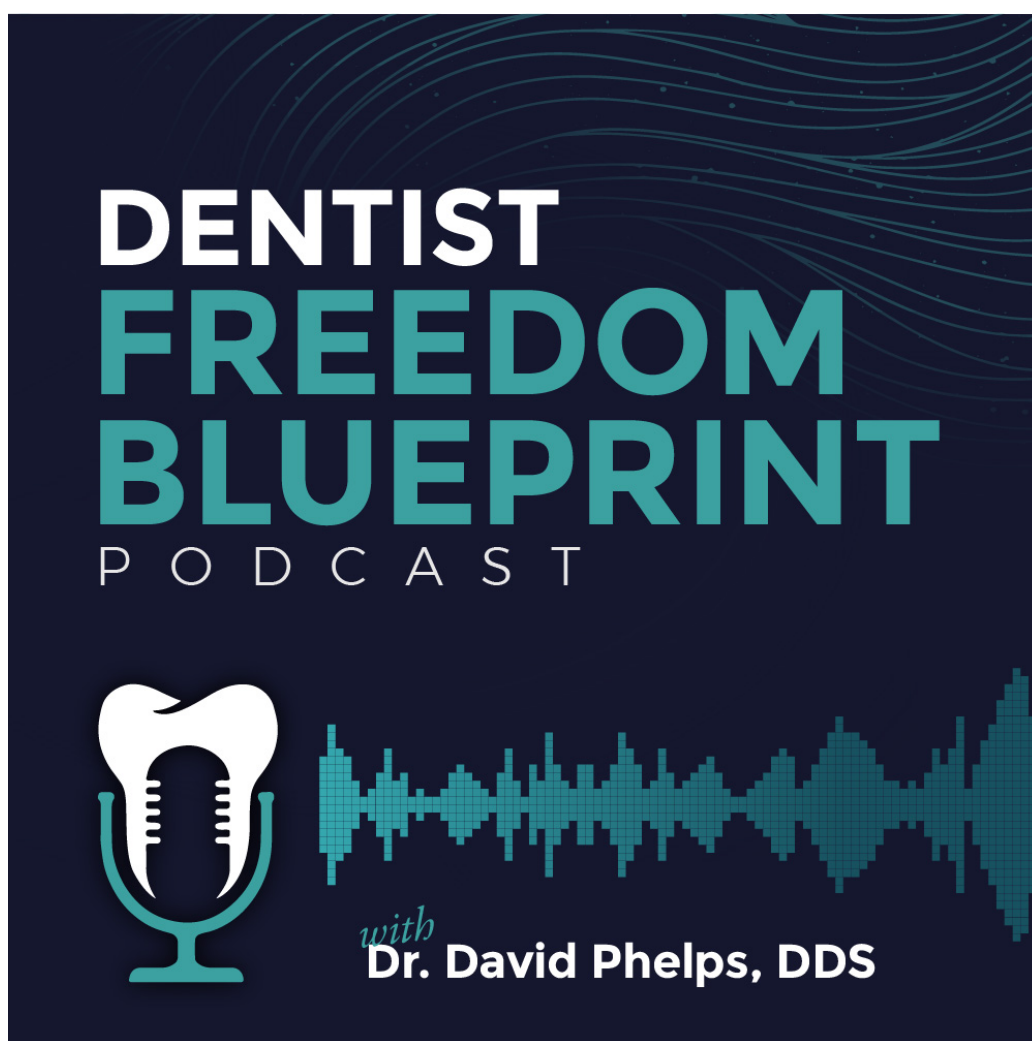


**Ep #344: David & Kandace Phelps - Risk is Necessary
to Find Freedom (Part 1)**



Full Episode Transcript

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Dr. David Phelps

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David Phelps: Hi, it's David here. This week on the podcast, I'm going to take you inside one of our recent Freedom Founders member events.

This was a presentation that I did with my better half, Kandace, for the group, and we started out talking about risk, that life is about risk. To grow, to evolve, to have an experiential life, one has to be willing to take risk. Yet, most of us were brought up with being very, very careful, very precise, very detailed, measuring twice, three times, four times, five times before we made the cut. Yes, there's a part of us that were built and did our technical training on details, that that parts tends to consume the rest of our lives. We have to be willing to step out, step out of the comfort zone.

I talked a little bit about the biblical book, Ecclesiastes. King Solomon, the wisest man of the world, said that you should not wait to enjoy life until you have greater resources, that anxiety and worry can consume our lives. You've got to get out of your comfort zone. How do you do that? You've got to find a tribe, people that are also on the same path, that are also willing to take some risk, but still to mitigate that risk in living a better life.

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It's oftentimes so much easier not to do something than to step out and do something, but you've got to have people around you that can support your ideals, your goals, your values, your vision of what life can be. Life is meant to be lived.

I will tell you also that in all of my experiences in life, that the adversities I went through, while they were not comfortable at all and at the time I felt like I was in a deep hole, that those adversities turned out to turn my life into better places, better movement, changed my whole philosophical attitude about life and allows me today to do what I love to do. I have time, money and location-freedom. I never would have had those things had I not gone through the adversity, nor had I not found and sought out people who could help lead me and guide me through those difficult times to a better life on the other end.

I hope you'll enjoy this first half of the segment that I did with my wife, Kandace. The following week, we'll pick up and do the second half. I think you'll enjoy both of them.

So at church we've been studying the book of Ecclesiastes, and if you're familiar, King Solomon, writing, the wisest man in history certainly had what you'd think was all he ever needed, but with his wisdom, talked about a number of principles.

One was diversification. Diversification. We've talked about that, diversifying. Not waiting for the perfect time, not waiting for that Sunday when I'll have everything just right. Paralysis of analysis, focusing on what could go wrong and looking for guarantees in life. Where are those? There are no guarantees.

The fact that life is a risk. Babe Ruth. What's Babe Ruth known for? Tom? Yeah, but I mean, what... Home runs, home runs. But how many strikeouts did he have? He had 714 home runs in his career. You know how many strikeouts he had? You

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don't, do you? A lot. Yeah, a lot. But we don't know that number, do we? Yeah, 26 or 2,600 strikeouts. So was Babe Ruth a failure? Well, not in our eyes, no. Did he take risk? Well, yeah, because he had that many strikeouts. He also had a lot of walks. So he's the home run king of his era, but he had to take a lot of risk.

Some people could turn it and say, "Well, you struck out over 2,600 times, you're a failure." Isn't that how we feel oftentimes when we're thinking about stepping out of bounds, out of that comfort zone? Like, "I don't want to be a failure. I don't want to be pegged by failure by my family, my spouse, my peer group. I don't want to be a failure. If I try something different and I'd fail, then who am I?"

It's not the way to look at it. Waiting for conditions to be just right, conditions that may never exist. Having to take some risk makes some movement.

The wisdom of King Solomon, what is wisdom? What does that mean? It's experience, knowledge, good judgment and mining our own experiences. Our own experiences tell us a lot in life. And if we're willing to look at our experiences, not with the self-critical eye that we usually do, because we're very self-critical. I know I am, and I'm able to talk to me that way. If you're an engineer or a doctor, dentist, or anybody who deals with details, that's a huge responsibility. So we're very critical of ourselves. We've been criticized, I guess in a supposedly positive way, to make us better, but we take that, we embed that so much in ourselves that that stays with us, and then we're afraid to push the outer bounds of what could be in our lives.

Again, I am speaking about myself, to myself. I still have to catch myself many times because it's, again, what we think about, what we believe is how we act. So the only way I can

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keep accountable was, one, is to appreciate my better half because truly we all know that we marry in a lot of ways the person who complements us, and that can be... I mean that's a good thing, but we can oftentimes see it as a negative thing because we want to do it our way, but we need to listen to wise people. Our peer group, your colleagues, the people you surround yourself with, Jim Rowan would say, and Alastair said, "People that you surround yourself with, what's that average?" Or I guess it was James Miller who was talking about that yesterday. Very important those mentors who can help you be more objective and give you permission, permission to live a different life, be different.

Solomon said, "Finding joy requires some amount of risk." Let's think about that. Finding real joy in life and what is life supposed to be about? I mean, it should be joy. It should be joy, seeking joy, but it takes risk to do that. If we stay so confined in our lives that we're so afraid to try something for fear of being a failure, fear of someone looking at us and in some disdain, then how do you have a chance to find joy? So taking risk to find joy.

Oftentimes in life, it's easier not to do something than do it. Again, take that chance. "Nope. You know what, at least I know where I am right now. At least I'm treading, or at least I'm comfortable, and no one's going to criticize me if I just keep doing what I've been doing." Maybe so. But are you living your true life, you're living your full life? Life is meant to be lived now and not something to be saved for later because we don't know where later is going to take us, at least on this earth.

Solomon said to young people, "Don't wait to enjoy life until you have greater resources." Don't wait to enjoy life till you have greater resources because again, specificity. Well, how much is

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greater resources? What's that mean? What's that really mean? The fact that anxiety and worry can consume our lives, it's easy to be anxious, it's easy to worry. We talk about a lot of threats here this weekend. It's not to create worry. It's just to be realistic, but those can eat us up if we allow that to happen.

Being afraid of loss, building up assets, building up what we think is earthly riches and being good stewards is important. But when you're young, there's very little to lose, and so taking risk seems easier when we're young. When we get older in life and we have accumulated some amount of materialism and wealth and assets, then we tend to get very constrained. We think, "Well, I've got to hold on to this." We get anxious. We tighten things up.

As we get older, we tend to reduce our freedoms. When we're young, the world is our oyster, and we see no boundaries. In fact, parents have to corral us, rein us back in. We're out there exploring everything. We're enjoying life. We get older, we tend to tune it back and get small and play smaller and smaller and smaller.

I don't think that's the way life was meant to be lived, but it's just something that happens. Thinking about is life about success, or is life about significance? What does success mean to each one of us?

So it comes back to why are we're all really here. Freedom Founders from the outside is a place where people know by reputation that we "do real estate really well." And we do. We're blessed. We have amazing partners and trusted advisers here that allow us to invest with and through them. It's collaboration. It's the opportunity to build something bigger through other people that we build relationships with and do that the right way.

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But why are we really here? I believe it's because there is a greater purpose, greater meaning, back to the freedom pyramid. It's identifying what is truly important in our lives, but for us to get there, we have to have a path. We have to be given permission to do that. We have to have clarity. Well, how do we get clarity?

Well, part of clarity is learning to ask the right questions. You ask them the right questions, you get better answers. You get better answers, you develop better strategies. You have better strategies, you get better results. Failure to ask questions or failure to ask good questions, then you get poor answers. Therefore, poor answers beget poor strategies and, therefore, poorer results.

So the art and skill of learning to ask questions, how do I develop that skill? I try to hang around with other people who have experiences that are beyond mine, people that are wiser than I am. It's why I have mentors, it's why I spend time with Alastair and Daniel Marcos and Dan Kennedy, and I meet a whole host of other people and the other mastermind groups that I'm a part of and our trusted advisors here. Everybody, everybody here has wisdom and experience that others don't have, and it's the collaborative sharing of that that gives us the foundation and ability and the security to take that risk.

Because if we're all authentic here, we've all found that the path to where we want to go to, it requires us to do something different. I mean, you can get to a point in life where society will call you successful, your industry, your dental industry, your medical industry achievements, and doing great work. That's all fine, but that's outside definitions. It's what's definition do we want? What do we want for ourselves? What do we want to claim as success or significance? Has to be our definition. We

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have to have clarity about that. If we don't have the clarity, then it's virtually impossible to get there. You'll never get there.

Kandace Phelps: I was having this conversation last night with one of the ladies, but when we have people that come in and we're doing these Blueprint days, when we're talking about the kinds of issues that you have and the solutions that you're looking for, one of the things that's universal with the group is that you don't know the questions that you're not asking about your own life. And if you're not willing to share where you have holes or where you have struggles or anything else, then you're not going to get feedback that's actually going to help you to figure out where your limiting beliefs are.

And what you believe has power. If you believe something, it will limit you, whether it's true or not. And you believe things that you don't even realize you've incorporated into your worldview and your personal self-view that need to be challenged, and you don't even know what they are.

The context of the conversation was, in part, without being sexist in any way, there are differences between men and women. So this comment is somewhat more for the men in the room to apply and for the women in the room to understand and be patient with and help with, is that men have a tendency to view the world like they're always in a boxing ring every day. You're always in a boxing ring. So a man goes into a meeting, and if you ask him what's going on in his life, he's going to read you what's on the win sheet, what's on the asset side of the balance sheet, what's going right. They're going to read you everything that's working. They don't do it to leave things out or omit or anything along those lines. It's just automatic.

So even sometimes with him, we joke about it, but ladies, it's kind of the jab. Sometimes you guys do it on the calls. You

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know it's the jab. It's not hateful. It's not mean. It's just, "Hey, but you got to mention that we're having a problem over here, and we're having a problem here." You're not going to get a solution to a problem that you don't identify. You have to come up with the language to identify your own problems so that other people can weigh in on the areas where you have holes and you need some advice.

If you can't ask for counsel where you have a problem, you don't get it solved ever, ever. You never will. You just can't read the resume. You have to read the liability side of the balance sheet. But when you do, then you're going to get the counsel about those areas where you actually can really lever your performance dramatically.

You know, Mike talked about it yesterday, that there was a barrier that he wasn't getting through in the practice, but community and communication and sharing and authentic sharing and feedback that's worth something, then all of a sudden, he punches through the barrier, and the barrier is gone, gone. So if you want those kinds of results, the encouragement is go ahead and feel free to share those kinds of things with one another in the safety of a community where discretion is observed, and everyone respects one another's privacy and things like that. You have to have a safe place to do that.

I used to work on a trading desk for a lot of years. Well, trading desk, it can be boiler room. So if something is happening in your life and somebody calls you and you get some sort of call that's about something tanks or whatever, people would just sort of turn their head and observe one another's privacy and stop listening as an act of respect. There is a privacy that we maintain within this community, that what is inside doesn't go

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outside, so that you guys can feel safe talking about the icky things in your life, so that you can get solves in those areas where you've been snagged. That's when you start to get real breakouts, real breakout performances, so you have to trust the process in this.

What we do in the masterminds, and this is for more of the new people, what we do in the Blueprint days, it's about actually tackling some of the tough stuff that you don't want to talk about, and that when you do bring it up, you might get some rather bracing feedback, especially from me, because I have a tendency to think that everything is a nail and I'm a hammer, kind of raised that way. But I'm blunt, and if you know me, you know that I'm really direct. I'm painfully direct. But not hateful. I'm not mean. I just will tell you, "Hey, that's not going to work. That's not going to work. You have a limiting belief there." Or "You've got a wrong idea there." Or "You're looking at that in a way that's going to not give you the result that you want."

Mike Abernathy is great at that. He's kind about it, but he will tell you when something doesn't work. So that's the power of the room to get what he's talking about, to get those kinds of results. And you have to use the room that way. If you don't, you will get what you get.

David Phelps: Yeah. Speaking of Mike Abernathy, back when I was going through my flip-flop practice sale or boomerang sale, I guess, I was solo once and it came back and I had to catch it, but it was kind of screwed up and I was feeling very young. Well, I was frustrated. I went through all the emotions, frustrated and angry. But really what Mike said is like, "Dave, you just got to look at yourself. I mean, it's not putting you down." It's just like, "Dave, the results you're getting, or just decisions you made, whether you make good decisions or not,

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but just accept them. And then, now let's take a path forward." And, he's absolutely right, is just we have to look to ourselves.

But, again, how do we grow? How are we authentic to Kandace's point? We have to be willing to be authentic and be vulnerable and around people that we know will give us good advice and not judging because we're all the same. We're all the same people. I don't care who's climbed the highest mountain and looks like they're everything. You get behind the curtains and if they're authentic, they'll tell you about all of the baggage behind that it's there. It's just part of life, and yet society holds us up to where we have to be perfect. We have to look perfect and be the part. And that just-

Kandace Phelps: And none of you are.

David Phelps: ... It doesn't hold true. It doesn't hold true.

Kandace Phelps: It's okay.

David Phelps: So we can let that guard down and it's realized where you're in a room with... You're here because you all want to grow.

I mean, none of you has to be here. I mean, this is not a CE requirement to keep your license to be here this weekend. Is it? No, it's not, and no one forced you to be here. You don't have to be here, you could be living your life. But you're here for a reason. You're here because you do want something different. You do want some change. Everybody's got something different, but there's always some internal conflict because we want more, yet without knowing what more looks like, then we just stay on the treadmill.

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So getting specificity and doing that with a peer group, where we can really dig in and ping from each other and see and reflect on each other, to me, that's been the biggest growth for me, mentors, and then being around people that can help reflect back on me, like put a mirror in my face. Again, not to beat myself up. So as James Miller talked about yesterday, the wins, the wins, the wins, you've got to always be looking at your wins because you all have wins. But if you want to live a different life, then we've got to be reflective and say, "Well, then, what areas are missing? What limiting beliefs do I have that I've encompassed over the years that are holding me back? What brain trash, head trash do I need to remove to make that happen?"

I mean, Mike Dosil was just one of all of us who went through some tough times. I've been through them, too, and really it's having people around me that helped get me centered. And if I wasn't asking the right questions, they would ask me questions and help me to start to discern where I was not being forthright with myself and not make those good decisions.

So it comes back down, again, to having clarity and specificity about what you want and what you don't want. But we can't generalize. We can't generalize about, "Well, I want more time." Without specificity, that will not happen. "I want to be in better health," or "I want to lose weight," or what. Where's the specificity, saying the milestones? You may not hit all of them, but at least you have milestones. "I want to have more money" or "make more money" or "have more passive income," which should be the better term, what we look at. Well, specifically how much and by when? See, without those in place, it's just a pipe dream, and that's why so many hardworking people, high-income people, stay on a treadmill.

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You start to get specificity, reverse engineer, and then if you start showing up, have a place to show up, a peer group to show up, mentors, people you show up with... Jim, I know you, you've got people you work with in all dimensions of your life. I mean, you've got people that are there for you and keeps you in step, and that's the way you live your life. And that's what you're sharing with your family and all the people that you share 18 Summers with. I mean, that's through your own version of your life that you developed this opportunity to not only serve yourself in a better way, but to serve other people. And every one of us can do that, reaching that higher purpose in life.

Jim's an awesome entrepreneur, has the biggest heart, and he loves real estate. He's done really, really well, but there's more, isn't there? There's more. The real estate is cool, and it's a vehicle to allow you to do what you do and give you the freedom to have these other influences. But that's the bigger part of who you are. Actually, when we talk, we don't talk much about real estate at all ever, do we? It's all these other stuff, which is cool, which is cool. I mean, real estate is fun and that's great, but it's like, when you can start talking about the other stuff, that's where life likely is to be fun.

That's why I enjoy about this group. That's what gets me to want to do this because I enjoy being with you all. I get energy from you. This doesn't suck my energy at all. I can run this way for a long time before I think I'd fall over. Now, put me back in the dental office, I don't know if I last a week. That was hard work. I mean, I'm not regretting it. It was hard work. I wasn't built to carry out the fine-tune detail. I could do it, but it was hard. But I didn't know anything different. No one ever showed me there was different ways I could even run my practice today, which many of you are figuring out. Yeah, there's different ways.

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I figured out this last year that where, a year ago, she wanted to exit. Suma just told us at our Blueprint day, "I don't get dentists. They seem like there's always this endpoint. They're hard charging for retirement day, and then there's endpoint." And Suma is like, "What is that all about?" It's like, well, it's just in our heads. Now here it is, after redeveloping her mindset, her game plan, you talk to her, she loves the practice now because she's reinvented herself and reinvented the practice in a way where there doesn't have to be an endpoint, does there?

I mean, you get to decide. Or it's more of a transition. It's more of a reinvestment. It's more of an evolvment. And that only happens when we have other people put a mirror in front of our face, and what do you really want? "Well, I don't like the way I'm doing it this way." So how could we morph that or move that to something you do like? Well, it means taking some risks, doesn't it? It means taking that chance. And maybe the first time you try something, like Babe Ruth, it doesn't work out. You strike out a few times. It's okay. It's okay. Got to take some risks to get forward movement.

With change, change requires some loss. It requires some giving up of something, doesn't it? I mean, that's what change is. That's why we don't like change because we don't want to give something up. So change requires some loss, loss is going to require some pain. I mean, it does. It does. If you're going to give something up that in your mind or that you thought was important to get something that you believe will be better, there's going to be some pain and with pain comes grieving.

I mean, seriously, when you give something up on some level, there's some internal grief. I don't mean dissolving in tears, but I mean, there's that pain of giving up, that loss. And when you're making changes with your environment, with your team and

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what you want to do, there's going to be some removal of some things you're doing and might be removal of some people. I mean, you have to go through it. It's hard because, typically, we all love people, and we don't want to upset people, we don't like conflict. But you have to be able and willing to go through that.

Three-some years ago, we made some decisions with Freedom Founders that were hard to make. A lot of you were with us during that time. We made some changes in the direction we want to go, how we want to serve, to improve what we felt like would be the outcomes. I don't have to go into details here. I'll just tell you we made some tough decisions and that meant we lost some people.

Some of my friends said, "David, are you going to be okay when John and Jane, who have been a part of this group, are no longer part of this group?" That's a grieving process. It is hard because we want to help everybody, don't we? We really want to help everybody, but we had to make some decisions. There's some grief that goes along with that. Your team has got to buy in, but also you have to allow your team, the people that you've built to collaborate with you, you've got to allow them to go through that process, too.

Now on the other side, grieving does not mean it's going to stop your own momentum. It does not stop momentum. You need to honor the past, always honor the past, but don't let the past persevere. Honor. Honor what you've gone through. Honor what you've developed, but don't let it hold you up.

All right. That concludes the first half of the presentation I did with Kandace. We'll step up next week and start out with Kandace talking about different perspectives of time and how much is enough and what does free for life really mean, and

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some particular case studies within our group. I think you'll find it very interesting. I'll see you next week.

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