

Ep #272: Dr. David Maloley - Relentless Leadership



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David Phelps: Good day everyone. It's Dr. David Phelps of the Freedom Founders Mastermind community and Dentist Freedom Blueprint Podcast today with relentless dentist, Dr. David Maloley. David, how are you doing, sir?

David Maloley: David, it's always great to reconnect with you. Interesting times but despite it all, I'm doing really well. Thank you.

David Phelps: Yeah, I guess Colorado, like most States right now in the middle of the coronavirus pandemic, we're kind of in lockdown shelter not out and about like we might normally be.

David Maloley: Yeah, resorts are closed. Actually, Eagle County where I live is a hotbed for it because of all the international travel that was going on a few weeks ago. So the hospital is already overrun transporting people up to Denver. It's really hitting home now when you know people that are being directly impacted by it.

David Phelps: Yeah, I think you're right. I mean, you can read about it, you can read about other countries, other locales, but if you experience it, then it becomes a reality. And there's no question that for all of us, every individual, every family, every small business owner, every dentist has

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been greatly impacted and disrupted in what we would think of as life and business as a normalcy. And it's not that we don't understand that events happen. There's good events and there's negative events in life, there's some that we control, there's others that we don't control, like the virus. We don't control that, events or events. And David, you're one of the people that I believe is one of the great influencers in dentistry for sure but just as a leader in general, and then you have that ability to, I think, help people lead through crisis or change or disruption.

David Phelps: And it's not that we have any of us don't have good brains and we don't have the capability of making decisions. I mean we learn to do that through our life. But I think there's a time when things unfold so rapidly and each one of us in our own respective lives, in our respective businesses and practices, we have a lot of emotions tied to that. When you're emotionally tied to something, it's not the easiest place to gain real clarity. And I think that's why it's so important that you have somebody, informal, formal, advisors, mentors, coaches, somebody you can reach out to or some small peer group that you've assembled that you reach out to and use those people to gain that clarity. It's not that you can't do it, but you need the clarity. So why don't you give me a little bit of your perspective on that because you've been doing this for quite some time and helping people in our field build better practices and better leadership and better models. How's that unfolding now in a time of crisis, David?

David Maloley: It's interesting. What you point out is that to reach out to other people because isolation we know is dangerous. I played that game for a long time as you know, through, it wasn't called the coronavirus but it was certainly an identity crisis, a financial crisis, an emotional crisis, health

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issues with my family and so I feel kind of battle tested and more prepared for this one. But when we're in the mix and our anxiety's heightened and we want to take care of our patients, we want to take care of our team, we want to take care of the cash, we can lose sight of what the priorities are and what's important because we fall into this fight, flight or freeze mode and that's just normal. Right? But if you can connect with somebody who has some emotional distance on the matter, then they can help you see your blind spots.

David Maloley: And that's the calls that I've been on in the last 10 days or so have been a lot of that is it's from the outside looking in it looks like really poor judgment in some cases because I'll say like, "What are you thinking?" But once you unpack the rationale, it makes perfect sense. It's just that they're so bogged down and in the weeds and they might be getting pushback back from this person, the other person, and they have to separate themselves to say like, "Okay, first I need to take care of me, then I need to take care of my family, then I need to make sure that I have a practice for these people to come back to". And if we don't segment it out and prioritize, to deal with it as one mass is chaos in our head and we don't sleep and then it becomes a spiral.

David Maloley: So all that to say is it's important to stay on path, not just go into the fetal position and say, "Wake me up when it's over". I accept that this is a new reality and that it may forever change the way we do business. But in that are lots of opportunities because now you may have the adamancy to say, "Listen, my practice went sideways. I've become the slave to it. What are the things that I'm not willing to negotiate the second time around?" So that scrappiness, rolling up your sleeves saying, "I'm going to

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make things happen and I'm going to come out of this better," is the mindset that I think a lot of dentists need to reframe with in order to make sure that there is true progress here and that the economic tidal wave doesn't really crush them.

David Phelps: David, it's interesting that when communities, people in a business section or the nation as a whole, when people go through tough times, there's oftentimes a closer bonding of those people. Right? And so this is a time when everyone who wants to will pull together. There's more empathy, there's more compassion because we're kind of like all in this together. And so a leader can really use that in a positive way if they lead the right way and I think leadership starts with communication. And I know from my standpoint, David, I like things to run smoothly. Well, what dentist doesn't?

David Maloley: I second that motion.

David Phelps: Every dentist wants to go to work every day and everything just go by the book, right? Of course it doesn't so that's what stresses us out typically. So in terms of crisis management and dealing with things that pop up, whether I should have maybe had a better system or process in place and I didn't, so that's going to pop up or maybe I did and there was still an outlier, I like these to go away quickly. So my tendency is when there's a quick crisis, I just want to smash it down as fast as possible. I want to just say as few words as possible and just have it go away.

David Phelps: Now, probably not a good way to do it. What do good leaders need to do right now with all these little whack-a-moles coming up right now? Instead of whack-a-mole back down again, I want to have them pop back again

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over here, that's how I see it. I see a whack-a-mole board. How do we prioritize triage and how do we go about communication? Should we just jump right out with our quick how to put this at rest, this current problem? Or do we need to take a pause back up and get some perception on the whole thing?

David Maloley: I mean, you point out something that was a shift in me personally. All of my background in leadership comes from the lens of high-performance. Like how do we be more so that we can serve at higher levels? And like you said, dentists, myself included, my default is go fix it. It's what I learned on the farm. You don't have to call somebody, you just go on and fix it. It's absolutely, especially in chaotic times, the worst strategy. And I didn't know it and I didn't have a better blueprint until probably the last two or three years ago. And so I can give listeners something very concrete that they can work with that has gotten me out of multiple messes faster. So as opposed to going in as half the person because we're broken down, we're burnt out, we're tired, our mind is in shambles, the better option is to understand that we can look at our lives in different realms, different spheres.

David Maloley: And we have our business, which probably isn't going so well right now, but we also have our relationships that you'd mentioned. We also have our health and we also have usually some form of spirituality is what I look at it as. And so if you want to journal all the things that bring you power or bring you certainty, all the things that really fill you up and at the end of the days you really cherish, you can segment it into four things. The business being the thing that a lot of decisions are made for us right now and so we don't have a lot of control. But if you actually in

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my world and high-performance world, what I'm suggesting is that you double down on relationships.

David Maloley: I'm reaching out to college roommates that I haven't talked to in a year just to say, "Hey man, thinking about you". What's going on ends up being a 30 minute text conversation and that fills me up, that fills them up. It may be a colleague that you're concerned with and your immediate family that we're locked in with now, it may be bringing out the Monopoly board. But those are things that we begged for more time and now our wish is granted, what are we going to do with it? Health, I'm literally working out twice a day where I'd work out once or like on the Peloton if I do a 20 minute workout now it's a 40 minute workout. The other piece would be like meditation and journaling where I really get introspective and work on the inner game, doubling literally the quantity of time there.

David Maloley: Now I'm a fuller person. I'm more complete and I can see that problem, the business problem from a higher level and that allows us to really get prioritized. We talk about reaching out to someone for emotional distance, but that almost gives us our... When we go fix first the inner game and then try and deal with outer game, we've created some emotional distance in that. So we're not in this reactive mode. We're not in fight or flight freeze mode. So that's the high-performance strategy as a leader that's really served me well. It's served my clients well and when I get on the phone, we just use one term. How's the double-down strategy working for you?

David Maloley: Well, I kind of went, kind of been ignoring this piece of it, but the appreciation and the struggle I would say for most dentists is that we're so much from a kindhearted

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caregiving thing that we want to give more and more, but you can't pour from an empty cup. So it's this acknowledgement that if I'm not selfish, if I'm not carving out time for me at the end of this, I don't have much to give someone else. And so it's that paradigm shift or that reframe that really has to be done without guilt for this to work out as best it can I feel like.

David Phelps: That's very, very good. I liked that reframing, the double down, what you can control, what you can invest your time in and don't worry about what you can't because that doesn't do any good to worry about what we have no control over. It is what it is and we can do better by gaining some discernment and wisdom with relationships and the time and our health and things we have to work on that's more proactive in coming out of this crisis gap period of time where there's not business as usual. So as we look forward, as you're talking to some of your clients and dentists from around the country, David and looking forward, certainly we don't know when or how things will necessarily look coming back, but what are some of the advice that you're giving some of them just in general about being ready to go back?

David Phelps: You don't have to get into the granular stuff about the labor laws and the SBA loans. I think we have plenty of that stuff out there already. You know what I'm looking for. I'm looking for that advice about actually the team, the patients, the communications' relationships that you were just talking about. How we can continue to have those in place and maintain and stronger even than what they were perhaps before.

David Maloley: I mean, I think the hard part right now is the bitter pill of maybe I wasn't as prepared for this as I should have

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been. I thought it would be just like we saw in 2008, 2009 like we get in this momentum and we think the good times will never end and we're playing a cashflow game and not maybe preserving cash and then that flow stops and we're like, Oh my gosh, what am I going to do now? And a lot of our colleagues are in that space. I always go back to journaling and journaling right now while it's raw, while it's painful, I think is the most powerful time. If we break down it into lessons learned, what was I doing that I'll never do again? What wasn't I doing that I need to do when I get back to work?

David Maloley: And then immediately shifting that into the opportunities and the action items. We hire people to get work and worry off our plate, but do we need to be better delegators? What does that look like? Am I just a dictator that says you need to do this because I sign your paycheck and it always falls back on me as a drop ball? Now's the time to do it before you start getting comfortable with family. In coaching we say all progress begins with the truth and you can't solve a problem you're not willing to embrace or have and so to really feel the pain of like, dang, I'm having to take out a line of credit that I never thought I would is actually an asset right now. An emotional asset. And we have to leverage that and document it so that when we have a playbook, when we go back to work so that's the one thing that I'm seeing.

David Maloley: The second piece that I think we already alluded to is making sure that we know where the priorities lie. Be selfish in order to serve, I think is job one. Then take care of your family, then take care of your practice and we kind of have to zoom in and zoom out because there's a short term game and a longterm game. I had a great conversation with a very well intentioned dentist and we

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had worked together for a while and we talked a lot about how do we take care of team, how do we take care of team, how do we take care of team and he was ready to take out loans to keep them on payroll. Well is that a good answer or is that a bad answer? It was a generous answer, but the reality is that well, you said, we don't know how long this is going to go and if we pay out all of our cash and all of our credit and have nothing left is it an act of kindness for them not to have a job to come back to?

David Maloley: And so really seeing what serves what is really important now. The third piece that I'm having a lot of dialogues with is that... And then I'm seeing stuff on Facebook where people say prepare for pent up demand. I don't see it. I think there's going to be a restricted demand because of money, because of fear, because of joblessness. And so maybe your players that you could never get anything out of and you hired them out of desperation because the unemployment was low, maybe they don't get invited back. Maybe you have tier one where that your A players come on and then tier two and that goes back to the non negotiables that we talked about before. Like if they're not adding value, if they're not exceeding expectations, if they're not building relationship with the team, assuming you've set out the expectations and have the mission and the vision and the values and culture established, if they're taking more than they're giving, then those are decisions that are easier to be made now than when you're back at it.

David Maloley: So we have the space, we have this time. It's an opportunity for clarity. And so now, while the wounds are wide open, I think is the time to be really decisive about what's this going to look like? I mean I'd be interested to

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see what you feel like Dave, but I've seen way too many of our colleagues kind of go into this money grab mode where more is better, money equals success and the patients become a transaction. I've been feeling like the pendulum is going to swing towards more of a flourishing and fulfillment. I think a lot of workers are going to demand something more than just a paycheck. Maybe a culture, maybe an inner family and so now's the time to really address those things because I know a lot of people who are doing really well economically, or at least until now seemingly, but they weren't happy.

David Maloley: I think it's Jim Collins that calls it the tyranny of the OR like it's not wealth or health, it's not financial abundance or a happy practice, it can be AND. And so now's the time to seize the genius of the AND and make sure that when you're looking in the rear view mirror, whatever it is, a year or 18 months from now, that you're not saying, Dang, I got back on this treadmill and I just started running again without purpose". So there's some real opportunities to be had here, but it's not going to happen without some introspection and some adamancy of saying like, "Listen, if I've got another 20 more years of my career, I'm going back but these are the terms that I'm going back in".

David Phelps: Yeah, I agree with you tremendously, David. I believe that there has been a chase whenever there's a long bull run, economic cycles, stock market's hit highs in the last year have never been seen before and just seems like everything was running well in the economy, at least on the surface there is this big chase. And I think a lot of people, myself included can fall prey to that and the chase and the game and not knowing how much is enough and as long as I can do it, I can grow bigger, I can multiply. But inside, you're right and there's so often that

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that leaves emptiness there. And I think what's happened here, you've really said it, is with this crisis, this mandated government shutdown where all of a sudden one's ability to be that track star that normally gets out there and can run that mile, that sprint really fast, all of a sudden, the governor's been put on.

David Phelps: And try as you might, you can't do it right now. And so you're going, "Well, if I can't do that, then who am I? Who am I?" Because my identity is built on this, on being able to brag and say I'm crushing it and all these things and I don't have that. Well maybe that wasn't really what it was all about in the first place. So I think there can be this great revision and reframing of what people come back to and say really what's important. Because of this crisis, I just... Let's just make up numbers, I lost a third or a half of my quote, wealth, my practice value is now, I don't know what it is and it's like I'm starting back over de novo instead of looking like, well, how am I ever going to get back to that number?

David Phelps: It's going to take me 10 years and the stock market's going to have to be good and the economy is going to have to be good and I'm going to hit some home runs again. Do I really want to do it that way again? Just only have events out of my control, come back and strip it back down again. How many more times do I want to do this? And you've gone through crisis in your life and with your family that I know have grounded you. I have too. So I've been there where I thought the game was to blow it up here just because I thought I could only to have it stripped away and go, "I think I need to reevaluate the game plan here". So to your point, crisis creates the opportunity. There's a great chance to test everything that you thought was right, including probably particularly your

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practice model, which should be set up to actually be more of a model to serve your lifestyle and not the other way around.

David Phelps: I would say it's a great time to test. You said you don't have to bring everybody back. That's just one thing. You don't have to bring all your staff back at the same time. You probably shouldn't. Doesn't mean you may not bring them all back, but you should prioritize. Let's start out with ABC and maybe we get to a point where we don't need all 100% of them. And sorry, but I don't need them all. Now I've got a new model. I may get rid of some insurance companies' participation because you know what, don't really need that anymore. I've got a different model. Don't be afraid to test it. Right now is the best time ever to test some of the things you thought you could never do because if you don't test it now, when are you going to do it?

David Maloley: Yeah. When the dentists you're talking to, I know your expertise is really making sure that our financial house is in order, are you seeing dentists looking back and specific regrets that, is it cash reserves, is it the way that they've invested? What are some commonalities that you're seeing?

David Phelps: Well, I can say not like 100% across the board because I'm never going to be 100% with getting people to do what I want them to do. Right? But I try. So I would say, we've been talking to Freedom Founders for like the last three, almost four years, like 2017 we've really started talking long and hard about a reset. The market's not going to continue what it's going to do. We were like three or four years early. So that's what it is. So we talked about setting aside cash reserves, liquidity, having a stronger

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margin in your practice so you're not running thin, having investments, whatever you thought it should be. Hedging. Hedging against just trying to run something that's just running up and having margins to tight where it's going to fall greatly. So we talked a lot about that.

David Phelps: And I would say the overall position in our group is people are definitely going through the same things in their businesses. Everybody has. But I think there's more of a peak. But thank goodness we did some things differently than what the mainstream does both in our business and our investments. So there's a peace of mind that yep, we're in a good place, we can get through it. Yeah, we have to do the same work as everybody else but I think there's more of like, yeah, there's going to be another day here and we'll come out and we're good.

David Phelps: There's a few folks that are newer to the group. And then interestingly enough, David, I've had probably more people, you probably too in the last week that have come out of the woodwork that listen to the podcast, different things and now they're like, I think I need to do something now. As you said, it's the reset. It's like, okay, this was the moment that told me I've been thinking about doing this or changing my model or changing my investments and you know what? I'm going to do it now because I don't know if I'll have another opportunity to do it better than right now. And I think that's human nature.

David Maloley: Yeah. I mean it's easy to ignore the wake up call I had a couple times and life kept slamming me up against the wall and say, can you hear me now? I know you have. And I have a friend that we used to have a similar philosophy. And I said, why can't we get people to see like this? Like why do I feel like this is the minority and it's

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falling on deaf ears? And he said, I think you need to almost die or have someone close to you almost die to wake up. And now this is, like you said, a death of identity. And maybe it's time to come back as someone different. And the thing that... I don't know if I've ever shared with you, but a pivot that I made was when I was listening to your friend Dan Kennedy, and he said, the best day in your business life is when you stop being the doer of the thing and start being the marketer of the thing.

David Maloley: And so once I realized that Dennis became second, marketing of dental services became first, leader became first, entrepreneur came first, then all of the dentistry piece became a lot easier because I wasn't fighting upstream all along. I was leveraging mother nature. I was giving my team what they wanted in return for what I wanted, and it became this natural exchange that wasn't farm boy roll up your sleeves and more grit, more hustle, and so it's a challenging time like you said, because there's a mourning of loss and it may not be a physical death or somebody in ICU or maybe, but now is really a time to say, "Listen, like line in the sand. Never again".

David Phelps: Well, Dr. David Maloley couldn't have said it better. There's never a better time to be a relentless dentist.

David Maloley: Thanks David.

David Phelps: Truly, truly. Always glad to talk to you. Thanks for your time today. I think again, I think I'm very positive about what can come out of this. I think all people should look the same way, get help, get people that I know I can trust to help guide you through this. It's a time when huge opportunity's on the other side. So be positive.

David Maloley: Thank you, David.

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David Phelps: Thank you.

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