

Ep #58: Don't Let the Business Own You, Own the Business with Franchise Expert Mike DeJong



Full Episode Transcript

With Your Hosts

Patrick Totah and Andy Mirabell

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Welcome to *Restaurant Deal Making EXPOSED!*, the only show that equips you with everything you need to know about restaurant transactions. In this show, we tell you all about how to make the sale or purchase of your restaurant not just possible, but successful. Now, here are your hosts, ex-restaurateurs, and seasoned brokers, Patrick Totah and Andy Mirabell.

Andy Mirabell: Hello, everyone. Welcome back to another episode of *Restaurant Deal Making EXPOSED!*. I am Andy. I am here with my partner, Patrick, and today our episode is called, "Don't Let the Business Own You, Own the Business." We are very lucky to have guest, Mike DeJong, with us. And let me start off by saying a few words.

Most people buy a restaurant or franchise with a vision of freedom, building wealth, creating opportunities, and having control of their lives. Yet for many owners, that dream turns into 70-hour work weeks, constant stress, and a business they can't step away from.

Today's guest, Mike DeJong, has dedicated his career to helping business owners break that cycle. Mike is a business coach, speaker, and former multi-unit franchise executive with Nothing Bundt Cakes. Today, he works with franchisees and business owners across the country, teaching them how to build systems, develop leaders, and create businesses that can thrive without the owner being involved in every decision.

Today, we're talking about how restaurant owners and franchisees can stop being trapped in the daily grind and start building a business that works for them and not the other way around. Welcome, Mike. Thank you so much. I've listened to a lot of your podcasts that you're guests on and you're speaking. It's very inspirational. So thank you for taking time to be here with us today.

Mike DeJong: I appreciate you having me. I really do. This is going to be a lot of fun.

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Patrick Totah: So Mike, tell us, what made you realize that so many business owners had become trapped by their very business they worked so hard to build?

Mike: It's because I was trapped in the very business that I worked so hard to build.

Patrick: Yeah.

Mike: The realization came to me on a vacation in Mexico. I was living in Wisconsin at the time. It was February, and we had an 80-degree day, and then the next day it snowed, which just I couldn't take it anymore. Finally had a manager in place that worked, and I'm like, that's it. I became a business owner so I could have freedom and I'm going to, I'm going to get out of here. So two days later, I'm in Mexico. Plane lands. I'm walking off the plane. You know, when you walk down on the tarmac, like one of those airports?

Patrick: Yeah.

Mike: And there's the warm breeze and the palm trees and the steel drums and they're playing Bob Marley, *No Woman, No Cry*. And I'm like, this is great. This is why I wanted to be a business owner. This is amazing. I turned my phone on because even though I was an owner, I was truly an operator, and it rang, and it was the, it was the manager. And my heart just sank because she was only going to call if the place burned down. And I'm like, oh my God, the place burned down. And she answers the phone and she's like, "Hey Mike, I just want to let you know the place didn't burn down." I'm like, "Okay." "But I'm quitting. I'll stay on until you get back."

Patrick: Wow. Good timing.

Andy: Good timing. Gosh.

Mike: And I spent the rest of that vacation on the phone and on my laptop because everything went through me or her and since she was leaving, no one cared to talk to her anymore. I had no processes, no policies, no SOPs. I didn't

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realize that in that moment, but by the end of the vacation, I started thinking because I have a background in aviation, a background in engineering, and they're all very process-driven. I worked in corporate America, that's all process-driven. I'm like, why was I so successful in these other jobs and this one I just struggle and I'm working all the time? I'm like, oh, processes.

Andy: It seems to be an elusive thing in restaurants. It really does, that systems in other industries seem to be paramount. They work and kind of like the machine, the cogs, it keeps working. But with restaurants, it seems that is a harder goal to meet.

Patrick: You know, it's interesting too because when people come from corporate restaurant experience, they have all those systems in place, but then when they go and buy a restaurant for themselves and they don't have everything in place, they start to kind of go downhill slowly because they don't have that, that backbone of the systems in place and they haven't created it for themselves.

Andy: Systems are paramount, but a lot of it's very fluid, I think too, in an active restaurant or a, you know, a QSR restaurant and stuff. So there, there is a, there are nuances that are difficult to adjust to, I would think, from a corporate world.

Mike: Well, that's true. It's different. Well, people are people. I've worked in businesses literally all over the world. When I was in the steel industry, I used to visit, been almost every steel mill in the Western hemisphere, and leading different teams that spoke different languages and had different cultures and it was really, really very educational. But, you know, like you said, going from corporate America to a restaurant, it's different people. You know, people, people get drawn to different jobs and roles and it's a different people and you have to, you have to lead them differently. There is some nuance there, but most people still like to have a little, even the ones that hate structure; I'm one of those people.

Andy: I don't believe it.

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Mike: Actually, secretly, I know, no one does. It's like, I can't believe that, Mike. Secretly need or want or desire some, some structure. It's just people want that certainty. Most people, you know, the six driving human needs: certainty, uncertainty, significance, love, connection, etcetera.

Patrick: I think employees want that. When there's a lack of that, they start to try and create it all on their own. It's kind of like *Lord of the Flies* kind of situation. I, I have a lot of experience with franchises or with chains. I, I worked at Starbucks. And when I first got there as a manager, I did everything myself and I did it all the way till I like burned out and said, this is not great. And I eventually I started learning how to delegate and started to learn how to like, you know, give people tasks and create, you know, use the systems that Starbucks created for me.

Well, then I moved to Jamba Juice and I was a manager there and I went on to be an area manager and I took my delegation skills and did that from the very get-go. And because of that, I created a lot of assistant managers, managers, DMs, they went on to be DMs and stuff like that. And everybody's like, oh, you do nothing over there. I'm like, yeah, I do nothing, exactly.

Andy: Well said.

Mike: Look, my calendar is empty. This means I'm winning. Yes.

Patrick: My team isn't calling me when we're at the meeting right now. You know, all your guys is like on the, you know, phone is blowing up. How do we order this? How do we do this? You know, and it's like, I just lay back and let everybody do what they're supposed to do.

Andy: I got a little pit in my stomach when Mike was talking about his Mexico trip. I've been there. I've been there, and I'm sure all of us have. And I, I do remember coming back down the hill from Lake Tahoe with my family and extended family and I took three days off. I think I finally relaxed on the last day and about the time I was leaving and there was, I was stuck in massive traffic. There was almost a literal fire in my kitchen because the hood shut down and

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the place is filling with smoke. And I said, get the people out, shut the restaurant down. You know, like.

Mike: Like, why are you calling me? Like you should know how to deal...

Andy: It seemed like we had gone over, in my head, I had gone over this and have systems, but it proved not to be true because I took control and took the, you know, I took the wheel of the plane if you will, right, Mike, Mr. Pilot? And I didn't give them enough power to make that decision on the fly.

Mike: That's all part of it. It's learning to let go, learning what to let go of, building the systems in the first place. That tends to be a little overwhelming for people, but once we get past that, it's actually getting people to use them. And my technique for getting people to use them is one, I stopped being the go-to guy. I'm like, I get that emergency call, I wouldn't answer. I get that text, I'd answer an hour later. Did you guys find that SOP? Oh yeah, yeah, we remembered it was, it's in the folder. We just, you know, we're just so used to calling you first and after a few months of that, they stopped calling.

And then when they did call, it was usually something that I hadn't built an SOP for yet. So then I'm like, all right, well, we got, we got to do that. Like I, you know, I figured out I was the only guy with the master passwords to the safe. So anytime we added a new manager, I'm the one that had to put it in, or I was the IT specialist. When things run, you don't think about it. And then, then when it breaks, they call you. It's like, oh, okay, I got to find an IT guy. Like it's just, it takes a minute. It's not like zero to I'm a, I'm an owner overnight. It just, you got to, you got to retrain people to, uh, to self-actualize.

And you can't, uh, when you were talking about delegating earlier, Patrick, my earliest examples of delegation were, uh, I call it the D&D method, delegate and disappear. And then I'd wonder why it wouldn't work. Why didn't they read my mind and know exactly what I wanted them to do? I don't understand. So empowering them, giving them guardrails.

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You know, the, the pilot analogy I like, or the flying analogy I like is, when we're teaching someone to fly or even later on when we're with experienced people, there's a very set way of understanding who has control in that moment. And you say, I have control and the person relinquishing the control says, you have control. And then you say, I have control. And if you do that with your people, say, you have control up to this level of decision. And then you let them make the mistakes. And yes, it will cost you money. And it'll make your hair fall out.

Patrick: Short term. But long term, you're going to be set. Yeah.

Mike: Exactly. Because it's not like you've never cost yourself any money or made your own hair fall out or turn gray. My son asked me, like, he goes, "Dad, I was looking at some, some videos, you know, when I was a kid, an Easter egg hunt, and you used to have a lot of hair. What happened?" I'm like, you. You're what happened. And also, I started a business.

Patrick: So Mike, you have experience with franchises and most specifically, the Nothing Bundt Cakes. Tell us why franchises, why that concept, and tell us a little bit about that.

Mike: When I was looking to leave corporate America for all the reasons people leave corporate America, I was no different. I didn't get sick of being a cog in the wheel. And by the way, that company I worked for just had another massive restructuring, so a lot of people I worked with 10 years ago are now looking for jobs. So I just wanted the future to be my own. I wanted to control my own destiny. That was the reason. And then why Nothing Bundt Cakes? I looked at so many different franchises and just, first, I thought I'm going to start my own business. I'm like, eh, I don't know if I have the guts to do that. It was really, that's very honest.

Patrick: As of right now, going into this, you have no restaurant or food and beverage experience.

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Mike: Not since my teen years when I worked in a Italian restaurant, but worked in, not like a manager at. I was the busboy, the dishwasher, occasionally a server. Like I, but it was a long time ago.

Andy: I'm curious because you said it. You said you were looking at a few different franchise options. What was your number two or three behind Nothing Bundt Cakes?

Mike: Oh, I think everyone looks at like Chick-fil-A and McDonald's and like the big dogs that we all know and love. Jamba Juice was on there. I didn't realize that...

Andy: I love Jamba Juice. I still do.

Mike: I didn't realize the Starbucks was corporate-owned and Chipotle were corporate-owned at the time. So I found that out, you know, like I just started looking around and some of the small ones like, I can't remember their name, but they did like charcuterie boards. I'm like, I'm going to start a charcuterie board franchise. It's like, yeah. I look back at that now, and I just laugh.

But Nothing Bundt Cakes, the culture on paper made sense and in reality is even better than I imagined. They really do live their values. You know, we bring joy to people in the cake business because we're there where people, people die, we bring cake. When people are born, we bring cake. Birthdays, cake. Weddings, cake. Holidays, cake. Like it's just all celebration. It's just, it's amazing. So that really aligned.

And then the numbers worked. I'm like, wow, I have four different-sized cakes. At the time, I had 10 flavors. This is my margin. I'm like, I could do this. The only thing easier to sell than cake is ice cream. So I could probably sell cake. Yeah, I'm going to, I'm going to do this. And then I had to convince them to accept me because they were opening 20-ish stores a year at the time, and I was store 256, my first store. And there was nothing in Wisconsin. You know, so I had to like, hey, you need to build out Wisconsin and you need to pick me. And let's go.

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And I, I managed to do that, which was great. And we had a, we had an amazing first year and every year since then. I recently sold that location, but...

Andy: How do you do that? How do you sell yourself other than you're highly educated, you have a very interesting and diverse corporate engineering background, but how do you convince a QSR concept or even a baking concept at this point to say, I'm your guy?

Mike: I did a lot of research ahead of time. Like you have your initial conversations. I had several with a lot of different places. Hi, I'm Mike. I'm interested in your franchise. Okay, fill out this form, etcetera. I took that very seriously. So instead of answering a question like, why do you want to have a bakery? I would give them like an essay. And I meant it. Like, I really was like, I want in and I'm going to pour all my effort into this. Give us a 30-second clip on why you should become one of our guys. I'm like, you know, here's a five-minute video on all the things I'm going to do for you. Here's my business plan.

Patrick: This is a lost art right here.

Mike: Yeah, here's my, here's my competitive analysis.

Patrick: People don't take this serious anymore, man.

Andy: You guys. He walked a fine line, Patrick, because I threw away a million five-page resumes before I, I was like, this is too much. But when you're authentic in it and you're speaking from your own heart and words, then I think that makes the difference rather than saying, look at me, look at me in a resume. That's five pages.

Mike: My actual resume is one page.

Andy: There you go.

Mike: It's, it's highlights. But this is, this is not, this is not what they were, this is not what they were asking for, right? They wanted to go deep. So I went deep. And it worked out. And I'm grateful. I'm so grateful to this day. You know, my, my

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children have gone through college paid for because of that brand. I'm living my freedom because of that brand. Or else I'd still be a cog, maybe still a cog in corporate America. And that'd be great for whoever I'm working for, but maybe not so great for me.

Andy: How do you bridge the gap? You preach systems and, you know, empowering your employees once those systems are there. Do you think that it's one to one that everything is equal from franchise to main street or independent restaurants? Or how does it differ? Is it the same principles from a QSR and franchise concept to a main street restaurant? Or are there any differences that come to mind?

Like you look, think back to that Italian restaurant you worked in, how many different working parts is it in a full-service restaurant versus a QSR counter service restaurant? There's a lot of things going on. And I agree with the principles, but there are different nuances and different interactions in a restaurant. There's a lot more touches. Personal touches.

Mike: I would, I was, I was thinking about that, but the personal touches, I think could also all be scripted. So I was thinking, okay, you're going to have more. They're definitely more if someone's coming in and sitting down, whether that's in a franchise situation or mom and pop down the street or a Michelin star restaurant. Like it's, there's a process for everything you do and everything you do could have a process.

My rule of thumb is if you do it, if it's got more than three steps or you do it more than three times, you could have a process for it. So if you're greeting someone, maybe you only do it once, or it only has one step, hello. That's not, that shouldn't be your greeting by the way. Although it's a good start.

Andy: I will be your server today.

Mike: Yeah. Oh my God. Yeah. Hi, my name is Mike and I will be your server today. I hate my life. Like, no, you don't. Versus someone with some personality. You can't, maybe you could teach personality, but you could script out what they

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should say and then with my teams, I would role-play the exact, okay, not the exact words, you want some personality into it, but the gist of getting the point across until they got it, not until they got it right, until they didn't get it wrong. We would role-play and everyone hates role-playing. I hate role-playing, but it worked versus, hey, read this script. Hi, I'm Mike. I will be your server today. It's like, for us, it was welcome to Nothing Bundt Cakes. What occasion brings you in today?

Andy: And then when they get comfortable with that, their personality starts to come out a little bit and it may be nuanced. So I think you, you answered that question great. I remember writing out scripts and timings and table touches for full service, but I never said be a robot. It was the last thing in the training session. Don't be a robot. Be yourself, but these are the general, general interactions and general timeline we want you to have, right?

Mike: I would also say have a list of things not to say. Like at the end, we would invite them back. You know, thank you so much. We'll see you in here again soon or something like that. Not like, have a good one.

Andy: Patrick. Did you, do you remember how is everything? Did you enjoy everything? You need to ask specifically about a dish. Are you enjoying your, whatever you sold pastrami sandwiches or whatever Patrick. So yeah. You need to say specific.

Patrick: I've never owned a full-service restaurant, so you know.

Andy: Oh, you guys were missing out. That was hard to go on vacation, I promise.

Patrick: But my whole thing was about being genuine and just like, you can have scripts, but it just can't sound like a script, you know, and like you need to have people be who they are.

Mike: 100%.

Patrick: And if they, yeah, that's really important to me.

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Andy: I got the million-dollar question for you today, and Mike, this is the franchise myth, and I hear it from so many of my clients or people wanting to sell or franchisees that are tired. Franchises often come with a proven system or a system that they give you, right? Yet many franchisees still work to open and close every day. So why do so many of these owners become prisoners of the business that were designed to be system-driven? It's kind of that conundrum. They get into it to have freedom and then they're not free. And that's kind of the, the gist of the episode today. We want to know.

Mike: Right. I call it the operator trap because I fell into it and a lot of people I work with, all the people I work with really fall into it. At first, it's because you don't know what you're doing. You get into something new, you got to learn it all. So you're going to be there, you know, morning, noon, and night. You're going to open, you're going to have in every interaction in the middle and you're going to close.

And then what normally happens is people say, huh, I should get some help. So they hire someone exactly like them. I say there's three leadership types in this industry. I call them your hunter, your architect, and your GSD, and about 80% of us are GSDs, the Get Shit Done individuals, and we're just used to getting shit done.

I could teach Andy how to do it, or I could just say, Andy, go do it. And as soon as I say, Andy, go do it, because I'm too busy getting some other shit done, Andy doesn't do it the way I want, loses me money, pisses off a customer. I'm like, see, I can't find anyone who's as good as me. I just cannot find anyone as good as me and I'm the only one that can do this job and I can never hand this off. So there's a little bit of ego involved there.

And maybe there, often, actually, there is a financial piece to it. People, myself included again early, I'm always not ever pointing the finger other than pointing at myself. Your lifestyle might increase. It's like, all right, well, I got this business and now I'm making a little bit more money. So I'm driving a little nicer car, maybe I got a little nicer house. So I don't have money necessarily in the

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business because I've eaten the cash flow and I've eaten the profits where I could bring in a person that could do the job.

And then it's the conversation around, well, if I'm a GSD and I bring in a GSD, we're doomed to fail. We need an architect to map it out, but they speak a different language than what I'm used to. So I don't, I don't get along with them because they're just talking about like weird, like we got to do A and then B. It's like, who cares? Like let's just freaking get this out the door.

And then you got your hunter, you know, your people who like the marketing and like the new shiny object, squirrel, the woman in the red dress. And they're always throwing a wrench in the works. It's like, well, now we're going to offer this and now we're going to change that. Now we're going to do this other thing. And the GSD is like, oh man, I could barely hold it together as it is. And the architect types are like, I already have the process written. So we don't want to bring in the people we want. We can't necessarily afford them and we don't think any of them are better than us.

And all of those are absolute myths. It's not true because there's 8 billion freaking people in this world and I cannot believe that there isn't someone that's better than me at whatever job I've ever done. There's got to be someone that's better. There's just got to be. So my question I started asking myself and where the next part of my journey really started to happen, is how can I find someone who's better than me?

And then the next part was like, how can I afford to pay them? And sometimes it wasn't money up front. Sometimes it was, you know, very aggressive bonuses. Like, I can't afford you, but if you hit this metric, I'm going to give you a crap ton of money because at that point, I'll probably keep hitting that metric, so I'll pay it all to you up front, but then I'll, I'll get the benefits of that going forward. Or maybe there's a small, and I mean small, equity piece. You don't want to give away the entire restaurant, but sometimes when people have a little bit of ownership, they tend to work a little harder. You know, it's putting your own lifestyle on hold for a minute. Like, oh, maybe I don't need to go to Mexico four times this year. Maybe I should just go once.

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Andy: But peace of mind is worth, worth more than some amount of dollars. I mean, gosh, we'd pay for that, right? Yeah.

Patrick: How many people actually buy a franchise and actually, they, I think they believe that from day one, they can be an absentee owner? That's the feeling that I get with a lot of buyers and even non-franchise, I think they like, I'll buy this restaurant and I'll operate it from my house and just make a money handover fist.

Mike: Oh my God, yeah.

Patrick: I really believe this is a major myth that like people think they can literally from day one, you know, not roll their sleeves up, go in there for a year, set up shop, and then start to pull back a little bit. I think from day one, they just want to like make that money.

Andy: You and I spoke about this yesterday, Patrick. We sell franchise locations, and I advertise it as such, seeking new owner-operator, hands-on owner/operator should make this seller discretionary earnings. And I still, eight out of 10, maybe nine out of 10, call and their intent is absentee, and the numbers don't work for them. And it's, it is a little bit of a myth and that's I'm glad Patrick brought that up.

Mike: Couldn't agree more. I've, I've bought those underperforming franchises from the individual, the one I bought recently. It's like, I thought I would just open the doors and I'd go live my life. And I had to be here every day and I didn't, that's not what I wanted to do. And my life is terrible and I'll sell it to you at a huge discount because I just want out. I'm like, okay, I'll take, I'll take that deal because I've run this system before and I know how to fix it.

Or myself, I took a year off. I'm like, I had the best year. Oh my God, I had such a good year. I went on safari twice in Africa. I never been there once, I went twice. I went all over the world, just had an amazing time and was barely looking at, my only metric was, is there money in my bank account? And then January rolls around, there should be a lot of money in the bank account to carry us

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through to Easter and Mother's Day because no one eats cake in January or February. They're all on a diet. And there was no money in the bank account. And I'm like, huh, this is bad. I have a lot of bills. Um, what's going on?

And then I had to jump back into the business and realize that labor had more than doubled, sales had declined, processes and procedures were not being followed, or were so inflexible that they didn't change as different things changed. I was probably 60 days from bankruptcy before I stepped back in and right-sided the ship again. But I realized in that moment, there was no such thing as true passive income.

Andy: Yeah. Yeah. Well, well said. Great life example. You experienced it. Yeah. Patrick, I think Mike already touched on this. You're a big proponent. You've brought it up a few times in other episodes with restaurant tours, but ego. What, what are your thoughts on it? I mean, I think you've brought it up and, you know, nobody can run the place like I can. How much of these, these like things that pop in our head and how do we avoid that? How do we get out of our own way as an owner?

Mike: Not everyone can. That's not true. Everyone can. They just have to have a driving, a driving reason. What's their pull motivation for getting out of the way? And if it's me pushing them or you pushing them or their spouse pushing them, they're not going to get out of their own way. There's got to be a pull.

Patrick: I think it's like self-worth. It's like, I need to work hard in order to make money. These are like these ideas that we get from that's been passed down to us from, you know, our baby boomer parents and stuff like that. Like,

Mike: And it worked. I worked hard and I made money and now you're in a gilded cage, the operator trap. You are trapped in your own operation.

Andy: Likewise, it's also I need to be, I need to be needed by my staff. I need to be needed. I need to be asked how to do this. And that's a, that's a fatal flaw.

Patrick: But then you're going to get mad when it keeps happening.

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Andy: Yeah. Why are you asking me?

Patrick: You're your own problem.

Andy: That's a different Freudianism. Let's, let's move on from that. Yes. So, can you give us, you know, a short list, Mike, of, you know, some of, a couple of things that you work with your clients or you talk about on your podcast about building freedom, building freedom for an owner or operator.

Mike: The first thing is figuring out what freedom looks like to each individual, because that's, that's different for everyone. For me, it is like I was talking to Patrick just before you came on, Andy, I sold almost everything I own if it doesn't fit in my car. And I've been on the road since last December, going from Airbnb to hotel, all over the country, trying to figure out where I want to put down roots again. I love Wisconsin. I think I'll always have something, some tie to there, but I don't like it in the winter.

Patrick: You don't like digging your car out of the snow every winter?

Mike: Yeah, no, it's just not...

Andy: I don't think I've ever heard someone say they like it there in the winter.

Mike: Well, it used to, we used to get a lot more snow and you could ski and snowmobile and do that, but now you get snow and then it melts and it's just cold and...

Patrick: Keeps the riffraff out.

Mike: It's just, you know, it's just, right. Different political story there. Yeah, so I'm trying, you know, trying Florida, trying Texas, trying Georgia, trying, you know, maybe I'll try some foreign countries. I don't know, just trying to figure it out. I spent three weeks recently in Colorado hiking like 14ers, like the 14,000-foot peaks, and that was...

Patrick: Oh, cool.

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Mike: That was a lot of fun. But that's what freedom means to me, but what does it mean to you? I've had people say, I want to be home when my kids get home from school every day.

Patrick: Yeah.

Mike: Let's do that. I want to not miss any Little League games. Great, let's do that. I want to be available to take my mother shopping every Friday to the grocery store because she's getting up there. Great, let's make sure that we can do that for you. Define what freedom really means to you.

Andy: Yeah. That's a really good role or rule.

Patrick: Let me ask you a question. With all this freedom and having, you know, these, these businesses, do you have cameras in your shops and you're like watching them on your phone when you're on your safari?

Andy: When you're at the top of the 14,000 peaks.

Patrick: Yeah, 14,000 peaks. I've seen these business owners are like, look, I can see my staff right now. I'm like, that sounds like work.

Mike: Yeah, so the short answer is yes and no. I don't put them in. I used to, for, and it was for security, right?

Andy: It's probably obligated by the franchisor.

Mike: Yeah, it was, it was for security, but I never, ever gone and looked at them. And I've had some managers, I'll get conversations with them like, oh man, I just looked in and so and so is leaning on the thing and their counter and they're not, they're just yabber mouthing, and they should be doing this and I'm like, you're going to drive yourself crazy.

Patrick: Yeah, you're going to see something wrong. You can only see something wrong when you're watching staff like that. They're not, you know, it's not going to be perfect.

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Mike: Yeah. Is that a good use of your time? Like maybe you should be figuring out our next, our next fundraising event or something. Like it's just, so the short answer is no. Have I had them? Yes. Do I put them in when I build out from scratch anymore? No. No, I don't.

Andy: Got it. Okay. So knowing your freedom, what other suggestion would you have for one of your clients to let them step back from the business? Other than systems, because we've already touched on that one.

Mike: Well, we have to see where they're at, how involved they are. I often say, when's the last time you took a vacation? Almost everyone's taken a long weekend recently. I've met very few people that it has been years. And I'm like, great. When's the last time you left your cell phone and your laptop at home? I've literally seen people go pale. It's like, would you like to be able to do that? Yeah, all right. So for me, that's part of freedom. Some people it's not. Some people love to be connected. Okay, that's great.

I had a prior girlfriend, you know, if I didn't text her back in like eight and a half seconds, it's like it was the end of the universe. And I'm like, you know, if we would have met in like 1980, this wouldn't be an issue because we didn't have cell phones and texting back then. Just because the technology exists doesn't mean you need to use it.

So then the other piece when I'm working with people, once we've defined what their freedom is and we've kind of seen where they're at, like how involved or not involved they are, is we figure out how involved or not involved they want to be. There's some people, they literally are driven by the work. It doesn't, but it doesn't mean they can't set some stuff up where they can work when they want to and not work when they want to, versus they are the cog in the wheel. It's getting that mindset differentiation for them.

Andy: That's interesting. You said it. They are the cog in the wheel, right? And if you're the cog in the wheel and you disappear, the business doesn't work. The business doesn't run day to day. This is kind of a sidebar, but we deal with a lot of main street restaurants, we deal with a lot of high-level chefs and so on. And

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we often, when the chef or the owner is the identity of the restaurant, and then they try to sell it and they want to go do something else, the value of the restaurant goes out the window.

Mike: It's almost non-existent if you could even sell it. Yeah.

Andy: It's an asset sale because you, your faith, that face is gone. That's a hard trap to be caught in after building something really special. So you better make your money while you're there because it's not going to be on your exit. That's a hard thing to escape if you're a celebrity chef or a high-level chef. But from your point, from a franchisee, if you are the cog in the wheel, the business is running you, and that's what we're talking about today.

Mike: Yes, that's 100% correct.

Andy: Patrick, hit him with number seven here because this is a curiosity to me.

Mike: Rolling sevens. All right, let's go.

Andy: Rolling sevens.

Patrick: Buying a business versus buying a job, you know, and I, I talk to my clients all the time about this is like, what do you want? Do you want a job or are you looking to buy a business that you can operate? And I guess, you know, what are the signs that someone is purchasing a business with real systems and transferable value, and not just buying themselves another, a job?

Mike: Absolutely fantastic question. I'd say the vast majority of small businesses and franchises out there are jobs with chaos and overhead. You've bought yourself an expensive job. But how can you tell when you look into the place and you go do your due diligence and you're having your conversations?

It's asking the team that's in place, not the owner, the team, who do you call or what do you do if, you know, fill in the blank happens? You know, the, the hood stops working and the restaurant fills with smoke. The door lock, someone threw gum in it and you can't get it locked. It's like fill in the, come up with any random

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scenario you could think of. And if they say, well, we got an SOP for that, or we go over here for the majority of items you throw and throw a bunch of normal stuff. Don't like gum in the door is kind of rare, but I've seen it happen. Then like, oh, okay, it looks, sounds like they have systems. Good. I'm probably buying something that can run with me over, me overseeing it, but not like living in it.

If they're like, oh, I call Andy. Oh, this, oh, I call Andy. I call Andy. I call Andy. I call Andy. You have a pretty good idea that they, they don't have systems in place.

Patrick: That's sound advice right there. That's really sound advice.

Andy: That is good. Yeah, I mean, if the people that are there day to day don't know what to do, then we know who's running what.

Miie: Yeah, and you can go, you can go a step deeper because sometimes they will have one really good manager, but no one else in the place knows what's going on.

Andy: Yeah.

Mike: Which isn't necessarily good either because that's that key, key person risk. If they leave, what are you, now you're stepping in and doing everything. You don't want to have that if you're at your kid's wedding or something.

Andy: No, you do not. Or you're getting on, you're on tarmac on, in Mexico. So,

Mike: In Mexico. Yeah, exactly.

Andy: Well, I think there was some really key things and insights. We sound, we hear your repetition on SOPs, standard operating procedure. You know, this is very paramount, especially in a franchise situation, but also in a restaurant and any other style of business. So that is a good indicator of how the business is running.

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I think you brought up some points about hiring and hiring good people and, you know, people want to know what they're getting into. And I also think one of the key things you said to me that resonates is asking what is freedom to each, each person coming into a ownership role. What is freedom? That's big. A lot, I don't, it's not thought of often. So I can still take value out of that and take worth out of that for myself and I think everyone can at any stage in their life because there's, you know, new roles and new stages. So keep that in front and center. I'm going to keep that front and center in my mind. I know that.

Mike, will you tell us about your book? Because you're an author too. Will you tell us the website that listeners can go on to learn about you, listen to you, and buy your book?

Mike: Before I do that, I also want to say you should re-evaluate what freedom means to you because it changes throughout your life.

Andy: True.

Mike: And also, anytime you buy a business, what's your exit strategy before you even buy it? How, how are you getting out of this? Not this vague, I'll sell it someday or I'll give it to my kids. What is the actual exit plan? Not that it can't change, but if you go in with no plan, you've probably bought a job. So I just wanted to leave people with that.

But yeah, Mike, mikedejong.com is where you can find out what's going on. I'm going to have some, uh, I finally finished prototyping some workshops, so we're going to get some of those listed where we can get together and actually leave after a day with SOPs and procedures and stuff in place, not just a go there and rah, rah, feel good and never do anything sort of thing.

And then my book, *Grow Smart*, you can get that on Amazon. If you, if you look up Mike DeJong, it's the only book that comes up. If you search *Grow Smart*, you'll find a bunch of stuff on gardening. You have to go to like page seven. So, maybe I should have looked at that before I named it. But it kind of goes through some of the things we've been talking about today, how to build your team, how

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to build your, your key performance indicators, how to get out of, you put some simple processes in place, how to have an exit and step-by-step.

And then the next book I'm working on is actually more meat and potatoes. This is step one. This is how you do it. Step two, a little deeper because I had some feedback that it was a little bit too, people want bite-sized chunks.

Andy: So, that is true today. You are right on that. I.E., podcasts that are 20 and 30 minutes long.

Mike: There you go.

Andy: So, no, that's amazing and having these books as a little business guide, life guide, I can't wait to read your book and I've been watching a lot of what you do and where you speak and I'm really, really inspired by all you've done and accomplished.

Bonus question for you. And I think, I think you, this might be repetitive, but we just want to hear it and maybe it's more of a conclusion for you. But if you could leave one piece of advice, especially to those someone who's exhausted and feels like they can't take a day off, what would you tell them?

Mike: Oh, so many ways I could go on this.

Andy: That first step they need to take because it's about letting go to some extent. What is that first step they take for someone who's just burnt out and they're like, I can't do this anymore. But they can.

Mike: I'm going to go a little, a little bit higher level than I normally go on that particular question because I think if you really listen and go deep with yourself with this question, you'll have the answer.

Everyone says they want something, but they want nothing more. So if you're burnt out, you're saying you want peace and you want freedom, but you don't want to make any changes. That's the, I want nothing more. You know, people say they want a million dollars, but they want to watch Netflix for five hours every

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night more. I say I want a six-pack, but I like eating cake more. There's just, we all have these things that we say we want, but we want, we want the nothing more. So if you're burnt out, figure it is out what it is that you want more. You want to be burnt out, or do you want freedom? And then you'll start taking the steps to fix it.

Andy: Good for you. Well said. Thank you so much, Mike. We really appreciate you. Maybe we'll get to do this again sometime. And thank you to our listeners for listening. Look up Mike DeJong. He's worth a read, worth a listen.

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