



Rainmaker
PODCAST

SEASON 4 EPISODE #9

MANISH KHATTA

POTOMAC

Gui Costin: What is up, everybody? It's Gui Costin, founder/CEO of Dakota. Welcome to our latest episode of the Rainmaker Podcast. I'm so pleased to be joined by Manish Khatta of Potomac. Manish, welcome.

Manish Khatta: Thanks for having me on.

Gui Costin: "Manish Khatta is a quant! A true math geek, he has spent his career creating and refining trading strategies built on mathematical computations and number crunching. He is a staunch believer that investment risk is something that can be contained and conquered using quantitative trading systems. Manish is a lifelong Potomac employee who started with the firm after college and programmed the initial work behind Potomac's mechanical trading systems. Fast-forward to today, and he now serves as CEO/CIO of Potomac and oversees each silo of the business, which includes Investment Strategies, Mutual Funds, FinTech, and Institutional Research." So we were just going through. I mean, I'm blown away, and I think I'm going to be more and more blown away in the next half an hour, as we go through the content. But you're a massive content creator. And we're going to get to that. But I just want to tee that up because I do want that to be the through-line of our discussion today. And one of the reasons is, as everyone's listening, we work in the investment business. And it seems like we're stuck in 1985 at trading places, as it relates to... I even heard it this week, literally, like, oh, we would never do a podcast. Our guys would never want to do that, right? So I'm so excited to get into it, but I don't want to get ahead of ourselves. Could you just take us back? Where did you grow up, a little college, and then how did you get to Potomac, and a little background on Potomac, please?

Manish Khatta: Yeah, absolutely. I got to say, I'm a little unnerved here because, as a Commanders fan, driving into Philadelphia is not something I want to do. But I'm doing it for you.

Gui Costin: I don't blame you. I appreciate it. [LAUGHS]

Manish Khatta: So anyway, born and raised in Maryland and went to the University of Maryland. Funny story... Potomac was actually my first job out of college, whether that's good or bad that I've only done the same thing for 23 years. But started out of college. Potomac is an asset manager. We specialize in uncorrelated and lower-drawdown strategies. We market directly to financial advisors, typically things that are quite boring from a content perspective, which we'll dive into how we switch that up. We also have a tech tool called Guardrails that we offer to financial advisors that allows them to optimize models and a host of other tools. But ultimately, our focus is risk management. Our tagline that's been trademarked is "Built to Conquer Risk." And our audience are other financial advisors. That's the gist of the focus.

Gui Costin: Oh, great. And so tell me, how was your sales team and distribution team set up?

Manish Khatta: I'm a big believer that products are sold, not bought.

Gui Costin: Yes.

Manish Khatta: Some products are bought, but I'm not in that space. The product that we have is sold. So I'm a big believer in a big sales team, and we're trying to get there as fast as we can.

Right now, we have 10 external salespeople, which are in the field meeting advisors on a daily basis. We have 5 internals that support those externals. The goal is to get to 1 to 1. That's what I believe. There's a great model, the Pacer ETFs. They're down in Pennsylvania. It's that model where it's as many wholesalers as possible within driving distance of your clients. That's the model we want to get to. They're supported by national sales manager, director of external, director of internals that manage each of those teams.

Gui Costin: Well, that's great. You made me think of, we just ingested about 200,000 new FAs. We built out a data team, so our entire FA database has grown to the moon, which has been really, really fun. And it's provided a lot of great opportunities for our own internal sales team, which is pretty cool. Ok. So tell me about communication. Because I think communication, as I was saying in the pre-opening, when we talk about communication, setting proper expectations with the boss, and then, of course, in your role up to the executive committee and to the sales team, how does the communication work both... I call it internal sales team and then up to the executive committee?

Manish Khatta: So we're a big EOS shop. I don't know if you're familiar with that or not.

Gui Costin: Oh, 100%, at least Ninety.io.

Manish Khatta: Yeah, exactly. So EOS is big with us. And we started, I think, about...

Gui Costin: Do you just want to talk just to what EO...

Manish Khatta: Yeah, yeah.

Gui Costin: Just 30 seconds? Ok.

Manish Khatta: So we did that about 18 months ago. It's the Entrepreneurial Operating System. And there's a bunch of different versions of EOS out there. Ultimately, what it is, it's a tool to develop clarity and accountability across

your organization. So it starts at the top, with myself, to clarify and provide clarity on what the goals of the organization are. And then from there, you develop an accountability chart, where people know what their roles are in the organization. And to bring this back home to your question about how we communicate, we do our weekly L10 meetings, where each department has their own meeting, and everyone has their scorecards. So from a sales perspective, everyone knows what the expectations are from meetings, calls, emails, et cetera. And then on your scorecard, it's visible to everyone. So there's no hiding. You know exactly what you're held accountable for, what your boss expects. And then as a team, we then review that scorecard. So if someone is struggling or someone is exceeding, those are both congratulated in the same way. What's going on? How can we improve? How can we get better at these things? But it's all focused on that scorecard and then getting those L10 meetings across.

Gui Costin: So how's things changed for you in the past 18 months, since you implemented EOS?

Manish Khatta: I can't recommend it enough. Because prior to that, without that accountability, you're just looking at flows. And then you're like, you don't really know what's going on. It's just a matter of, are flows coming or not, in terms of asset management. But what's creating that? And if there's no accountability and no tracking of the scorecard... we didn't do that before. I mean, on a monthly basis, we'd go in and see, ok, how many meetings, how many emails? But nothing was drilled down to an actual data scorecard on a weekly basis. So that level of clarity, not only for ownership, but also for the salesperson themselves, I think it's super helpful for them as well.

Gui Costin: So it created a tremendous transparency into the work that they're doing or not.

Manish Khatta: Correct. And transparency is one of our core values that we've developed through that system.

Gui Costin: Ok. So a lot of people... someone once said to me, isn't that kind of mean to show someone's scorecard or their pipeline in front of their peers? And I was like; you're actually doing them a favor. Because then if that makes them feel uncomfortable, then they're in the wrong spot. I've always said, that's why the core principle number one of the Dakota way is literally set expectations, show a pipeline every week to your boss so you put yourself in your own personal straitjacket.

Manish Khatta: Listen, transparency is one of our biggest core values. We had a conference, last week, with about 80 financial advisors. I stood on stage and walked through the financials of Potomac. I showed them profit/loss, EBITDA, the whole thing. Because we live and breathe transparency, not only

as a company, but also from a content perspective. Our whole goal is, we're going to tell you everything there is to know about us. That way, at least you can make an informed decision without second guessing. So transparency is something we build not only from the investment process, build in content, but also with our clients in terms of the business and everything that's going on. So I agree. I mean, transparency is the core of a good business, in my opinion.

Gui Costin: Right. So walk me through the communication up to the executive committee at Potomac. How does that all work from the sales team? And how are they informed about what's going on in a day-to-day, week-to-week, month-to-month basis?

Manish Khatta: So everything, again, comes back to that EOS framework. Each department has their L10 meetings. And for people who don't know that it's just a weekly meeting that goes through reviewing your Rocks and your different tasks. And then from a leadership perspective, we review all those meetings and talk about that communication. And so having transparency among departments, among leadership, and then getting that out there. So we have the quarterly meetings that I give, state of the company. How are we from a financial perspective? How have our goals changed? What are we doing to achieve those goals, whether they're conferences or different content? So it's a concerted effort from the top down to set expectations, set clarity, and then execute that with each department.

Gui Costin: That's great. That's great. So critical, right, for me, just being as transparent as you can, and then informing everyone so there's no second guessing. And if they're brought along the way...

Manish Khatta: Listen, I sit up here and say this with confidence... it was only 18 months ago that we did none of this. It's a journey, right? I'm learning. I'm 45 years old, and I've been CEO for, what, 10 years now? Or 8 years? And so I'm still learning myself on the best way to go about it. And before EOS, there was cracks in the business. And a lot of it was around communication and properly setting expectations and clarity. I knew the goals, but they were up here. How do I get that out to my organization as a CEO? And that's where the EOS thing came in handy.

Gui Costin: That's great. I couldn't recommend it more ourselves. We use it every single day.

Manish Khatta: Stacy is the one who actually got me on it.

Gui Costin: Oh, really?

Manish Khatta: Yeah.

Gui Costin: Oh, she's great.

Manish Khatta: Yeah.

Gui Costin: She's of my favorite people. Again, and if anyone hasn't listened to the Stacy Havener episode here, it's a little PhD in how to present to an allocator.

Manish Khatta: Yeah, she's great.

Gui Costin: Ok. Moving on to one of my favorite all-time topics, that's the utility of a CRM. And could you give me your opinion on the CRM, how important it is to your business, and just your opinion of a CRM?

Manish Khatta: Yeah. I actually was talking to another asset manager the other day. And I was blown away because they said they don't have a CRM.

Gui Costin: It's more common than you think.

Manish Khatta: Yeah, I didn't think that was the case. And I'm looking at him, and he probably thought I was a little crazy because I'm staring at him. And I'm thinking, how was this even possible? What are you doing? He's like, well, we do spreadsheets. We put some notes in there. And I was just taken aback that you can... and they're a large firm... this isn't a small firm... that you can remotely run a business without a CRM. We use HubSpot as the CRM, and it's our lifeline because we also use the marketing automation portion of that. So for those people who don't know what that is, if you're sending out emails or people are clicking on your blog, consuming your content, all that stuff flows back into the CRM so we can track what your client or prospect is actually doing. How are they consuming the content you put out? And then we go one step further, and you start scoring those people based on how they're interacting with your content. Again, tasks are then built on CRM, mapping so our salespeople know where to go. It's unbelievable to me that any business can run without one.

Gui Costin: Ok. So obviously, we're in the CRM business in the deepest of deep ways. We're in the data business in the deep, deep ways, and we live it every single day. So for someone right now, in what other ways in which do you guys... what other tips could you give people in the importance? Because I always talk about, in the investment business, there's... I call it the power of zero, meaning if you manage \$10 million, you have a certain amount of people to do that. If you manage \$100 million, then you don't really need to add any more people. If you manage a billion, you don't need to really add any new people. You manage \$10 billion... but you can see, when you just take a 1% fee, right? The question is, if you didn't know \$500 million was possible, but

you're also able to do things using a CRM and that made a billion possible, in terms of raising money, and then if you actually had more efficient sales operations, then all of a sudden, there's \$5 billion a possibility when you thought only \$500 million was a possibility. Meaning, what that firm is not understanding is that they think they're doing well by their standards, but they're not benchmarking against anything. So if they were more efficient in the sales operations and being able to get in front of more opportunities... because that's the one thing a CRM does. It allows a salesperson to cover more ground. If you don't do it, and you're using clunky Excel spreadsheets, yellow sheets of paper, that whole thing, all you're doing is you're limiting the amount of ground you can cover. Because one human being, by themselves, can only do so much. You need a leverage point. And to me, the leverage point is clearly a CRM.

Manish Khatta: Yeah, I think so. Some of it comes down to just how the owners feel about spending money to begin with. I mean, I'm the third owner of Potomac. And the reason I bring that up is because I learned a lot from previous owners, both good and bad. On the bad side, I think from an asset management perspective, you raise some money. And whatever process you have in place to raise that money, you think, at that point, it's the cat's meow, and I just have to double-down on my existing process. But at every asset level, things change. The game changes. You need to staff up, become more efficient, leverage the technology that you use. And it's hard to get people out of that mold. Because in their mind, what got them to that \$100 or \$150 million is going to get them to the \$5 and the billion, and that's not how it works. It never works like that. And it's a numbers game. Sales is a numbers game. However you can increase the contact, the touchpoints, the face-to-face... whatever you have to do to increase that is what's going to drive business growth. And leveraging technology and... I can't even believe I just called CRM "technology." It's the basic of anything, right? We're moving past that at some point with AI and how that's going to help. Yeah, it's the basic structure. I would start with that before I do anything else.

Gui Costin: Yeah, and just keeping everything organized. Because if you're a salesperson and you do the simplest thing, which is enter the meeting you've scheduled and then, of course, the notes afterwards... if you simply do that, you can run past activity reports, which trigger sales actions. But if you're doing a ton of meetings and you can't track everything, and who should you follow up with, where do you stand, you're looking in different places in your own system, then you press one button, and you can do a pipeline review with your boss, without even having to think.

Manish Khatta: Accountability, again. I mean, it's a big saying with us... if it's not in the CRM, it doesn't exist. It did not happen.

Gui Costin: I love it. I love it. All right, little special segment here... normally don't have content. Ok. So you're a voracious... a creator of content. In fact, you just told me you just built your own studio. So walk me through, from a high level, your content strategy. And then we'll get more and more specific.

Manish Khatta: So we're big believers in content. Early years, we were a small asset management firm, and we had to hang with the big boys who have 30, 40, 50 wholesalers and national brand. So how do you do that? Technology is so great that you can compete with anyone from a content perspective. And we took the angle, we said, listen, we're going to bazooka this thing. We're going to put as much content as possible out there and then start A/B testing what works, what hits, and then double down on the things that are doing really well. And so even when we were a five-person staff at \$150 million, we were putting out anywhere from five to seven fresh pieces of content on a weekly basis. And this was all remote. There was no studio. This was five people sitting in their house. I say this, and sometimes I hate myself for saying it, but COVID was probably the best thing that happened to us as a business because it leveled the playing field. All of a sudden, all those American fund wholesalers are now at home in their pajamas with us as well. And so content became that differentiator. And we just accelerated from that point on. I will say, we took a pause. We got a little bit over our skis in terms of keeping up. As you know, it's a lot of work. And now we have appropriate staff, building the studio, and we're circling back. And we love saying the bazooka thing. We're going to turn on the content bazooka here in a big way in the next week or so.

Gui Costin: So give me some examples of the content that you create that have been the most useful. Before you do that, give me your opinion of do and don'ts on content.

Manish Khatta: So I don't think you should really talk about product...

Gui Costin: Love it.

Manish Khatta: ...ever, and personally. You can have specific content that goes out to specific clients that addresses content... sorry, addresses product. But that's on the back end. On the front end, to me, when you're putting out content, it should never be product focused. It should be more about who you are as a firm, your key leaders, topics that are out there. One of our most-watched pieces of content, funny enough, was called Industry Gossip, where all we did was take five pieces of news from the industry that we're in, the RIA FinTech industry, and discuss it amongst me and my CMO. That's it. Not one thing about Potomac. To me, it's brand building. I always come back to this one example. Coca-Cola has a billboard on a highway. Do they really need to put that there? You know what Coke is. I know what Coke is. But you drive by that thing every day, and you see Coca-Cola. The next time you stop into a

store, it's top of mind. And so we want to take the same approach... brand, brand, brand. Let's build the brand so people, who are these Potomac people? What are they? They go to the website. Then they can schedule a call and talk about product. The biggest mistake I see people in our industry do is they put out content, but it's all about them and product and how I can help you do a better financial plan. No one cares about that. You have less than 30 seconds to grab their attention and have them watch your content. Product is, to me, the worst way to approach building out a content pipeline.

Gui Costin: Ok. Love that. And so walk me through some of the content that you guys create, because you already told me some driving around, and there's amazing ideas.

Manish Khatta: Yeah. So what we talked about is a show that... my CMO and I, we were chatting one day about Comedians in Cars Getting Coffee... I might have butchered that name... the Seinfeld show, or even Diners, Drive-ins, and Dives, where the guy goes around, looks at things. So we thought, hey, most advisor content you see out there is so boring. Someone gets on camera, tell me about how you help clients, and then they regurgitate the same five things over and over. We said, how can we get their guard down? How can we really... because people are nervous on camera. You know that, right?

Gui Costin: Yeah.

Manish Khatta: And so we said, all right. Let's do this show where we go to their town. We bring the crew to their town. We rent a classic car, and we pick them up. And we go drive them around and talk about life, who they are as a person, not necessarily what they offer as a product. And it has been eye-opening. Because what happens to the advisor is, after that first hour, they relax, and the good stuff really comes out at that point. Never once about product. You don't even need a disclosure at the end of it because we're not talking about anything. And that show has hit off. And that same concept we take across the industry, across our company when we talk about content ideas. It's really, how can we just get the eyeballs on you to generate interest? And then the product call will follow. We can always have that product call. It doesn't have to be that front-facing piece of content.

Gui Costin: Right. Ok. Let's just take one step back. Because you said that the worst thing you can do, in terms of content, is talk about product, which I agree with. However, there is one thing before that that's even worse... not creating any content.

Manish Khatta: Correct, yeah. Fair enough.

Gui Costin: Can we just talk? Let's just take 30 seconds and unpack that, just how fearful people are. And then you've seen the exact opposite. By being this unbelievable content creation machine, it's allowed people to get to know you better, the company, the people at the company, who you are. And those are always our most-watched posts, like on LinkedIn, when we talk about something that's not about the business or anything like that. We just share. Like I shared, hey, we went to this restaurant, great restaurant in Chicago. Here's a selfie of four Dakota... 90,000. Would anybody like recommendations? Boom, 90,000 impressions about, literally, a restaurant.

Manish Khatta: To me, I think self-awareness is a superpower. And I tell people, don't judge yourself too hard. We're sitting in a beautiful studio right now. 99.9% of the content that people are going to make are not going to be in this studio. Grab your phone. Don't worry about how you sound and how you look. Just get things out the door. You can improve it later on and A/B test it. People get so fearful, and they plan out this big I'm going to do content, but they forget about just the blocking and tackling aspect of it. So my advice always is just get started. Even if it's holding your iPhone and talking, it's fine. Just get started. The mistake happens... and this is a stat that I read the other day, that the average podcast stops at around seven episodes because they're so focused on this one thing that they're trying to push out, they forget that content is everything. I want to unpack that. We went up to New York for an Altruist Custodian conference a couple months ago. My videographer came with me, recording B-roll, just pulling me aside, talking about things. That's content. Your example right now about the pictures in Chicago, that's content. What people think that it's always this. It's always some prepared professional, let me have a script. And that leads to just quitting because you got to embrace the fact that everything is content and just put out as much as you can, without worrying about feedback or criticism. People are going to always have an opinion. And look, I do believe that if your content doesn't piss off a fair amount of people, it's probably not going to be effective to begin with.

Gui Costin: Right. Manish, where can people find your content?

Manish Khatta: So on YouTube, Built or Conquer Risk is the podcast. Potomac.com, we have blog and a bunch of videos posted there as well. And places like the Dakota podcast... we do a lot of third party, when they're gracious enough to invite us. Doing a lot of content with other folks as well.

Gui Costin: Potomac.com, that's one heck of a domain name. Wow.

Manish Khatta: Yeah, well, I had to track down an IT company and pay \$42,000 to get it. So it took me a good five years.

Gui Costin: Well, congratulations.

Manish Khatta: Thank you.

Gui Costin: Congratulations. That's huge. That's branding right there alone, that determination. Ok. So, well, congrats on what you've done from a content perspective. I mean, I'm so impressed. Clearly, what you're seeing is massive results from the content creation. It's the same with us. We just keep creating and never stop, and we're able to do it at a breakneck pace. Right now, there's just so much to talk about. And we do it very simply. It's just been such a home run. And when we created the show, so the Emerging Manager Growth Show, our Rainmaker sales training, sales coaching, the whole stuff, I mean, it's so impactful. But sometimes you don't appreciate... you're not doing it for yourself. You're just doing it to share. Everyone's like, Gui, why would you ever write the book *The Dakota Way* and give away all the secrets? I'm like, I mean, why not? I mean, it just seems like the right thing to do. And it's our process that we use every single day. So people have been so positively responding to it, which has been really cool.

Manish Khatta: Oh, we talked about this earlier, where I said that, from a sales perspective, the best thing you can do for your sales team is arm them with content, right? I mean, you're out there talking to folks, knocking on doors, and asset managers and fintech firms give you, what, a PDF, one fact sheet that you're supposed to craft a story around? To have content that you can follow up and put them in a funnel and touch on them in different ways, it's the greatest sales gift you can give a sales team.

Gui Costin: That's amazing. So like I just told you about the thing that we just came up with, that was not even... someone asked me a question about a podcast, and it turned in, for us now, doing 10-minute, once-a-month, three questions to a PM. They actually tell me, hey, what are the three questions I have to ask you? Then we just record it, quickly record it either on a Zoom or on our iPhone, and boom, post it. And we're now just getting into that.

Manish Khatta: That's brave to put PMs on camera like that.

Gui Costin: But it's so funny. If you don't ask about product and you just talk about, what are the insights you're seeing... you're a construction lender. You lend to multifamily developers. Everyone wants to know, right? I mean, he went into some great detail on what's going on in the country today around housing and how we're 5 million houses short right now, which is incredible.

Manish Khatta: And that's where the passion comes, right, when you talk to them about things like that. When you focus in on your one fund or your one offering, you start clamoring up and start thinking, what's my pitch at that point? It's less of a conversation, which is why I think that's a great idea.

Gui Costin: My number one question I ask new firms that we work with, I say, hey... to the portfolio manager, I say, I don't want to know about your investment process and philosophy. We can do that. I want to know, tell me what gets you excited to go to work every day... get out of bed and go to work? And that's where the passion comes out. That's where the excitement...

Manish Khatta: Absolutely. Yep.

Gui Costin: Ok. Three questions to close out. First question, how would you characterize your leadership style?

Manish Khatta: Wow. That is something that I'm working on, full disclosure. I think, again, transparency. We open up the books. Employees know where we stand from a financial perspective and what our goals are, not only short term, quarterly, but also 1, 3, and 10-year goals. I'm hard charging. I need to learn. I need to get your next book because...

Gui Costin: Which is Be Kind.

Manish Khatta: Be Kind. What's that quote? Do you mind sharing what's inside?

Gui Costin: Yeah. So my big thing is this, and it happened in 2020, when I hired Catherine and Dominique, my two best friends' daughters.

Manish Khatta: Ok, interesting.

Gui Costin: So at that moment, I knew the locker room and the Gui and the whole thing was going to be shut down.

Manish Khatta: Had to change a little bit, yeah.

Gui Costin: Right? And so then the question was, can you achieve a culture that's super hard charging, playing at the highest professional level, but do it with kindness? And we all know, it's very easy... I'm not going to use the... because it's going to be in the book. It's really easy to be a jerk. And we all know that. It doesn't take a lot of thinking to be a jerk. Whatever comes into your brain comes out of your mouth. That's a lot of people's leadership styles. Or if you look at maybe how... you hear sometimes when you're around a school, it's a little bit of the beatdown for the kids. Hey, keep all the 15-to-18-year-old boys in line. Little beatdown here and there. But they're not doing it consciously. But it's just like, that's what they've been told. Nobody wants to be in an environment for a long period of time. And if your number one goal as a leader is to keep your best people, you got to treat them like gold. Now, not every conversation... I do a chapter, Nice Versus Kind. You can't be nice.

Nice is the devil. Nice is being unkind. Because if you're nice, then you're not...

Manish Khatta: You're coddling. You're coddling them at that point.

Gui Costin: Yeah, and you're not having hard conversations. But the goal is not to judge or publicly judge. But if something's going on, it's our job as leaders, and any leaders, to make sure everyone knows what good looks like, and then, frankly, what bad looks like. It's like, hey, guys, just so you know, this doesn't... and you got to call it out. You're not here to insult anyone. Hey, we're all on the same team, right? That's how...

Manish Khatta: Accountability. Yeah. And look, pre-kids, it was probably all hard charging. Post-kids, you quickly learn that you lose people that way. So it's a combination of, I don't think I'll ever change from being hard charging, but the empathy and the kindness, with me raising these kids, has come into the workplace more and more. And I'm a work in progress. I still need to work on that. So I'll be sure to check out the book, for sure.

Gui Costin: Well, around leadership, as I say, it's lessons learned. It's not ivory tower stuff. I mean, I share... very transparent. Almost people are like, wow, you really shared that. And so I had to keep names and certain things, so it was a little... but I share everything. We had an unbelievable... my Bobby Knight moment, where I just lost my skull on one of... a guy I'm still great friends with, Cole Berman. And he still cries and laughs at the whole thing. But I said that. It's like, look, I can't act like that. But the thing is that I've learned, from a leadership perspective, you can have your cake and eat it, too. But you just have to be thoughtful with your words.

Manish Khatta: I think everything comes back to transparency. When you're kind and empathetic and also a good boss, they know where you stand if you're transparent through the whole process. And that's what we try to do. It's not always perfect. But I think if you lead with transparency that it solves a lot of problems.

Gui Costin: That's amazing. Ok. My next favorite question. Young person coming out of college... getting into the fundraising business, sales business for an investment firm, what advice would you give that young person?

Manish Khatta: Yeah, we're dealing with young people right now. And there's a couple. Let's just say, number one, learn everything you can. Sometimes, you feel like you're only supposed to learn the one thing that you're selling. But you need to learn operations, sales, marketing. You need to understand more than just product-level stuff. Number two, my dad told me this, and I never knew why, when I got out of school. He's like, no matter what, don't leave before your boss. And I would sit there sometimes. And I'm like, what

am I doing here? It's like 8 o'clock, and I'm just twiddling my thumbs. But I always did it. I never left before the boss.

Gui Costin: Mic drop.

Manish Khatta: I mean, look, out of sight, out of mind. I mean, out of sight, out of mind. I think COVID fried a lot of brains out there, where... if you want to progress. If you just want to be the person that's going to come to work and leave and push some buttons, congratulations. That's fine. If you want to be successful, you have to be present. You have to be there. You have to be front of mind for your boss, and you also have to just be passionate. One of our core values is intellectual curiosity.

Gui Costin: Love it.

Manish Khatta: Just having the curiosity of what's around you, what the industry does, that, I think, will lead to a lot of success for younger folks.

Gui Costin: That's insanely positive. I mean, I love your core values, by the way. So one comment on core values, the most underestimated exercise on the planet Earth as it relates to a company, your standards, your core values... which are your standards, what do you stand for... is your true north. And people don't understand that. If you just put teamwork up there, or something that doesn't really have any meaning... all of our core values, we call them "Dakotaisms." Walk the 8 feet. Throw your hat over the wall. Turn your brain off. We grow apples, sell them to apple bars, then try to convince orange bars to buy apples. This is all germane to us, and everyone gets it. And then everyone has to say, hey, what's your favorite Dakotaism? And a lot them... people love walk the 8 feet. All right. So, I mean, incredible company, and I'm loving learning about it. And I probably want to do a little bit more digging and just profile you guys because, I mean, I love the thoughtfulness you put into your business. As a CEO today, what is your biggest challenge you're facing? And what are you doing to overcome it?

Manish Khatta: People. We're growing like crazy and staffing up and dealing with people. As a CEO, as any leader, if you can't deal with emotions, you are going to fail. Because it is a people business, and people have emotions. And figuring out what triggers people. Early on, as a type A personality, I think everyone is triggered and motivated by the same things I am. And that's frankly not true. Money doesn't motivate everyone. Success and growing in your role may not motivate everyone. You've got to get to the bottom of what actually motivates people and then put them in the position to succeed. Another EOS thing is right people, right seats. And that's something that is a challenge for us that we're solving by sitting down with everyone and making sure we understand what they want to do, what excites them in their role. Look, you work with these people 50, 60 hours a week. You got to have a

smile on your face. You got to have some sort of enthusiasm towards your role. And as a leader, it's then our job to funnel that into something that they will enjoy. Because ultimately, if you enjoy something, you're going to be well and do well at it, right?

Gui Costin: Yeah. I originally did the book on this theme of culture, Be Kind. And we stuck with that. But for a moment, I wanted to call it Be Cool. And what I meant by that is, because when you do a book, if you use a ghostwriter, they ask you all these questions. Well, I never had to think so deeply about the why behind the kindness. And they said, well, give us an example of how you would want to treat people. What's an outside example of that? The best one I could come up with would be your best friend's adult children. So when you go to their house, how do you interact with them? I mean, are you a jerk? Do you tease them? Do you demean them? Do you make fun of them? Or are you just cool to them? I mean, because they're not going to be... no one's going to want to hang around dad's best friend if he comes in and he's just a jerk and mean and belittling or whatever that might be. But that can be characteristics of leaders in workplaces. And it's really... that's no fun.

Manish Khatta: Nope. How you act when no one's looking, right?

Gui Costin: Yeah, right. So yeah, I mean, I love that. And I love you're a work in progress because I feel the same thing. I remind myself every single day, and I feel like I've really gotten so much better at it. Now, the one thing I inherently can't give up is what good looks like, or what good doesn't look like, and how responsible I am and owe it to people. So if you're sitting down with one of your guys in a sales situation and it's not working, or they're not... sitting down and having a conversation is important.

Manish Khatta: Yeah. And we do this with the EOS and the Rocks. We have, what does done look like? What does good look like? What are the actual conclusions you're trying to reach? And I think that transparency across your firm separates the firms that are doing well from the ones who are struggling.

Gui Costin: Great. Well, Manish, it's been so nice having you on the podcast. So happy for you and what you've created with Potomac and your continued success and growth.

Manish Khatta: I'm humbled to be invited, and I appreciate the opportunity.

Gui Costin: You got it. This has been a blast. Thanks.

Manish Khatta: Thanks.

Gui Costin: All right, everyone, that's another wrap of the Rainmaker Podcast. We're so excited to have you on, and we can't wait to see you on the next episode of the Rainmaker Podcast.