

Jacob: Hello everyone, and welcome to another episode of The Future of Work podcast. My guest today is Garry Ridge, CEO of the WD-40 Company. Garry, thanks for joining me.

Garry: G'day, Jacob. Great to be with you today.

Jacob: So we're going to be talking about a lot of cool stuff. I actually have tons of WD-40 sitting in my garage. I'm sure a lot people listening to this use WD-40 on a regular basis. And it turns out actually that you also have quite an amazing culture inside of WD-40 and you guys have been doing a lot of cool stuff there which we'll explore. But before we jump into any of that, why don't you give us a bit of background information about you, how you got involved with all this stuff, and what does a typical day look like for you?

Garry: Well, thanks, and thank you for having some WD-40 in your house and stopping those squeaks. How I got involved in all this? If you would have asked me 31 years ago whether I'd be in San Diego and setting up WD-40 company, I'd say no, that's not going to happen. I was in Australia. I joined WD-40 in '87 to our Australian subsidiary, and I worked from '87 to '94 in Australia. And I got the opportunity to move to the U.S. in '94 to head up our international expansion. Back then, we were a little less than a quarter of the size we are now, and we had a dream to take the blue and yellow can with the little red top to the world, and I guess I had an advantage. I was one of the few people in the company that knew where a lot of airports were around the world.

So I came over and then started to develop our international strategy. That was a great learning moment for me because I realized that micromanagement wasn't scalable, and if we were to go to all of these new places and climb all these new hills, we really had to build a culture that was engaging, set people free; was a place where people learned and shared. And in '97 when I started as CEO, I looked around and I went back to school. I went to USD and I did a masters degree in leadership. That's where I then met my dear friend, Ken Blanchard -- who became my dear friend -- and I learned a lot about some of the things that were important about servant leadership.

That's where I also met Marshall Goldsmith, who I know is someone that you are well aware of. And I took some of what they taught me and I put it into practice. And we are very proud today at WD-40. 93 percent of our people come to work every day, make a contribution to something bigger than themselves, and learn something and go home happy. 93 percent is our employee engagement number, and our success as a public company is all about the people.

We do have a great product, but at the end of the day someone might just say it's oil in a can. But without the people, we would not be who we are. And we've proven over that period of time that as we built employee engagement from the disgusting numbers most companies have of 35 to 40 percent to our 93 percent, over that 20 year period we've had a compounded annual growth rate of total shareholder return of 14 percent. So if you would have invested \$100 in WD-40 stock 20 years ago, you'd have about \$1300 today, which is pretty remarkable, and it's all about the people.

Jacob: Yeah. I remember when I interviewed you for the new book that we were talking about stock price performance, which has been doing amazingly well. So for people that are not familiar with WD-40 and the company and what you guys do, maybe you can give a little bit of background information around what the company does, how big is the company, where are you based, and any other information you want to share about it.

Garry: Our purpose, or our 'why', is we exist to create positive, lasting memories of everything we do. We solve problems, we make things work smoothly, and we create opportunities. How we do that is we create these lasting memories by cultivating a tribal culture of learning and teaching which produces a highly engaged workforce who live our company's values every day. What we actually do is, our mission is to deliver unique, high-value, easy to use solutions for a wide variety of maintenance needs in workshops, factories, and homes around the world. We distribute our brands across multiple trade channels in countries all around the world, which means everybody gets the opportunity to touch what we do. We're a \$400-plus million dollar revenue company based in San Diego. The product was invented in San Diego in 1953. We'll be celebrating our 65th birthday this coming September, so it's all pretty exciting.

Jacob: And you guys have the iconic ... I don't even know how the brand became so famous, but I feel like every time you go into somebody's garage they have a can of that WD-40 just sitting there. I used some the other day to get, like you said, squeaks from the garage door opener, from the door. So you guys are probably in so many houses everywhere, which is fantastic.

Garry: In the U.S., we're in eight out of 10 households. Thank goodness we're not in all houses everywhere because there's lots of squeaks in China. And in fact, in a week or so's time I'll be in China, and we have a wonderful tribe of people there. And we meet new users every day in China. So China, great opportunities, but many countries around the world, we are not at the level of awareness, at distribution, and in-house penetration, or in factory or tool box penetration as we are here in the U.S. So that's where our opportunities are and it's the fastest growing part of our business.

Jacob: I can't believe eight out of 10 households. That's remarkable. And how big are you guys? How many employees do you guys have?

Garry: We have just shy of 500 at the moment I think, globally. We have revenue per employee; our goal is \$1 million worth of revenue per employee. And the reason we only have 500, Jacob, is because of our high employee engagement. If we had engagement numbers around what everybody else had -- which means 65 percent of the people would come to work and not be engaged -- we'd probably have to have twice as many people as we have now, which would not produce the financial results that we produce that make us such an attractive investment for our shareholders.

Jacob: And we're certainly going to talk about how you do some of that stuff. But what do you see your role as? And not just your role, but what do you see as being the core function of a CEO inside of a company? Or even a leader? Maybe it doesn't even need to be a CEO. An executive, a manager, anybody at that level. What is their role and what's your role?

Garry: Taking care of the people. Leadership ... Simon Sinek says and I just love it, leadership is not about being in charge. Leadership is about taking care of the people in your charge. Being a servant-leader, servant-leader has two words: servant and leadership. So let's dissect that. Let's take the word leadership first. As we stand as leaders, it's our job to ensure that we have a viable strategy, we have a business model, we have resources, we have goals, we have all of the things that it takes to have a business that can perform.

Once we've done that, we become the servant. And it's our job then to help people step into their best personal self every day; to help them, as we say, our job is to make sure we create an environment where our tribe members wake up each day inspired to go to work, feel safe while they are here, and return home at the end of the day fulfilled by the work they do. They need to feel they've learned something new and actually have done that, and contributed to something bigger than themselves. So that's what leadership is about. It's visionary. It's about the people. It's about taking care of the people. Leadership is a balance between being tough-minded and tender-hearted, and the genius is in the end, you have to be both.

Jacob: I like it. I think that's a simple explanation that a lot of people can get behind. But interestingly enough, a lot of people are not behind it. I think you wrote an interesting article around it, about The Soul-Sucking CEO.

Garry: My friend, Al. Al, The Soul-Sucking CEO. He's not really my friend. I just happen to know him.

Jacob: Yeah, it was a great article that I read through. But you know we keep hearing about culture and people, and Simon Sinek's book did well, and Ken Blanchard and Marshall Goldsmith. And there are so many books and studies; all this stuff is everywhere. But it still seems like companies struggle with this. Why do you think that's the case? You would think that by now we would have wrapped our minds around the fact that, okay, it's important to treat people well and maybe we should do things differently, but it seems like we're not there.

Garry: Well, let's really understand how bad we are at this. Way back there was a statement made that says pleasure in the job puts perfection in the work. And we would believe that would be true, right? If we enjoy what we're doing, we're going to do it better. Aristotle said that in 384 B.C. We are such slow learners. We are so bad at understanding and I think it's because ego eats empathy instead of empathy eating ego. And I think a lot of leaders are afraid. They're scared of letting go and they're scared of giving people the opportunity. They freeze, and we learned that that's not going to get the result. The three most powerful words I've ever learned, Jacob, are I don't know. And I'm pretty happy being consciously incompetent because then we can set people free.

So I think they're scared and I think that their ego gets in the way, and the number one role of a leader is leaders involve their people. My friend, Al, The Soul-Sucking CEO, he's worked hard to get to be the number one guy. He's not going to involve people, and he's the smartest guy in the room so he's going to be the one that's going to have all the answers. Wrong. Wrong, wrong, wrong.

Jacob: Yeah, I couldn't agree more. And I think it does come down to fear. So maybe it's not always malicious intent. I'm sure sometimes it is, but sometimes a lot of these CEOs and business leaders and executives are maybe just scared of doing this. And you talked about some of this in the article that you wrote. Any ideas for what you think we can do to change this mentality? Is it about education and training? We have so many institutions and surveys that are floating around all over the place. How do we finally get that mentality to change?

Garry: I think number one in business, particularly for public companies, we've got to take the pressure out of short-term-ism. You can't lead a business in 90-day intervals, and if you put leaders under the pressure of it's about your last 90 days, they'll do unnatural things. And they'll make decisions that are short-term, not long-term, because they're afraid of missing whatever Wall Street thinks they should get by a penny, and then they're going to get dragged into the public arena and whipped to death for being bad what they do.

Now that doesn't mean that you don't hold companies accountable. I think that we should, as leaders, say this is where we think we want to go as an organization, and yeah, measure us this way over time, but give us time to be able to develop the people. So I think that's one of the ways that we all want instant results, and instant results ... Coffee that's brewed over time tastes much better than instant coffee, so I think that need for the result is now is really something.

I think that, as you talked about education, sure. We need to be competent. This week there was a celebration of Nelson Mandela, and one of the greatest things he said was education is the most powerful weapon with which you can use to change the world, and that it so true. And that's something that we adopt here at WD-40 Company. We're a learning and teaching organization. We don't make mistakes; we have learning moments. Why do we call them learning moments? Because people get paralyzed because they think if I make a mistake, someone's going to feel less of me. A mistake is an opportunity to be better. And as long as there are values that surround people that help them make reasonable decisions, if it doesn't quite work out, what do we learn from it? So I think competence and learning is very, very, very important.

So I think there's not a magic here. You can't take fairy dust and sprinkle it over an organization and have a culture that's engaging. You've got to have the fundamentals in place of really, truly having a desire for people to be number one; having a clear purpose; having a set of values that set people free; having a good plan and measuring execution, but don't stay there; and then being open to learning continually within the organization.

Jacob: How do you balance all this stuff with profits? Because some people might say, well, it's expensive to invest in employee experience and culture and training, and spending so much time and resources on our people that it's going to take away from the bottom line. So how do you justify and balance this idea of investing in people versus maximizing shareholder value?

Garry: Profit is the applause of people doing great work. So I'm not saying that you're going to take all of your resources and become a university. What I'm saying is that there has to be a significant and meaningful commitment to a learning organization. So we invest a lot in people but it doesn't mean that we're going to bring in every consultant, every training firm, and do every flavor of the day development program. What are our values? What are core things that we need to learn?

We have a leadership lab within our organization where we teach internally. We have our own faculty. We're not a huge company and we're global. You can do this in an affordable manner. I think it comes back to are you convinced that people who enjoy their work and continually learn will perform a better result which will benefit the shareholders? If you've convinced them the first instance, do it. But a lot of people aren't convinced.

Jacob: I suppose that's what it comes down to, is they're not convinced or maybe they don't understand the ROI. Yeah, the convincing part seems to be the one piece that is missing. It's probably the mentality of we're already profitable, we're making money. Why bother changing or doing anything different?

Garry: There was a great comment that I use sometimes when I'm public speaking that I think is really, really interesting and it goes back to Al, Al my friend ... Not my friend, but you know who I'm talking about. The Soul-Sucking CEO. He said to one of his people, "What if we invest in our people and they leave?" And a very bright guy said, "And what if we don't and they stay?"

Jacob: That's a great quote. I think I heard something similar of the CFO talking to the CHRO-

Garry: Yeah.

Jacob: So I know exactly what you're talking about. Yeah. Couldn't agree more. And I think actually you ended that article, you had this really great quote and I just wanted to read the quote because it was sort of like your way of saying hey, you know what, if you don't treat your people well, that's great. We're taking resumes and they're more than welcome to work here. And so I just want to read this quote for people so they can kind of get their frame of reference.

And you said, "The decision I put to you is whether you will commit to being the leader where your joyful workplace culture begins. If you choose not to, that's certainly your prerogative. Just bear in mind that 51 percent of the people you pass in your hallways or meet in your cafeteria might be looking for a new job. We at WD Company would be delighted to consider their resumes and we have a 93 percent engagement rate. Not to brag; I just want to give you an idea who might be welcoming aboard your best talent. Correction, your former best talent. Now they're our best talent. It's your decision."

And I read that and I was like, man, that's pretty awesome. I loved the way that you kind of frame it as basically if you don't take this stuff seriously and treat your people well,

guess what? They're going to leave and go to somebody else like a WD-40 Company or a competitor.

Garry: Right, absolutely.

Jacob: And it seems like it should be a common sense decision to make.

Garry: It seems like it, doesn't it? It really does. That's why sometimes I really get confused why Al, The Soul-Sucking CEO, does what he does.

Jacob: Yeah? Hey man, I get confused by that all the time. Still boggles my brain. I'm curious what is it like to work at WD-40? So people that maybe have never stepped foot into any of your facilities, maybe you can give us an auditory tour of being an employee there.

Garry: Sure. If you work at WD-40, we care about you. Caring means that we have a true desire for you to be the best you possibly can be, and we're going to help you be that. We're going to be candid with you; no lying, no faking, no hiding. We're going to hold each other accountable. We're going to expect you to be and us to be responsible. You're going to learn a lot and we expect you to be a teacher. There will be values that will help you, help guide your decision making and protect you. You will feel like you belong, and it's as simple as you'll know you're doing a good job not by the fact that no one yelled at you today, but you'll be recognized.

You'll see that we are future focused. We know that today is a good day, but we want to understand where tomorrow we'll be, so we're looking to the future. We'll respect people because they have specialized skills, so even though you may have a high competency in one area, there'll be someone who will have a high competency in the other area and we'd expect you to learn from each other.

We're warriors. We're going to be here to protect our people, protect our company, protect our brand, and fight fairly as we do, and celebration. We're going to celebrate a lot. We're going to celebrate really big and good times. And when times aren't so good, we're not going to forget that celebration is also important. So that's what it's like to be here.

Jacob: And by the way, in an article you wrote you put some of the questions that you asked internally to measure these things, and what you scored. So I just want to read a couple of these just so people can get a sense of how employees truly feel about WD-40 Company.

So you asked things like, "I am clear on the company's goals." And I think you had over 97 percent of people agreed to that. "I'm excited about WD-40 Company's future direction," over 93 percent. "WD-40 Company encourages employees to continually improve in their job," right around 93 percent. "I understand how my job contributes to achieving WD-40 Company's goals," almost 98 percent. And then three more, "I know what I know what results are expected of me, 97.4%, I feel my opinions and values are a

good fit with the WD-40 culture, 98%, and as you said your favorite one, I love to tell people that I work for WD-40 Company, 99%. I suppose you gotta find out who that 1% is and find out what's going on with those guys.

Garry: They're off on vacation.

Jacob: Yeah. But these are astounding numbers. Most companies around the world only wish that they can have such numbers.

Garry: They can wish all they like, but if they don't do it, that will never happen. If they don't adopt a true desire to have a place that people really do love coming to work because again, they learn, and they're safe, and they feel happy, and they make a contribution, they won't get there.

Jacob: Yeah, couldn't agree more. So I want to dig a little bit deeper into how you actually make these things a reality at WD-40. I was reading through ... you have seven characteristics, right? Learning and teaching values, belonging, future focus, specialize skills, warriors, and celebration. So maybe we can just spend a minute or two on each one of these and just get a sense of what you do internally. So let's start with learning and teaching. How does this manifest itself in WD-40? Is it just kind of like an informal mentality, is it more of a structured program? How does that come together?

Garry: Well again, firstly it's a dedication to it. But we have a number of programs, we have a real openness to learning, a willingness, indeed a commitment. We get very comfortable with saying, I don't know. We have a number of programs that we use. The basis of this is the learning moment because to learn you have to have a reason to learn. And having the learning moment is something that does. Many of us here have got Master's degrees in Leadership now from USD. We have an internal program called the Leadership Lab, which really takes the core fundamentals of that Master's degree and teaches it to everybody in the company. So if you were a graduate of that degree, you become a faculty of our internal.

I think in the last four or five years, I'm not sure which it was, we've had 91 thousand hours of leadership training across the company globally, which is pretty amazing. And it's just a continual commitment, we run that every year.

Jacob: Yeah, that is quite a lot of time spent learning that. So that's fantastic that you guys have all these programs and things in place. What about the next one that you have on the list.

Garry: Our values?

Jacob: Yes, and how do you bring those to life and get people to connect with what those are?

Garry: Number one is they're part of our Talent Development Program. So every 90 days at least our Tribe members sit down with their coach. Everyone here is a coach, not a manager. So I'm someone's coach and I'm someone's second coach. And our values are

actually in the Talent Development Program. So we ask people, we only have two measurements of values, you either visit them or you own them. And we don't want too many visitors, you act them is what we want. So we talk about them all the time. We ask people to share how they've done, how they've lived them, not visited them. They are part of our conversation every day. You'll hear our number one value is we value doing the right thing. I don't think there would be a day in WD-40's history, in recent history around the world, when in many meetings someone has asked, is this the right thing to do?

Another one of our values is we value creating positive lasting memories in all of our relationships. I'm sure that that question gets asked, will this create a positive, lasting memory? So our values are embedded, they're not just framed in the lobby. I love to say that they're on coffee stained, crinkled pieces of paper everywhere around the organization. And we use them every day to help us make decision the way we want to make decisions.

Jacob: So you don't just force people to wear t-shirts that have your values written on them?

Garry: We do not.

Jacob: Which I've seen, by the way.

Garry: Yeah.

Jacob: What about the next one of belonging. This is I know a really big one, I'm assuming this goes into being your true self, authenticity being genuine. How do you cultivate that?

Garry: Yeah, well again, our belonging attribute in our Tribe is really based on Maslow's Hierarchy to self-actualization. And if you look at it, most organizations do provide the first two areas in that, which is basically am I safe, and is there survival in the organization. It's actually around the other way. And most organizations do that. Then they get to belonging and they forget. And belonging, everyone has left a organization, a party, or even a relationship because they didn't feel like they belonged. So belonging in the company is around actually treating people with respect and dignity. It's imperative that our Tribe members are here by their choice, and we want to show them through our words and deeds and actions that they do belong. And everything from the way we treat them around events to just recognizing people for doing great work and they can say, you know what I feel like I belong here.

And just the way we talk to people. I mean, this is not a hierarchy, this is a family. And we laugh with our Tribe members, and we cry with them sometimes as well. So it's truly that heartfelt desire to treat people with respect and dignity.

Jacob: I love that you mentioned family, because that's not a word that you hear much of in the business world anymore. Instead, a lot of people are starting to believe this idea of the tour of duty, people who only stay there for a couple years, then they're gonna

leave, and so you should just assume and expect that. It doesn't sound like that's the type of environment you've created at WD-40 though.

Garry: No, our Tribe has created it, not me. Our Tribe has created it. We've got ... I think our average tenure is 10 years. I know every year we give out service pins for 5, 10, 15, 20, 25, 30, 35 and 40 years. We've actually got 40 year people we've given pins out to. I've been here 31 years. Most of my leadership team has been here in excess of 20 to 25 years. So yeah, people stay here, not because they can sit and quit, not because it's a soft place to be. It's again, because we treat people fairly, we reward them for great work, we appreciate them, it's exciting. And more importantly, they learn something new every day.

Jacob: Next one on the list is future focus. And we have a couple more I think, future focus, and probably two more, and then we'll dive into some of the other things you guys are doing internally. But how does the future focus aspect of this come to life, and what does that mean for you?

Garry: Well we understand that where we are today is indeed a great place, and we're comfortable being here, but we're not sure being here tomorrow is where we want to be. So we have to move to new places to ensure that there's an abundance of what we need to be able to take us to the new place in the future. So if we weren't as an organization thinking about eCommerce, digital, if we weren't thinking about the impacts of technology, we can't be just comfortable where we are today. So it's that challenging. And one of our values, to link into that, one of our values is making it better than it is today. So we're always looking at where are we going for the future.

Jacob: Next one we have is specialize skills, which I thought was pretty interesting. How does that manifest?

Garry: Well, we often say you can't do any of what we need to do alone, you must involve other people, people who are better than you are at doing what they do. So we identified that back in tribal days, and when we introduced this tribal culture, we studied the attributes of the Australian Aborigines in the Fijian Islands. And one of the things we saw, that even though a tribe was a united group together, within that tribe there were better hunters and fisherman, there were better cooks, there were better builders, there were better X Y and Z.

So with us, we have the same view, that even though we may be good at what we do personally, there's someone else who does something in another area. And we need respect each other, learn off each other, and make sure that we have those specialized skills that support the whole organization.

Jacob: And the last one which I love, because the others ones felt so ... how would I describe the other ones? More human and respectful, then you get this warriors out there going to battle. So how does that manifest itself too?

Garry: Well again, I love ... even though I'm an Australian, I love the tradition of the Haka in the New Zealand rugby games. And if you've ever watched a New Zealand rugby game-

Jacob: I'm going tomorrow. The Rugby Sevens World Cup is in San Francisco at AT&T Park. And my dad is coming up today and we're gonna spend Friday, Saturday, Sunday watching all these world teams competing and the All Blacks will be there.

Garry: Well, you'll see them perform the Haka.

Jacob: I know, that's awesome.

Garry: And what happens, it actually gives you a spirit of goose bumps. So we're warriors, we want to be warriors of purpose, not warriors of destruction. So yeah, we'll fight for our people, we'll fight for our company, we'll fight for our brand, we'll fight for what's right. But it's really that spirit of winning. And a lot of companies just have that spirit of winning and not all the rest of the things that we think are important. So the spirit of winning is important. In modern days it's all about our field is around our values and how we play, and the expectations that we set for our Tribe as individuals and as teams. So it's really important.

Jacob: And the last one actually I lied, it wasn't warriors, it was celebration.

Garry: Celebration, well what do I have to say? I'm an Australian, we like to celebrate. But celebration is really a reminder that we need to take time to celebrate together and to recognize people. And we have a lot of ways of doing that, we have a wonderful program in the company called The People's Choice Awards, where it's a peer recognition where people recognize people within the organization for things like the Sock Waving Fan, the Rookie of the Year, the Mother Theresa Award. And it's a great way of us both getting to learn more about each other. But we give these out at our meeting in September each year and there's tears, and joy, and it's just wonderful. So whatever we do ... life's a gift, don't send it back unwrapped. We're here for a good time and we should recognize that.

Jacob: Yep, I love that. You've had a lot of really great quotes that I feel like I need to be writing down. You had the coffee quote, you have this quote, you had the Aristotle quote in there. You got all sorts of words of wisdom, so I love all these ways of thinking about this. I'm really curious also, you talked about maybe one or two of the programs that you have inside of WD-40, there was the learning one that we talked about, and you just talked about this People Choice Awards. Are there any other programs or things that you do and implement inside of WD-40 Company which you think are unique? Or even just things that maybe are not unique, but maybe you have a different spin on them?

Garry: I don't know if they're unique. I think there's a number of things that we use. We use situational leadership as a communication tool because it's so simple. We love trust the ABCD of trust. A lot of people say how do you know what is trust, well we like to define things. And ours is able, believable, connected, and dependable. I think our focus on values is very different from a lot of companies, our tribal atmosphere, our tribal culture

is very different. So yeah, there are different things. But they're not ... this is not rocket science, you know? It's simple, not easy, and time is not your friend.

Jacob: Another great quote. I love that you have all these tidbits that you keep throwing out there. So I want to get back to this idea of working inside of WD-40. So let's say today's my first day on the job. I show up in San Diego. What is it like to work there? Is it open spaces or closed? Is it free food everywhere and dogs running down the office? Is it like working 9:00 to 5:00? What is the actual environment and the space like? And what are maybe some of the perks, or benefits, or things that employees get as being an employee there?

Garry: Well the first day when you got here you'd probably ... the thing you get is a lot of love and a lot of care that we ... you probably would have got one of my books on your desk with a personal note from me. If you opened your email there's probably 70 or 80 emails from your Tribe members who were welcoming you here. We have a few little fun things we do, we have a ceramic crab that we give to people that they pass on to the next new employee, which has a little tradition to it. So the first day you arrive you get the crab and we pass that around.

The environment, we just moved to a new building here in San Diego. It's not palatial, it's like a warehouse type. There's a lot of ... we designed it to have a lot of collision zones so people walk into each other so that they have to talk. Every office in this building is the same size, 10 by 12, including mine. Every meeting room is named after where we have an office in the world, so we bring out globalism in. We have a cantina that's called the Sydney Cantina, it's got a shuttle board and ping pong table in it, and that's about all.

No we don't have free food, although we do fun things like we celebrate different special days of different countries around the world to remind us that we're a global company. So last Friday was Bastille Day and we had cakes and stuff early in the morning that people could have. When it's Australia Day we have meat pies. So little things.

We have a structured yet flexible work environment. Everybody has a standup desk if they want to, it can be up or down, whatever they like. So I'd say it's a casual yet disciplined organization. You'll hear a lot of laughing in and around the company from day to day. So we're not a Google. You can't make people happy all the time with just free food and allowing your dog to come to work, that's some of it. And I don't know, I think I have seen a dog or two here occasionally. But it's a very, I would say, embracing and comfortable, cozy type atmosphere where a lot of great work gets done.

Jacob: How do you make sure that you have the right leaders in place and the right people that you bring in, in those leadership roles, that foster that mentality? Was WD-40 Company always like this, or was there a time when you were there where it used to be conservative, hierarchical, command and control, it didn't have this human element to it and you had to change it? Or has the company always been like this?

Garry: There's no such thing as always or never, so no it wasn't always like this. 20, 30 years ago it was what most companies were in those times, which were ... the leadership style was more hierarchical. It was a great company, but we knew that to go forward micromanagement wasn't scalable. We wanted democracy, and openness, and sharing, and inclusion. So we had to change. If we were gonna grow outside the United States, which was our goal, we couldn't be the same. So we had to setup our structure to allow that growth to happen. So no, when I joined the company 31 years ago it wasn't like it is now. It won't be like it is now 30 years from now. But maybe they'll find a better way, I don't know. But certainly we change, and we just really respect the fact that we want collaboration, inclusion, diversity is so important to us.

So it's nothing like ... I am absolutely convinced, proven by the results the Tribe have delivered, that purpose driven, passionate people guided by their values create amazing outcomes. I can prove it by the work.

Jacob: So if somebody said how would you prove it, you'd basically say, look at our numbers.

Garry: Look at our numbers. Two numbers, our employee engagement number and our financial returns. Look at those two numbers. And we have enviable numbers for both of those things.

Jacob: Yep, well I guess the proof is in the pudding as they say.

Garry: The proof is in the eating.

Jacob: Another great quote. You're on a roll with these. So I'm curious, and I'm sure probably people listening to this are curious, how did you got about driving that change? Because one of the things that I keep hearing about it, and I'm sure you do as well, is that sometimes companies know they need to change but they have a very hard time, or people have a very hard time, convincing leaders of why they should change. And leaders are very stuck in their same ways in doing stuff, they're not willing to embrace these new concepts and ideas. So how did you, inside of WD-40 Company, drive this change? And how can people listening to this drive change inside of their companies?

Garry: Well, how I was convinced that we needed to be different was I looked in the mirror and I said I'm consciously incompetent, I don't know a lot of stuff, and I need people to be engaged. So how should we work at doing that? And I went back to school, I confirmed what I thought I knew and learned what I didn't know around leadership. I listened to people like Ken Blanchard and Marshall Goldsmith, and in later years Simon Sinek, all of whom have become very dear friends of mine. And all three of them say, Garry, thank you for executing on what we believe, because you've proven that we are not just these theoretical maniacs, that this stuff does work. And I said, well thank you for letting me learn it. So you know, you have to be a sponge. And then you have to be committed to it. And it wasn't easy, because yeah we had the resistors that didn't want to do it. But again, as I've said many times to you, Jacob, if you are committed and you believe that the power is in the people, then do whatever you need to do to help them step into the best version of their personal self every day. We believe the way you do that is to have a

structure where there's respect and dignity, there's care, can or accountability, responsibility. There's a clear strategy and you live it every day. Every day, every day. Always, always, always. Every day, every day, every day. Always, always, always. And never give up.

Jacob: I'm guessing every day and always?

Garry: Yep.

Jacob: You said you had some resisters. How do you deal with those guys?

Garry: Not everybody has to agree with the way we want to lead and that's okay. They may well be happier somewhere else. You know, they either ... and that's okay. I got to spend a considerable amount of time with Alan Mulally in this Marshall Goldsmiths group that I'm in. He's worked at both Boeing and at Ford, he talks about zero tolerance. Here is the leadership point of view that we're going to have as a leadership group. You either buy into it and there's zero tolerance, and if you don't that's okay. It's okay. You don't have to be here. This is a special place but it's not for everybody. If you go onto our website, onto our careers page, the first thing that pops up is our values, that talks about our values. It says that if you cannot get comfortable with these, don't even apply.

When you come to interview for the company we can test competency very easily, Jacob. I can work out whether you're any good at Excel, I can give you a test to do it. We spend weeks talking to people to understand what are their values, what drives them and if they're going to fit into the kind of culture we have as we describe it to them.

Jacob: How do you do that, measure fit? Is this like, you just as certain things during the interview process?

Garry: Mm-hmm (affirmative).

Jacob: I mean, is your process like a typical interview process that most people would think of at a company or do you do something different that gives you that sense of if this person is a good fit?

Garry: I don't think it's typical. I know that we go through quite a series of interviews and how do you get that? You talk to people. You ask them questions. You watch how they behave. We do that in many ways and it probably wouldn't be unusual for you to go through, if you got into a final group to work here, to go through at least five group interviews before the final decision was made. The tribal coach doesn't make the sole decision. He calls on his other coaches to help him in making that decision, just to see if that's how they feel.

Jacob: How do you deal with the tough choices and tough decisions? In an environment ... I don't know, maybe you've never had to go through this. Have you ever had to go through a time where you had to lay people off, you had to fire people? You try so hard

to create this kind of a caring environment, caring corporate culture but things don't always go according to plan. The economy isn't doing well, maybe big orders get canceled. How do you deal with that in that kind of situation that doesn't betray loyalty and doesn't put people off, you know what I mean? That still builds trust but allows you to do something and make a tough decision in a tactful way.

Garry: Let's separate firing people with laying people off. We've never laid anyone off in the history the company.

Jacob: Wow.

Garry: In 2008, when the world was going through the recession that we just needed to have, apparently, we all got together as a tribe and we said let's make ourselves a promise. When this is over, because it will be over one day, we're all going to be together with at least one more tribe member. We adopted that and then we worked out what we needed to do to secure ourselves during that period, because we didn't know what was happening tomorrow. There was so much uncertainty. With that, our people worked out. There's certain things we could do better. We could change this, we could that. We did a little less of this, a little less of that. A little more of this, a little less of that and we got through with flying colors. In fact, our business really didn't suffer too much. The following year, because we didn't lose any momentum we had the best year in the company's 57 year history. We pulled together. We're also a reward-for-results company.

Even though when people come here they get reasonable salary compensation, our growth reward program is one that, if the company is doing really, really well, the tribe members do really, really well and the shareholders do really, really well. If we're going through times that aren't as good the tribe members don't do as well but the shareholders still do okay. People understand the decisions they make every day are affecting how they're going to be rewarded financially, so that's very important. Firing people? We don't fire people, we share them with competitors and sure, we've shared some people with competitors for different reasons over time.

Jacob: I love that. I can't believe that you guys have never laid people off. During tough times ... I talked to Bob Chapman, CEO of Barry-Wehmiller, who I think you know.

Garry: I do know Bob very well.

Jacob: They had a similar situation, right? Where instead of laying people off, they had this furlough program and employees were ... did you have a similar kind of approach?

Garry: We didn't furlough. During that time, not only didn't we lay anybody off, we never took away any of the crucial benefits. We didn't impact 401K ... but it's because, also, I think we're very realistic. But we did do other things. We worked out you could get away with one or no subscriptions to the Wall Street Journal. We got more dedicated to using resources that we weren't using before. We were very responsible, but we've never laid anyone off.

Jacob: How do you think large companies can apply some of these concepts? You said, for example, you have around 500 employees. Some people listening to this might say, "Well, you know, that's great, works for WD-40 Company, they got 500 people. We've got 5,000 or 50,000 or 200,000. There's no way any of Garry's stuff is gonna work inside of our company, it's too big. What would you say to them?"

Garry: If you have 5,000, think of 10 companies of 500. Why is too big?

Jacob: And even if you have 100,000, 150,000, just think of it as a bunch of smaller companies.

Garry: Yeah. And it's just a matter of getting through the system. Don't let the system be the excuse. It doesn't matter how big you are, you can still respect your people if the values are there.

Jacob: Yep.

Garry: I don't see it any ... Barry-Wehmiller's got thousands of employees, he does it. Chapman does it.

Jacob: Yeah. I think they have ... it's over 12,000 people.

Garry: Yeah, Chapman does it.

Jacob: Yeah, and they-

Garry: Same principles as we have.

Jacob: Yep. They do a pretty good job of it, too.

Garry: They do.

Jacob: I noticed also that you're really big on the idea of tribes. You use the language of tribes, in a couple of articles that you wrote you always mention tribes. Why tribes?

Garry: Well, what's the alternative?

Jacob: I guess some people just say employees. Or they say ... yeah, I mean, employees is the common ... head count, staff, workers. I've heard a bunch of those different things used.

Garry: You don't belong to employees. It's based on Maslow's hierarchy. People want to belong, it's one of the biggest human desires we have. What do people belong to? You could belong to a team or you can belong to a tribe or you can belong to a family. We happened to pick tribes because we saw that you could actually identify the attributes, which were just shared, that are important to create an enduring company over time. A team is something you play on, situationally, to win a specific event governed by a specific set of rules with a referee. You're gonna watch a lot of that this weekend when you go watch the rugby. When that's over they go away and they celebrate for a little

while, but if you went back to that rugby next year the same people would not, most likely, be on the team. A tribe stays together. It's enduring over time. We believe that tribal is more enduring and has more life than a team. We still have teams within our tribes, but they're specific around certain groups, functions or whatever.

Jacob: If there are people listening to this, there are maybe entry level employees, they're not senior leaders. Maybe they've been at the company for one, two years. Maybe three years. And they want to figure out a way to bring some of these more human concepts and ideas inside of their organization, but they also feel kind of powerless. They don't have leadership power, or they don't think they do. How can they start to introduce some of these concepts or ideas as a entry level employee?

Garry: I've been asked that question many times, particularly when I teach at the University of San Diego, when I'm teaching in the Culture Class that I teach in the Master of Science in Executive Leadership Program. Start within a small team. Start within a small part of your organization. If you're entry level and you're working in a team, introduce these concepts to that group and see how it performs. I would be very confident that, suddenly, these teams would start to perform differently to the rest of the organization. It all starts somewhere. It's like the story of the guy walking along the beach. He's picking up star fish one at a time-

Jacob: Oh, yes. I know this story.

Garry: ... one at a time and someone comes up to him and says, "What are you doing?" He said, "I'm caring for the star fish." He said, "Why are you doing that? There's thousands of them and it doesn't matter to them." He throws another one and he said, "It matters to that one." You gotta start somewhere. But I agree with you, where we have to start with this is not at the lower level, it's at leadership. We've gotta get ... you know, it's disgusting to think that AI, the soul-sucking CEO, is creating such unhappiness and such a toxic work environment. No right to do that. No right.

Jacob: You almost sound like you're ... like you said, there's no right. We should be angry and upset.

Garry: We should be.

Jacob: Yeah.

Garry: What would happen if, as a public company, instead of having to publish some of these stupid things we have to publish, if we were made to publish the employee engagement number? That would be an interesting thing.

Jacob: Yeah, that would be.

Garry: We could say, "Oh, that's a great company and we're so proud of it and 75% of the people hate working there. No wonder they're doing so badly."

Jacob: Yeah, you know, this idea ... and I've even talked to some companies that say, "Oh, you know, we're so profitable. Clearly things must be going well."

Garry: No. No.

Jacob: But then you talk to HR teams and HR teams are saying, "Man, people hate working here." And then you talk to the other counterparts and they say, "How can they hate working here? Look how much money we're making." It's not a good measure of success.

Garry: You can get people to do anything with money for a short period of time, but I'm telling you, if they hate working there and there's enough of them they'll be working over here soon.

Jacob: WD-40 is hiring, so you guys can go to the career page there. Last question for you before I have just a couple of rapid fire fun ones for you, is if you are in a position of formal authority inside of your company, you are a leader, you're an executive, what's the first thing that you would do? Let's say you took a new job somewhere else, not WD-40 Company. A larger company, very conservative, outdated workplace practices, hierarchical. First day on the job, how do you start introducing some of these WD-40 Company concepts?

Garry: Well, first day on the job and probably first 30, I wouldn't do that. I'd listen to the people to make sure I understood what their challenges were and I would bet that I would find out that there was not a true dedication to the people. There wasn't a clear purpose, there wasn't a clear set of values in place and that there was a fear in the organization that making mistakes only got people punished. If that was proven to be true, then I would start at the top. I would start to define what a culture would look like for the people and find ways to have that accepted. I would work with the tribe, with the people, on values, understanding what we want to stand for in the organization. I would have people describe that and eventually adopt those as the values and implement those and then I would work on the freedom of being able to share what's working and what's not working.

Then I would applaud people and make heroes out of those that are doing great work. Those that aren't great work, I would tell our coaches that their job is not to mark their paper, their job is to help them get an A. Their job is to get them to where they want them to be and it would take a bit of time.

Jacob: I think that's a great way to wrap up. Now I just have a couple of fun, rapid fire questions for you. The first one is what's the most embarrassing movement you've had at work?

Garry: When I wore the two wrong shoes.

Jacob: All right, that's a good one. If you were a super hero, who would you be?

Garry: A super hero.

Jacob: Or Disney character.

Garry: Oh, I'd be Mickey Mouse.

Jacob: Mickey Mouse, okay.

Garry: Or Goofy.

Jacob: I love Goofy. What's a book that you recommend? Could be business or a non-business book.

Garry: Everything You Need to Know You Learned in Kindergarten.

Jacob: If you were doing a different career, what do you think you would have ended up doing?

Garry: I would have been a ... that's a good question. I either would have been a radio announcer or a preacher.

Jacob: Okay.

Garry: But I'm not religious so the preacher probably wouldn't have worked.

Jacob: A radio announcer it is. If you could have dinner with anybody, who would it be?

Garry: Nelson Mandela.

Jacob: If you could live anywhere in the world, where would it be?

Garry: Where I am, at that time, in the moment.

Jacob: Oh, I like that. Last two questions for you, if you could get rid of one workplace practice at WD-40 Company, what would you get rid of? Just make it vanish all of a sudden.

Garry: I don't know. Is that good that I'm comfortable with that word, I don't know?

Jacob: It is. Yeah, for sure. What if you could implement one workplace practice inside of WD-40? All of a sudden, tomorrow this becomes the new standard.

Garry: I don't know either. I'd really need to think about both of those so that they would be meaningful. It's not that there aren't any, but it's not like, bang! They hit me in the face.

Jacob: Then that means you're doing a good enough job there as it is. The fact that you can't come up with anything is probably-

Garry: Maybe not, maybe it's just I want to be deliberate.

Jacob: Or that. Or that, who knows? Well, Garry, I really appreciate your time. Where can people go to learn more about you? I know you have your own site where you talk about these things. You write articles, you're on LinkedIn, but anything you want to mention for people to check out, please do so.

Garry: Sure. I have a website, it's [www thelearningmoment](http://www.thelearningmoment.com), all one word, dot net. I post blogs on there, connect that to my LinkedIn articles that I write. You can follow me on Twitter [#learningmoment](https://twitter.com/thelearningmoment). That's probably the best ways and I have a page in there where I have books that inspire me, so I put that in my webpage. That's probably the best place.

Jacob: Also, they can check out the WD-40 Company careers page.

Garry: Oh, yes. Absolutely. Wd40company.com.

Jacob: Yes. In case you're working for AI, the soul-sucking CEO, there is a place for you, and San Diego is one of the many beautiful places to live where you guys have spaces.

Garry: Or anywhere else in the world. We've got more people outside of the US than in the US.

Jacob: Yeah? Well, hopefully you'll get some requests after this call. Garry, thank you so much for taking time out of your day to speak with me. I really appreciate it.

Garry: It's been my delight. Thank you for what you do to help spread the word that we can create a place where people do go to work and make a contribution to something bigger than themselves, learn something new and go home happy because, by God, we need happy families to make happy communities who will make happy countries who'll make a happy world.

Jacob: Your company's proof of it so I'm excited to help share some of the stuff that you guys are doing. Garry, thanks again and thanks everyone for tuning into this week's episode of the podcast with Garry Ridge, the CEO of WD-40 Company. I will see all of you next week.