a great guy. He's a good friend. Done terrific things in a certain number of companies. He's currently at MOD Pizza, which [00:36:30] as you know-

Jacob: Oh I know MOD Pizza. Yeah.

Nigel: Yeah yeah. Well he went there. I'm actually a pretty significant investor there, I love it, I think it's going to do very well. And they have a great people culture if you study that company. So Paul was around the company, I was looking at our costs at Dunkin. I basically said I thought we could take a certain number out, I can't remember what the number was. And Paul basically, this was in [00:37:00] the days when the challenge culture was still getting established, said, "Nigel I think that is ridiculous. There's no way you're gonna do that."

So he pushed back, there was some surprise in the room because the others didn't see pushback being allowed, because that wasn't previous behavior. So we then had a big dialogue about it. I think we ended up where I came off by number. We modified it, we thought about what was practical. But you do need some people [00:37:30] to model the behavior to make it truly helpful, and I think if I was given one piece of advice to people who are moving organizations, if you've got someone who's been through the challenge approach before, if you can take them with you, it truly does give you some shortcuts to creating the true challenge culture and setting it up in a new organization.

Jacob: Yeah. No that makes sense. Well I guess it makes [00:38:00] sense that the manager and the leader needs to be the one that comes out there and says, "Okay this is the culture that I want, it's okay for you to question me, to ask why we're doing certain things." But let's say for example you work in an environment where the manager doesn't come forward to say that, and you work for that kind of a manager. Is there anything that you as an employee can do to try to create that challenge culture? Can you speak up to your manager and say, "Hey, I know that you made this decision, [00:38:30] I don't exactly agree here." Like how do bring that up as an employee without getting fired? I mean if you can.

Nigel: Okay so this didn't actually go in the book, but we talked about putting it in the book. And I think a lot of it goes back to how things are set up differently in Europe from America. One thing I've always struggled with in America is employment at will. [00:39:00] I think the concept that someone ... and let's take a relatively low level job, you can imagine whatever job it is. I'm not gonna pick a job because someone will write to your program and say he's got a down on-

Jacob: That Nigel, he insulted ...

Nigel: Yeah that's happened to me. So let's imagine a job, let all your listeners imagine whatever job it is. But it's a very menial repetitive job let's say. And they've worked loyally for the company for let's [00:39:30] say 14 years. They can get fired next week, without any true compensation. Now I personally don't believe that's right. Now in Europe, under European law, that 14 year person will get like 14 ... I think it depends on country but as I say, 14 months pay. That gives them, if you like, some security. [00:40:00] And as a result of that security I think it's easier, the challenge in Europe, than perhaps it is in this country.

So that's what didn't go in the book. So to answer your question, I think some of the tactics you have to apply are can I just sit down and talk about a few things? And I think you have to be firstly civil. I wanna underline this word. This word is really important. It is no point [00:40:30] attacking people aggressively, you need to be civil if you're to really influence them. Secondly I would use some open questions to my boss, such as, "This project we implemented, do you think we could do it better? Would you be interested in hearing how I think we could do it better?"

So I think you need to get them tuned into thinking there may be some other solutions. But to just go in and say, "This is crap." Or something, [00:41:00] is not helpful-

Jacob: Not gonna get you very far.

Nigel: No no, and you know, going back, it's not the way to win friends and influence people. So the civil positive approach, but use of questions. So there's a chapter, and you've read it, in the book about questioning. And when I was researching the book I actually looked up how many books there are on questioning. Very few.

Jacob: Yeah. In the book you called ... what was it called? [00:41:30] You wrote about the Johari window. Is that what it was?

Nigel: Yeah, Johari window. The Johari window, which by the way I'm not an expert on, it's just one of the psychological tools that I've used through my career, basically talks about how people operate in arenas. And it's about how receptive you are to hearing comments about yourself or your style, from your subordinates, from your colleagues, or even from your boss. [00:42:00] And also how you're willing to give feedback to others. I mean I think too many people think of themselves first. And I also talk in the book about how ... I think there's a book called Give and Take, I reference that. And I've always tried to model, probably means I haven't succeeded, on giving more than taking.

[00:42:30] For example, I'll give you an example of where I'm trying to give. A guy phoned me up the other week, he's a professional soccer player in England, towards the end of his career. And he said, "Nigel, I've heard about you, I know you've got a book coming out. But one of your players told me your a really nice guy." I was like, "Well thank you very much." You know? So he said, "I'm gonna ask you a big favor. Will you become my coach? And I want to learn [00:43:00] more about the commercial world,

my career's coming to an end, I've loved playing professional football, I want to become ... move on the commercial side. I've done this study, that study, I've been on this course." All that kind of stuff.

So he and I have now started this relationship. That's what I call giving. And despite the fact it doesn't seem as though I'm not gonna get anything out of it, I think I will because I'll learn [00:43:30] a lot more about football from talking to him, because he's been in the business a long time. But I think people should think more and more about giving rather than just taking.

Jacob: I love that you actually mention the difference between United States and Europe as well. Because it sounds like it's easier to have a challenge culture in Europe, whereas in the United States maybe people are more scared because they don't wanna speak up for fear of just kind of being fired on the spot.

Nigel: [00:44:00] Exactly, and that's the whole point about employment at will. Now I'm not saying I'm ever gonna change it. I mean I've got two nationalities, American, which I'm very proud of being American, and British, or European I love to say because I truly believe in the European approach. But I think there is something in what you say, that there is this fear that if you speak up it's not done. [00:44:30] And I understand why people are scared, because everyone has to pay the bills somehow. But I think there have to be routines on ways to try and challenge back. And I think the things I laid out a minute or so ago is the way to do it. You've gotta start positively and use questions to get there.

Jacob: Well I know we only have a couple of minutes left, so why don't we jump into ... Well [00:45:00] I guess two questions, then I have some just fun questions about you. What happens or does challenge culture go wrong? Have you ever been in a situation where it doesn't go according to plan, where it leads to an argument, where something bad happens? And what happens, how do you deal with that?

Nigel: Well okay so I'm not saying it hasn't ever gone bad where people may get over aggressive over the ... or even over enthusiastic [00:45:30] about a different set of ideas. I think one of the philosophies I've always had in life is that you have to try and debate things out. Sometimes that takes a bit of extra effort. I can't think of an example where it's gone really bad, where someone's just like quit on me because they didn't get their way.

I think what I would say is where things are let's say uneven in the relationship, it's important [00:46:00] to work it out. I mean if I have a difference with my wife I try and work it out. If I have a difference in the organization I try and work it out. At the football club right now we've got a little bit of a personnel issue between some different groups, we're working it out. I mean challenge culture is not a panacea. All the normal things apply. You have to be disciplined, you have to be organized, you have to plan. I mean as [00:46:30] I used to say on training courses years ago, to fail to plan is to plan to fail.

Jacob: I've heard that quote, yeah that's a great quote.

Nigel: Yeah. And another thing I say in the book, I'm throwing a few things out, you have to keep anticipating the future. But I think what people don't do, they give up and just say, "Oh well, we've fallen out and that's it." That is not the way forward. The way forward is to try and work it out, because sometimes that person who's been negative, because they've seen things differently they can really help [00:47:00] you come to better solutions down the road.

Jacob: Yeah. Makes sense. All right, and last question to wrap up before we jump into some fun questions is where do you start? So people listening to this, I'm sure there are some managers that are listening that are saying, "You know what, I want to create this challenge culture, I wanna encourage people to question me, but for some reason they're not doing it. For some reason, even though I tell them it's okay, they're still not willing to speak up." [00:47:30] And you probably have other managers who are thinking, "Oh man, this Nigel guy is crazy, I don't want that in there, but maybe there's something to it, I wanna try it out."

So how can you start to test the waters and start to bring in this challenge culture in there, into your organization? Let's say you got brought into a very conservative company, there was no such thing as challenge culture, how would you begin to introduce it?

Nigel: Okay, so great question and I'd reference [00:48:00] anyone who is kind enough to read the book to look at the last section which is called the challenge culture checklist, that I've got in front of me here. And I think this is helpful in answering that question. But what I would say is the key thing is to start modeling it as much as you can yourself. The second thing I would say is it is not one of these things you pull off the shelf and stick it in like one of the old Blockbuster video cassette tapes.

Jacob: [00:48:30] It's not that easy huh?

Nigel: It just doesn't go in and start working. It takes time. You need to be a little bit patient. So I would go in, start asking some questions, in an incredibly positive way. And then perhaps just drop in, "I've read this thing about a thing called the challenge culture, perhaps we could discuss it." Perhaps get a colleague or two who-

Jacob: Maybe get a copy of the book.

Nigel: Yeah I wasn't gonna be that blatant but thank you. And [00:49:00] I think perhaps talk about it to someone who's friendly and say, "Hey I think we'd be better off if we approach things this way." And there's not one way of doing the challenge culture, challenge culture could be described as you said right in the first question on pushback, but it's positive pushback in a civil manner.

So I think getting in a friend or a colleague, working on it, and then I think gradually you can bring more people into your circle. [00:49:30] So don't go too fast, don't be too overt about it, unless your perhaps the leader. If you're the leader like the CEO it's easier. I've got a friend of mine who actually commented about the book, gave a

recommendation about the book, who runs a major not-for-profit organization. Well I think she naturally manages like this anyway, [inaudible 00:49:59] [00:50:00] people have got this problem are in the middle of some organization.

So I think you try and keep it small, and you then try and get bigger as you have success with trying the questioning and pushback techniques.

Jacob: Perfect. I think that's a great way to end that section.

Okay now just a couple of fun questions about you before we wrap up, just so people can get to know you a little bit better. What do you consider your greatest business failure?

Nigel: Okay. [00:50:30] Right, so interesting story. I think my biggest business failure was when I went to Blockbuster I inherited a plan to go into Germany. I picked up the plan, probably didn't challenge the plan enough. We forgot, either me, people before, or all of us, but I'll take accountability, failed to take into account that in Germany at the time video [00:51:00] stores weren't allowed to open on Sundays. Well that's a pretty important day if you're-

Jacob: Weren't allowed, really?

Nigel: No. And one of the reasons was that most of the other video stores in Germany had pornography, so that was one of the aspects. But the main reason is Germany has pretty strict trading rules on stores. You could also not open on public holidays. So if you think about it, [00:51:30] you lose every Sunday, that's 50 odd days a year, plus let's say 14 public holidays. You're losing 60 days a year revenue. So that was missed.

And I think also Germany ... I mean the attitude towards movies in Europe is different from the US. If you take the show Showgirls, [00:52:00] which was I think NC17 here in the US. In Scandinavia I think it was rated 13.

Jacob: Wow.

Nigel: So big difference in sex and violence. And it goes the other way. So I don't think we were culturally attuned enough to that. But the bottom line, tying it back into everything we've talked about in the book, is we didn't challenge ourselves well enough as to whether Germany was the right market to go in. [00:52:30] And I always remember a boss of mine said at the same time, I was agonizing after two years, Germany was going nowhere, we tried everything. And he said, and it sounds a dreadful phrase, but think about it because it's probably more positive than it sounds. He said, "Nigel, sometimes you'll have to kill your own babies."

Jacob: Oh yeah, my wife tells me that all the time. She says sometimes you have to kill your darlings.

Nigel: Yeah. Okay so I think that's [00:53:00] the biggest failure.

Jacob: What are you most proud of? Or what is your greatest accomplishment?

Nigel: I think my biggest accomplishment is all the work we've done here at Dunkin. I mean this is a great company, two great brands, Baskin Robbins and Dunkin Donuts. I think we've really got our franchisees behind everything we've done. That was very much driven by the kind of work that we've just [00:53:30] talked about. So I think the work at Dunkin has been my biggest accomplishment, and I think you see it in all the different results that we touched on earlier.

Jacob: What was the hardest business decision you ever had to make?

Nigel: Well, okay, so at different times you have to shutdown units, stop businesses, but the hardest thing if you care about people is letting a lot of people go. [00:54:00] And I've had to do that, as all general managers do, in reorganizations. And we had to do a lot when I was at Burger King.

Jacob: Yeah. Yeah it's funny, people always say that ... They hear about these stories and they say, "Oh the company doesn't care, they're laying off thousands of people." Even I've said that before. But that's not entirely true is it? It's not because you don't care about people and you're just letting them go, it's I guess you're focusing on the business and what you can do to keep [00:54:30] that growing.

Nigel: Well sometimes you need to reinvest resources from one sector to grow the business, to make the business successful in the end. And you know, I had another boss say to me once, "You've always got to think about the gas and brake pedal." It's fine going for revenue, but the brake is there to reduce cost.

Jacob: That makes sense. What's your favorite business or non business book, not including yours?

Nigel: [00:55:00] A great book to read, and hopefully I got the title right, is when I first became CEO I read a book by Jim Citrin called I'm In Charge, Now What?

Jacob: I'm gonna check that one out, I haven't heard of that one.

Nigel: Yeah it's excellent.

Jacob: Who is the best mentor or coach you've ever had during the course of your career?

Nigel: [00:55:30] That's a tough question. I think I had a great guy early in my career when I was at [inaudible 00:55:39], he was also at Rolls Royce. In fact he took me from one company to another. Called David [Henline 00:55:44]. I think he really made me think about ... He made me translate from being a young student who's working, into a young executive. And I think he was very helpful. But I've always been fortunate. Had a lot of [00:56:00] good people who've put me on the right direction.

And Barry Gibbons, who was the CEO at Burger King, really helped me a lot by moving me from human resources, which I was very focused on staying into, into general management. So I owe him a lot as well.

Jacob: Very cool. And a last question for you is if you would have ended up doing a different career, what do you think you would have ended up doing?

Nigel: Well I can answer that very clearly, because [00:56:30] about the age of 10 I wrote a story about soccer of course, and I sent it to a newspaper, and I had for several years a relationship with the editor at that newspaper. And I would have been a journalist.

Jacob: Oh very nice. And outside of the soccer team, the one that you manage and help lead, who's the soccer team that you're always routing for in like the Champions League or the UEFA League?

Nigel: Well [00:57:00] I probably gave you a clue earlier on because I was at Fenway Park. It's Liverpool.

Jacob: Ah yes, I'm sure there are lots of Liverpool fans. Well Nigel, you've been very gracious with your time, we went a couple of minutes over. Why don't you let people know where they can get your book? Is it officially out? I think it came out in August right?

Nigel: No it comes out September the 18th.

Jacob: Oh September 18th, so in a couple of weeks.

Nigel: You can pre-order it at obviously [00:57:30] any of your favorite retailers, like Barnes and Noble. We've got the official launch at Wellesley Books here in Wellesley, Massachusetts on the 17th. But you can also go onto Amazon, and they've got audio editions, hardback editions, paperback editions. And then the UK, you've got Amazon.co.uk and people like Smiths and Waterstones have already got it up on their website. [00:58:00] The UK edition is very marginally different, mostly the spelling I think, from the US. But we see this as a book transcending different cultures and different countries, so you can buy it in a lot of places.

Jacob: And where can people go to learn more about you? I believe you're on LinkedIn, a website. Anything else that you wanna mention for people to connect with, please go for it.

Nigel: Yeah I'm on LinkedIn, but I'm also very visible on the Leyton Orient Football Club [00:58:30] website in England. That's L-E-Y-T-O-N, some people get it wrong. So LeytonOrient.com. And so you know, that's probably the best place. I'm not a big ... So far I haven't gone into writing things on all kinds of sites and blogs or doing the kind of professional stuff that you do Jacob. So that may come down the road, but the book was a big project, I've enjoyed it, learnt a lot, [00:59:00] and hopefully people will benefit from reading it.

Jacob: Oh I'm sure. And perhaps people will see you at one of your upcoming speaking engagements.

Well Nigel, thank you for taking time out of your day to speak with me, I really appreciate it.

Nigel: Well Jacob thank you for your interest, and thank you to all your listeners.

Jacob: And thanks everyone for tuning in. I'm also doing a video here, so those of you listening you can't see the video but I'm holding up the book. And my guest today again has been Nigel Travis, Executive Chairman at Dunkin [00:59:30] brands. Also the former CEO of Dunkin brands, former CEO of Papa John's Pizza. And the new book is called The Challenge Culture By The Most Successful Organizations Run On Pushback. And I will see all of you guys and girls and gals next week.