AT THE EDGE PODCAST

SEASON 1, EPISODE 4
SHAWN NASON – KISS YOUR DRAGONS
Interviewed by Michael Lee

Shawn Nason is the founder of Man On Fire & the Nason Group, which includes MOFI, the Disruptor League, TruthTellers, and The Pink Couch. He's a world recognized expert on both innovation and employee and customer experience. Previously, Shawn was the Chief Experience and Transformation Officer for Healthways and the Chief Innovation Officer for Xavier University. He also worked for six years at The Walt Disney Company. He's the author of the books *The Power of Yes! In Innovation* and *Kiss Your Dragons: Radical Relationships and Bold Heartsets in Changing the World.* He challenges the world around him to be fully present, get real, and knock down the barrier that separates the various compartments in their lives. In the world of health care, Shawn's on a mission to disrupt the status quo by daring changemakers to pour their hearts into their work while doubling down on a commitment to humanize the patient and employee experience. Like the charisma-filled revival preacher he once was, he's endlessly searching for the next situation to stir up, inspire, and make sure will never be the same. When he's not out causing trouble in the world, Shawn's at home with his wife, daughter, son, and two dogs. Unless of course he's traveling to Lexington to cheer on his beloved Kentucky Wildcats to win yet another national championship.

In this episode, Shawn shares with us the secrets of putting the human at the center of everything he does, how to get large companies to authentically innovate, and most of all, why you need to be inspired by a cartoon to overcome your fear and kiss your dragons.

Michael Lee
Shawn Nason is the founder and CEO of MOFI. He's a world recognized expert on both innovation and experience. Before launching MOFI, Shawn was the Chief Experience and Transformation Officer for Healthways and the Chief Innovation Officer for Xavier University. He also worked for six years at The Walt Disney Company. That's right, Shawn was a Disney Imagineer. He's the author of the book The Power of Yes! In Innovation. And his most recent book, which just came out, is called Kiss Your Dragons: Radical Relationships and Bold Heartsets in Changing the World. So Shawn, thank you for being here. And welcome to At the Edge.

Shawn Nason

Yes, great to be here. So glad.

Michael Lee

You've got a huge amount of experience with both innovation and experience.

Shawn Nason

I've had several careers in my life. I tell people I was a musician first, then became a pastor, then became a finance person, and ended up in corporate America. I was actually really fortunate. My very first corporate America job was at the Walt Disney Company, and I had an amazing time there. That's actually where I learned a ton around innovation and experience and how they actually should meld together and not be separate. Then I was recruited into healthcare. And then to Higher Ed. I became a Chief Innovation Officer for a university was one of the first Chief Innovation Officers in the country at a Higher Ed institute, and then started MOFI.

And even as MOFI, we are five years in the making. And we've transformed two or three times to realize what was really needed in the marketplace today. And today, we take innovation and experience and build what we call an experience ecosystem. You know how that intertwines with all of those things within an organization. We engage in a heart-focused human-first approach to doing business. And we have a three-phase approach. I also say don't break it if it's not broken. And when there's really great stuff out there, steal it and use it.

So we use this three-phase approach. We call it Fuel, Spark, and Ignite. But it's all based in humanism. And then most importantly, in Human-Centered Design. So Human-Centered Design, Stanford D School, in the business world, people call it Design Thinking, but it's actually an academic theory. And that's a basis of what we do. And we took that basis, and then because of my corporate experience, we started to look at what was missing.

And one of the things that we've noticed a lot, Michael, was silos. You understand, there's silos everywhere. And so within an organization, you have innovation teams, you have experience teams, you have associate experience teams, you have customer experience teams, you have digital experience teams, you have marketing, right, and you spend millions of dollars in these big organizations. And then one day someone wakes up and goes, Oh, well, my team's been working on that or my team was working on that, my team was working on this. And that's what we have come to coin and trademark around an experience ecosystem. So that it all lies within and it all should be working together.

And what I didn't realize in my life is I lived that and breathed that through my experience at Disney. Disney does this brilliantly. But they don't call it that. But you know, Disney takes all those things and intertwines them together in such a powerful way that they don't work in silos and that they work together. And I just believe that if we could just get people to focus on working together in that ecosystem, and then we work with organizations to build their experience promise, which is the foundation of the house. So what do we want to be known for? I remember, at Disney for a time, it was creating magical experiences. And I didn't deal

with guests in my time at Disney, I worked backstage as a cast member, and I was a finance person. But I knew that everything that I did daily, ultimately impacted the guest experience, even as a finance person.

Michael Lee
I'd like to mine deeper in a bit into your model, this Fuel, Spark, Ignite. How does that work? And why does it work? And how can people employ that to be more innovative and more connected?

Shawn Nason
We put out there: If you're ready to turn experience into your competitive advantage, put the human first. And we created what we call that experience ecosystem, as we said, and it's the web of people, touchpoints and experiences, that combine to define your experience promise, what I talked about, that ultimately will create a long term customer experience, one that increases revenue year after year, and requires engaging in and humanizing the entire ecosystem. So for us, what we do is in Fuel, in this three step process, is just assessment and discovery. We're laying the foundation for the ecosystem. And we're evaluating the current state of your organization, culture, purpose and impact of what you're having. And in that human-centered model is a lot of ethnographic research.

But we want to just really understand what's already happening, stuff like personas, journey maps, strategic foresight, assessment, maturity models, that all happens in this beginning phase of Fuel, and assessment and discovery.

Then we move to Spark, where we really focus in on strategy and co-creation. We say it's using human-centered design to create strategy and alignment, to develop a network of touch points that make your organization's experience ecosystem. So this is when we really dive in to co-creation, and co-creating with your associates, your customers, consumers, patients, whatever you want to call it, your digital experience, all of that, and they're starting to design that.

And then ultimately, we move into the Ignite: implementation and activation. And we define that as working together to implement and activate your experience ecosystem strategy by engaging all stakeholders throughout your organization. And that's when we get into building roadmaps and blueprints. We do a training academy. We build networks. We've also built innovation centers, labs, and accelerators. That's where all that is. So again, not creating new tools. It's just how you systematically place those tools to get what you want. But always remembering that the human's in the very middle of everything that we do.

Michael Lee
How would you explain to someone how it is that innovation and engagement relate?

Shawn Nason
It's hard for me to even talk about that, because it's hard for me to see them not related. Working in both sides of those spaces in different corporate environments, I think they're words that are fluff, but really mean the same thing, that's just gonna be my approach to it. You have to innovate to ultimately meet the needs of your customers, stakeholders, whoever that is. I also hate using customers a word. Innovation is a must, but you don't do innovation for innovation's sake. If it doesn't affect your top line or your bottom line, why would you even be doing innovation? But most importantly, if you're doing innovation and you're not co-creating it with the ones that it's going to affect ultimately, that's where the mistake happens.

So do I believe every organization needs to innovate? Absolutely. That's where you see organizations that haven't had that mindset to innovate, are no longer in - let's talk about what's happened during this past, you know, with the pandemic and COVID. What has it done to the retail world? They weren't ready for this, what it did to the rental car industry. They didn't figure out how to innovate. The way they figured out how to innovate was they sold off their fleet. And guess what, now we have a rental shortage crisis. And they're skyrocketing prices on rental cars, which is ridiculous to me, because we have plenty of automobiles. Innovation experience cannot be done apart. It has to be done together.

Most traditional companies look at innovation as an end in itself, and if the innovation doesn't work the way they needed it to do or wanted it to do, it's a failure. The truth is that most innovation efforts are quote unquote failures, right? That's part of the process of innovation.

95% of your innovation work should be failures. If you are innovating and all of it is successful, you're not innovating. 95% should fail, but it should only be on 5% of your budget. So the 5%, that succeeds and gets to the process should take up 95% of your budget. And that's why I keep saying, it's about humanizing the entire ecosystem. If you don't co create, and you don't have the people in the room that it's going to ultimately affect across the whole board, then it's not going to make a difference.

We're getting ready to leave this week to fly to the West Coast to work with a new partner. And it's been a real struggle with them to say, Who needs to be in the room to help build our experience promise, and at what time do they need to be in the room? At some point, everyone needs to be in the room, a voice for everyone in the organization, so that ultimately when you roll it out, it's a success. But you're gonna have a lot of failures. And again, I think, an overused word. You're gonna have a lot of learnings that you have to take to get to that 5% that's going to really succeed.

We were very fortunate, as a small boutique consulting group, to work with the number one retailer in the country and the number one Fortune company in the world, and we'll let people look that up to see who that is, if they don't know, the last two and a half years. And in that space, we were really fortunate to have some amazing successes, but at the same time, a ton of learnings. And you know, they were wanting to move into the healthcare space, and they wanted to transform healthcare in a new way. And so we were brought in to help them do that. And in that process, we had a ton of learnings on what was it going to look like to really be disruptive in the health care market, and it came down to transparency, which all of us

wish we had in healthcare, right? Just tell me what my bill's gonna freakin cost and don't beat around the bush. And so they launched a model that brought transparency pricing to the market, a huge success, still is today. But in the middle of that, I had some failures on who and where and what do we actually need to be doing. But we learned from those by following the process, changed and tweaked so that ultimately when the product and the service was launched, it was successful. But what the market doesn't see is the many iterations of that. That happened before it came about.

I love your approach to this and your organization. I've heard you say this around mindsets. And it actually is what led to our most recent book called *Kiss your Dragons: Radical Relationships, Bold Heartsets, and Changing the World*.

Many times within an organization, we don't need another system. There's tons of systems and there's tons of processes. What we ultimately need is a shift in how we think, and getting our mind and our heart to connect. And so we spend a lot a lot of time developing mindsets and heartsets with organizations, so that they can move faster and experience engagement and innovation. And the reason we call it *Kiss your Dragons* is because of a movie. If you've seen the movie How To Train Your Dragon, you have Hiccup and Toothless, the main character and his dragon. When you go on the journey with him through the three movies, you know, dragons at the beginning of that movie were feared. And a society, the Viking society, killed them because they were fire-breathing. They were gonna hurt you, all of those things. Ultimately, that's not true.

So this young man who had no fear approaches the dragon and can't kill the dragon. What he does is he leans in, and what I call kiss your dragon. In the movie, he trains it. But he addressed his fear. So Hiccup addresses his fear by not killing the dragon, leans into it, kisses it. And if you look, in the third movie, what happens is the dragons are used to transform society.

And now we're gonna get into systemic change - helping people connect their mindsets to their heartsets. I'll put that simply for you. Mindsets, I believe, change. If you're a lifelong learner, your mindsets are going to change. But your heartsets are the things that are core to you.

So Hiccup had this heartset as a young fifteen-year-old that he couldn't kill the dragon. So he leaned in, kissed - trained - this dragon, and changed the society, because he led with his heartset first. And he brought systemic change. He didn't allow a mindset that had been taught to him his whole life to kill. But he flipped it and turned it into that heartset.

And so imagine if we did that type of systemic change within organizations. It's funny, my team talks about this three point sermon that I preach, because I used to be a pastor, so in my three point sermon is this - and this is to all leaders. In any organization, it's first, you have to be transparent. Second, you have to build radical relationships. And third, you have to love people. And people say, oh, Shawn, you can't talk about love in corporate America.

Well, we are seeing it happen. If you start seeing in your space in the market, and you start looking at what's happening in the pandemic, you have many organizations that are starting to talk more about heart and love and leading with that first than anything. And so, to me,

those are the core things that need to happen when you're doing innovation and experience. You need to learn to lean into those three things and then see what ultimately happens.

There's an old Native American legend from the Sioux Nation, that the longest journey is from your head to your heart. And I've also heard people say it can be from your heart to your head. That's what we help people tap into.

Michael Lee
It all seems very obvious and simple. And yet, like you say, it's not what you usually find in corporations.

Shawn Nason
It does sound easy when I talk about it, but I'm not gonna lie, because you heard me say, not just build relationships, but build radical relationship. I want to read specifically out of the book where we say:

"Radical relationships are about depth, and authenticity, boldness and heart. More importantly, they're about being willing to be in relationships with people and systems that are very different from where you are in embracing the mess that comes with it. Done well, radical relationships give us confidence and energy in the face of ambiguity, confusion, difficulty, danger, and even despair. They build our trust in ourselves and in others, and we need them now more than ever."

What makes it hard - and I think we see it today, and this is not a political thing, and this still ties back to experience and innovation clearly - is, there's a saying out there that your vibe attracts your tribe. Which means you surround yourself with like-minded people who help support you and move you.

But in the book, we talk about a swarm. And in this concept of a dragon swarm, it's people that look different, talk different, believe different. That's the core of radical relationships. If I surround myself with people that act, look, talk, thought like I did, how can you really innovate? Isn't that the definition of insanity? Doing the same thing over and over again?

Well, put that into an industry. Why has healthcare suffered so much? Because healthcare has surrounded yourself with the same people that looks the same, acts the same, does the same thing. And all we're doing is innovating and building experiences with the same people that built them that were broken.

So how do we bring a swarm into concept? How do you bring a swarm into your life? When you think of an experience ecosystem, when you think of how that ties into innovation, if you are not surrounding yourself with people that act, think, look different than you, you aren't innovating, and you're not building a true experience that will meet everyone's needs.

Michael Lee

You really need to bring that throughout the organization to all corners of the organization.

Shawn Nason

All corners of the organization. All corners. But most organizations don't do that. That's sad to me. And actually many times heart-breaking to me.

Michael Lee

Is there anything else you can say about a company's culture? Can it be shifted easily?

Shawn Nason

You know, Malcolm Gladwell wrote a book called *The Tipping Point*. Many people have read it. He called it the 80/20 rule. It takes 18 to 20% to really transform and move an organization. Can it be done? Yes. But it's not easy to bring that type of cultural transformation. People have turned experience and innovation almost into a checkbox type of thing, much like diversity and inclusion. And if you truly know that you can see right through it.

Most people in the world know the DNA of the Walt Disney Company, because that's the whole company. Whether you're CEO or you're the person at the gate greeting guests, you know the DNA. Other great organizations, people know the DNA of Chick-Fil-A, people know the DNA of Ritz Carlton, of Nordstrom, of Marriott, some of these amazing brands out there, because it is just their DNA.

Can you move an organization in that way? Yes, you can. Is it hard? Yes, it's hard. And it's going to have to take everyone within the organization to make that transformation happen. Do I believe it needs to happen? Yes. Do I believe coming out of this amazing pandemic, what it has taught us and how its transformed our world: if you don't have a culture that is leaning into humanizing everything that you do, I just don't see you being successful.

Michael Lee

Where is innovation going differently post COVID you think and why do you think that?

Shawn Nason

Innovation and experience are going to be turned on their heads. That's why I firmly believe an ecosystem approach is what is going to help make that happen. I don't think we as humans are willing to go back to what was norm twelve to sixteen months ago. There's gonna be some really big systematic changes happening. Innovation is going to have to be the one to drive it.

You talk about the retail industry, everyone realized, I don't have to go into a store anymore to shop. The travel industry - who would have thought that literally in twelve hours we could have shut a whole industry down? So we have an airline industry, we've got to figure out what it looks like. We have a cruise industry - my wife and I are cruisers, we still have an industry that's crippled, because we haven't figured out how to bring the cruise industry back.

Innovation is going to have to be a big part of that. And people are gonna have to think differently, and we're gonna have to look at things differently. And systems are going to need to be broken and rebuilt. Humans are going to have to be at the middle of everything we do.

And I think what's even more powerful to me is, organizations are going to have to figure out how to do business without making the dollar the main priority, but still need to make money. But it doesn't have to be the main priority. And I think that's going to be where experience and innovation come into play. Organizations are going to have to be willing to invest in new ways of doing business.

We use the terminology, and we stole this from a book from years ago, SFDs, which are affectionately known as shitty first drafts. Organizations are going to have to be willing to release products and services that aren't perfected. We have a lot to learn from Apple. I'm sitting here with my Apple 12 MaxPro. Was everything perfect on that when Apple released it? Nope. And the other eleven or ten models before this weren't perfect, but I still buy them every time.

We have to be willing as businesses and organizations to take a chance to put stuff out there and let our stakeholders or consumers innovate with us. Or we're gonna see industries and businesses collapse if that doesn't happen.

I challenge every listener to go face your dragons and kiss them. We had to do that the last year and a half. And it's taught me so much more about myself, the good, the bad, and the ugly. And I just tell people, go kiss them. Kiss those dragons. You will be a better person because of that. And so that's my last bit of advice to the world.

Michael Lee
This has been Shawn Nason gracing us with his elegant presence on At the Edge. His new book is called Kiss your Dragons. And if you go to any of his social media, you will definitely be able to get yourself a copy. Is there anything else you want to share with us about your new podcast?

Shawn Nason
Yeh, you know, we have a podcast as well called the Combustion Chronicles available on every platform. Go to shawnNason.com or mofi.co, you can find all the resources we've talked about. *Kiss Your Dragons* is available on Amazon. I'm really excited to see what's going to happen in the world of innovation and experience over the next six months to a year. And thanks for having me on here.