

Li Costi

Leading with Kindness: Building a High- Performance Culture without Burnout

WITH GUI COSTIN

High Octane Leadership Podcast

DONALD THOMPSON: Welcome to High Octane Leadership with Donald Thompson. This season, we're diving deeper with more solo episodes, where I'll share the experiences that have led to recognition by EY, Forbes, Fast Company, and others. Not as a boast, but as milestones on my entrepreneurial path, from growing multi-million dollar firms to successful business exits and building high-performance teams with a global perspective, I'll reveal the insights and strategies from my journey and share them with you so that we can win together. Alongside these solo episodes, we'll have industry visionaries and thought leaders, and we'll explore effective leadership. Ready to empower your leadership journey with real success stories? Let's embark on this transformational journey together. One of the things that we are seeing in today's business environment is chaos on tap. Whether it's tariffs, whether it's political upheaval, whether it's global geopolitics. But one of the things we like to do is keep that ray of sunshine on business leaders, entrepreneurs that are making it happen. And today we have as our guest, Gui Costin. Gui, welcome to the show.

GUI COSTIN: Thanks. Thanks for having me.

DONALD THOMPSON: One of the things that we like to do, Gui, is hear a little bit about you as an individual. Tell us about family, education, anything that would allow our users, our audience, to connect with you as an individual. And then we'll slide into how you grew your organization, how you came up with your business concept and all those good things. So I just want to give you some space to introduce yourself to our audience, and then we'll go from there.

GUI COSTIN: Cool. So well, again, thanks for having me. Really thrilled to be on. My name is Gui Costin. Grew up in Philadelphia, and I've lived here most of my life. And today I have three kids: 24-year-old boy out

of college, a 23-year-old daughter out of college, and a 22-year-old boy in college. The two boys played lacrosse at Penn State. My daughter was a squash player at Franklin & Marshall. I went to the University of Virginia. I was a golfer. And so I'll keep this very short, but to give you a sense, we started Dakota in 2006. So we were all together over Christmas, the kids and I were there. Dad, between 1989 and 2006, give us your career. So I said, you don't want to follow my career. I was hopping around and everything. They're like, well, walk me through. How many jobs did you have? I said, I think I had eight W-2s between '89 and '06. And so they go, well, count them. So I went through it. And they go, that's 11. So then they don't trust me. And they go, how about one more time, go through the list. And these were really good companies, legit jobs, the whole 9 yards. I got through 2005 until we started Dakota code in '06, I had 14. And then the whole ambition of Dakota, of course, as you can imagine was, could we create a business that had revenue and success where we could hire people, slot them in right after college, and allow them to build a career here and stay forever. And so that's really been one of the biggest ambitions of the company. And then after we got five years in, and I'll stop in one second. So after we got five years in 2011, I realized that it's kind of lonely just focusing on yourself all the time. And since we got out of the ground, I just reflected and said, look, from here on out, my mission is to help other people get what they want out of life. And so that's truly been the mandate since 2011 for the company. It's been a complete blast to build the business.

DONALD THOMPSON: That is fantastic. I mean, sports family, kids, moving and shaking and different things. And what do you think the genesis of that kind of epiphany was - I understand the statement that you made - but what are some of the things that you started to

understand, realize that made you be a little bit more other centered at that moment?

GUI COSTIN: It just got exhausting. It's just a very empty feeling, but when you do a startup, I mean, it has to be all about you in getting it off the ground. And then you realize that life's all about service to others. I was talking to somebody yesterday, and they asked me the same question, or similar question. And I said that if I didn't have the ability to get up in the morning and be creative to help serve our customers and our teammates, then life would be so empty. And that's really the greatest gratification is serving others, helping and giving people career opportunities, supplying information to people in their careers to help them do their job better, whatever it might be. Just being of service is the greatest feeling in the world. Nothing can replace it. And I don't want to, it can't be all about you all the time. You know what I mean?

DONALD THOMPSON: Yeah. I think one of the things for me, as I've built and sold a handful of companies over the years, you do get to the point where, do you need another car? Do you need a different house? Do you need this different watch? And what's your giveback of talent, and treasure? And it seems that you built that into how you build your business, which is really, really powerful. One of the questions that jumps out at me when you talk about young people and getting them into a career and then somewhere they can grow and prosper. I've seen a lot in companies and boards that I sit on where young folks are not necessarily professionally ready, and that the educational system is not complete. I don't want to degrade it. It doesn't bridge that gap. What are some of the things that you're doing, learning, at systems you've put in place to help those young professionals accelerate career-wise at a good clip?

GUI COSTIN: We've had tremendous success with the young cohorts that we've brought in, especially over the past six years. And what I believe people need is they need extreme structure, but then with a high level of trust in terms of the day-day-execution. And so we in our software sales team, there's a 7:45 check-in five days a week. We go through our calendar so we know what's going on. We go through good news the day before, which includes two numbers that matter most: first-time demos and reengage demos. And then the inside sales team goes through the five cities they're scheduling meetings for. And that happens every day. And then we have a 5:00 check-in, lasts about two minutes. And what we do in the two minutes is just talk about the results from the day and the good news. And so there's extreme accountability, but then freedom during the day to execute. But everyone has to be accountable. And it just, like the millennials, the Gen Zs get really, really bad raps. And I just think in an organization, you have to provide structure, transparency, expectations. I think core principles are probably the most underrated business strategy and concept of anything I've ever seen. And what I mean by that is you're asking the question of how do you keep people sort of focused on the things that matter most? It all comes down to your core principles. Are they stated? Are they written down? Do you talk about them all the time? Because once people know what the standards are, they're going to do one of two things. They're either going to follow the standards, or they're going to leave.

DONALD THOMPSON: I appreciate that. Let me put some connective tissue of what's resonating with me and probably many of my audience. I'm the son of a college football coach. My dad was a college coach for many years, coached at Pitt, coached at UNC, coached at Illinois, all the things. And I was a scholarship athlete in football. And so how do you get 18- to 22-year-old kids to perform at a high level in front of 100,000

people, in front of 50,000 people? And back to what you described is extreme structure and extreme accountability. And I think that you can do that in a fun environment, not always command and control, but the structure becomes the control. And so I appreciate what you described because I've been guilty of falling into that bias of Gen Z and millennials. And what that does and then I'll give you the mic back and hear your thoughts on it, it shirks the leadership responsibility to build a game plan that everyone can be successful.

GUI COSTIN: That is so spot on. The fun factor is the biggest thing. You have to have fun at work. And you have fun because you've created a structure, and everyone knows what the standards are, and they know what their role is. But then you give them the trust and the freedom to execute. And we've never had it, we have an 82-person team. We've never had a T&E policy. We've never had a vacation policy. Just take the time that you need. Be an adult. We have a flex. You can come in the office. You don't have to come in the office. I'm not mandating anything. Almost everybody comes in the office that works downtown because we invested in and created a spectacular office, just is really cool. As you can tell, there's brick and soaring ceilings and big open kitchen. And then I'm writing a second book, a third book called Be Kind. And the question is, can you, just like a football coach, can you have a ridiculously hard-charging culture but do it with kindness? And that's what I've set out to accomplish. And so far, we've been able to prove that it actually can work. It's not you're not always perfect, but that's the goal. And so yeah. So I really couldn't agree more with what you just said.

DONALD THOMPSON: One of the things I'd love to, because I'm an avid reader, I call myself and live. I'm a competitive learner. Tell me a little bit

about the books you've written previously, as well as the one that you're writing now because I'd love to grab those.

GUI COSTIN: Yeah, and I'll send you a signed copy. This is the Dakota Way. It's our four sales principles. And, as you can imagine, it's a short book, 65 pages. I'm not here to sell books. It's really to spread the word. And the reason I did it is because we have such high turnover in our particular industry of fundraising for investment firms. And the reason being is people don't follow the process, if you will, of setting proper expectations and then going about the execution. And so it's really, to what I believe, we just have to stop the craziness of every 18 months. And so the first book was about millennials, called Millennials are not Aliens.

DONALD THOMPSON: Listen, let me stop you here. You're buttoned up, as you should be, in the business that you're in. But, man, I'd love to grab a drink with you sometime because that's good stuff. The fun factor, that comes out in the title. But continue. But I just, that's good stuff.

GUI COSTIN: Yeah. And if I told you one of our number one, for our software business, our number one marketing activities is we host about 30 networking events in cities all across the country, six in New York a year, San Francisco, LA, every single big metro and some smaller metros. And the brand for that is Dakota Cocktails. So again, emphasizing the fun factor. And it's free. And we pick the hottest spot in any city. We have an amazing events team that does that, just bringing people together. Bringing our prospects and customers and allocators so they can all network. And we only invite the like-minded people, kind of from the job title. So it's not like random people. And yeah, so to say that we love having fun. But it's also, in software, there's

a big theory of, hey you at least should see your customers face-to-face once a year. I mean, we blow that out of the water because we spend about five to seven people to each event. And it's just a super ROI.

DONALD THOMPSON: That is awesome. And one, I want to bring on interesting folks for my audience and team and folks that listen. But again, I love to learn. My latest company was just acquired about a year ago by workplace options. And we're in the employee assistance program and the well-being space. And so culture-building, addressing workplace concerns, that's what we do for over 100 million lives that we have under coverage.

GUI COSTIN: Oh, my gosh.

DONALD THOMPSON: In terms of a company over 20 countries. But one of the things from a business execution, and a go-to-market strategy is we're just starting to dip our toe into a full-blown event strategy. And you just confirmed the way to think about it. How do you put the fun, the like-minded folks, but really get in front of people that can move the needle for your business? So I just want to say thank you for that because I'm going to play this for my CEO and get some more budget to do this.

GUI COSTIN: Yeah. And, like I said, I don't know if we were ever acquired by a big company, whether they would cut this or not. As I said, it's like dog genius. You know what I mean? It's like, you just fell into it because we started doing it, and people started showing up and realized the customers were selling the prospects. And everyone loved networking. Everyone loved going to a hot venue. Everyone loved it being free. And we're really, there's no presentations. There's none of that. It's just showing up, saying hello. And I can't make every one of

them, but I try to make as many as I can. And I shake everyone's hand. I thank everybody. Go around the room. So it's just a great opportunity to get in front of people. And we have a really young, cool, attractive cohort. You know what I mean? And, as I said to everyone, just people generally don't, if you throw out your hand to shake someone's hand, they generally don't pull back. So just say hello to everybody.

DONALD THOMPSON: That is 100% right. And I think that in the age of discord, we forget that most of us are like-minded. We all want similar things. We want to grow a career. We want to save some money for retirement. We want to have a good time while we're doing it. We want to be a great example for our kids. That is like a foundation of what most people want in life. Now, there's different degrees, different work ethic, all the things. Question for you. You have built a phenomenal business. Talk to our audience a little bit about what you do a little bit more specifically in the investment space, the software architecture, not architecture, the software that you all sell and build so that they can understand a little more about not just the culture you built, but the commercial products that you all are helping dominate the market with.

GUI COSTIN: Sure. So we have, the main business we started in '06. And we work for about six different investment firms, and we're their sales and marketing team. And what that means is we raise capital for their investment funds. So almost everybody that's listening has a 401(k). Unless it's an index fund, those 401(k)s are managed by an investment firm. And we work for the investment firm to raise capital for their funds. And over the course of time, from '06 until today, we created a really killer database of investors, institutional investors, in the US and now globally. And we took a database, and we turned it into a commercial product. So a database that someone could subscribe to, log into, and go do their own cold outreach to all the different

institutional investors around the US and the world. And today, we have about 1,250 investment firms and about 7,000 fundraisers who use our data every day as basically a curated CRM to make sales calls.

DONALD THOMPSON: Curated CRM to make sales calls. We're all chasing any, I'm a business development leader by trade, by definition, by DNA. I have a lot of different titles. I'm in the organizational change business. I run a marketing firm. But at the end of the day, I sell stuff. And that is what has allowed me to be able to build a lot of different types of businesses. Let's talk about advice to that emerging entrepreneur. What are some of the things that if they got a chance to be at one of your events and have five minutes with you and ask some smart questions, what would be the things that you would tell them as they're starting an entrepreneurial journey?

GUI COSTIN: Get paid. So provide a service that someone pays you for. So the idea of being an inventor, Thomas Edison, Steve Jobs, all that - even Steve Jobs just improved upon what already existed. Most ideas are improvements upon what already existed. If you look at all the big companies today, they are improvements upon what existed before. And a great entrepreneur gets paid for providing a service. And then what you end up doing, and then you evolve from there, and you get better. Better your service. Then you start to look at adjacent markets. You might add different services. And then what ends up happening, like us, which I didn't really realize, or I didn't have any grand plan, is you then turn the service into a product. And then you basically create a software product out of the service. So the idea of spending a lot of money and not getting paid, that's like venture, I just think is a lot of good stories about it, but there's a lot of dead bodies along the way. And if you want to be sustainable, figure out what you can do really well. Get paid for it. And then by doing that, you're in the game now.

And that's the key. If you're getting paid, you're in the game. And what I always said, it's like walking down, I think of Boston. And if you're in the game, you never know what's around that corner ahead of you. But if you're not on the street and in the game, you'll never get to see what's around the corner. But by being in the game and serving and getting paid for a service you're providing, things just pop up. Things happen. Ideas come. And then that's how you grow. So I just, I really hearken to people to not take that big entrepreneurial risk where you're writing lots of checks and seeing no revenue. Because a business needs revenue to live and breathe. And I just, having done a super failed startup in the late '90s, early 2000s is one of own W-2s. I learned the lesson the hard way.

DONALD THOMPSON: I love that. We've just met. Our teams talked before this. But most of the businesses that I've built and exited have followed that model. There is, in the venture space, and we won't get into a lot of it, there are some limitations based on networks and bias and different things. I had to sell for my supper in these things. And here's the thing that I love. One, it made me tough. Two, it makes me primed for any of the moments where cash is scarce and people are on the sidelines. The most important thing is when I decided to build a product, I already knew what the customer wanted because I talked to him. If I've got 25 customers. And I say, look, I'm wanting to build this service and productize it. Can you be a part of my beta group? Yeah, sure. Can you give me some advice on how we do it? How much would you pay? So I'm getting a paid-for market intelligence group for the next thing I want to build. So I'm not building something off of a spec that we white boarded that we hope will work. We're building something with 5 to 10 clients that are going to at least beta it, be a reference, be a resource, that we then can scale the business. And so I'm a big fan of what you described. And even if you want to go the

venture route, private equity route, everybody wants to see traction these days. Very few deals are getting done now like they used to on a PowerPoint and a drink. They want to see that you can acquire a customer for your idea before they start to write the bigger and bigger checks.

GUI COSTIN: Yeah. I didn't know because we always, I'm a sales guy just like you, huge sales guy and love sales and love calling myself a sales person. We didn't know that there was a direct correlation between the number of demos you do and product quality until about two years ago. And I woke up, and I went to the team. I'm like, oh my goodness. We have done 8,000 demos, and we listened to feedback, and we incorporate feedback quickly. And it dawned on me that because we invested heavily in a front-end sales effort, we were able to get so many demos and get feedback from those demos and then make changes to the product. So your go-to-market strategy and the quality of your product are directly correlated, in my opinion, my experience.

DONALD THOMPSON: Your opinion based on facts and data.

GUI COSTIN: Exactly.

DONALD THOMPSON: Listen, man. Like, I'm into it. Like, I'm into it. So all right. So that's some advice for entrepreneurs. You seem to be a high-octane learner like I am. What are some of the things that you read? So what are some of the things that give you inspiration as you continue to learn and watch markets and people evolve?

GUI COSTIN: I mean, I'm a voracious reader on the Kindle. So always look at the top 100 business books, always. And then I love the podcast, so in my industry, the SaaS business and the investment business. But

the investment business, the reason we have our Rainmaker Podcast is because I interview industry leaders in terms of distribution of investment products. And we pull out best practices from what they do to be so successful. It's the only medium that does that. But in software, my goodness. You have 250 people that can give you advice on distribution, product-market fit, all of that. And so we did that. But I'm always listening to SaaS, all of those people that are building businesses, and I listen all the time. So I work out a lot in the morning. I'm listening to the podcast all the time, sharing that information. I've always been a very voracious learner. And it's never been more important now, especially around AI. I mean, I listened to a podcast this morning. It was so world-class, talking about that AI is simply not going to replace sales. It's simply just can't. And they also made a great case. He's like, well, I'm not even quite sure of the time-saving. Here's the case on AI. AI can record this call, summarize it, and send it into our Salesforce, if we were doing like a product kind of pitch, what have you. So the guy makes the case on the call, and he's a real distribution. Actually goes, but I found in the math that's not going to increase the production of a salesperson. They're not going to increase the revenue number. Because they're going to take that half an hour they saved, and they're going to do something else. They're not going to take that half an hour and generate more revenue. And he goes, that's the data that I've seen. So I guess any salespeople that are listening, you're in a great spot because it's always going to be, and we've even seen these SDRs or BDRs that are AI agents. Everyone sees through them. And they're really not working. I don't think those startups are working very well. AI is great, and it's great for summarization. PDF, drop it in, summarize, summarize calls and that kind of stuff is amazing. But the actual physical activity of making a sales call, they said on the call today, and I sent this to the team, and we saw this after COVID. 3x difference in an in-person meeting to a close versus Zoom. How about that?

DONALD THOMPSON: Yeah.

GUI COSTIN: And it's music to my ears that people don't want to go see, we get face-to-face a lot. That's our whole sales program - city scheduling. And get face-to-face. Build a relationship. I mean, AI can't do that for you. I mean, sitting behind a Zoom, I got it can be more efficient. But you really want to close deals, you got to build a relationship. See the white of their eyes. That's what we always said. And it's worked really well.

DONALD THOMPSON: I love the data behind the things that you're learning. And that 3x close rate is the type of information that we're all chasing. Because we all want to know how to be more effective. And what is effectiveness in business? Higher revenue, more profit, beating your competition. It's not complicated.

GUI COSTIN: Well, think about this. I'm here looking at you. You're one of the more dynamic guys I've ever met. I love you, your whole persona, your whole thing. I know if I was face-to-face with you in a conference room or at a table like this, I'd have 5x because I'd see you physically. The whole thing, it would just be more engaged. We'd probably be hugging it out by the end of the meeting. And you can't replace that. As much fun as we're having. Like you said, we got to go have a drink and have some laughs face to face. But you can tell, it's like, no, these are the kind of people I want to be around. So let me say, your dad is a football coach, and you were an athlete. So for this one role, the BDR role, sending 50 emails a day to book meetings, we only hire Division I lacrosse players, and for one reason. One, I know them. Two, they've been told they suck for 11 years, from seventh grade all the way through.

The coach doesn't put his arm around you and tell you how much he loves you.

DONALD THOMPSON: Right.

GUI COSTIN: So they're like stoic in terms of this. They're unbelievable teammates. They'll do anything for their teammate. And someone asked me this question yesterday. And it dawned on me, something I hadn't considered in six years, which blows me away, probably a lot more than that. If the theory is you're the average of the five people you hang out with, and there's also Harvard study, there's a cellular exchange for the people that you hang out with the most. That's why people finish each other's sentences. They kind of act alike because there's this cellular connection. I said, oh, my goodness. I have two boys who were Division I lacrosse players. I've got all these amazing guys and kids and the whole thing. That means that they're hanging out with super, super high-performing, dedicated, disciplined athletes. And they have to be good people. Otherwise, coach wouldn't have them on the team. So they're super high-quality people. So they've literally been exposed to their friend group of the highest quality people, hard-working 6:00 AM lifts, discipline around food, competitive on the field. You know what I mean? I was like, wow. I wish I had thought of this before. So it's just another characteristic when you think about evaluating who you want on your team and really helping them and the whole thing. So I just I found that little epiphany fascinating.

DONALD THOMPSON: This 30 minutes has gone by like a millisecond. And I got a page full of notes, even though I know it's going to be recorded and all that. I'm writing down these nuggets. Let me give you the last word. Share anything you'd like. How can people get in touch with you, your company, different things, or the last nugget you'd like

to leave for our audience. Whatever you choose. But man, I can't wait to get your book, Be Kind. Can't wait to read the other one around the millennials. And I just love the way that you are clear, concise. Let me give you this compliment in the sincerest form that I can. What I do for executives when I'm coaching and doing different things is I'm trying to help executives balance empathy and economics. Let's chase the high bar for revenue, but let's do it in a smooth way where we're helping and growing people. And that's a big challenge for a lot of high-octane leaders to just manage both. And you seem to have nailed it. And that is really, really cool. But I want to give you the last word before we sign off that you'd like to share with the audience on leadership, growth, however you'd like.

GUI COSTIN: No. Well, you've really moved me today, I mean, your energy and your persona. So I just want to say thank you.

DONALD THOMPSON: I appreciate it.

GUI COSTIN: And the fact that you're coaching like that is a game-changer. I'm in the middle of writing Be Kind, this book right here. And so when we were going through chapter 5 today on conflict and how you do this, and it's a journey, if I describe leadership for me. Because it wasn't always the case. You know what I mean? I was crazy at certain times, because you're just crazy. But you realize at the end of the day, and I'll leave you, everyone listening, I'll leave you with this thought. Every business should have one goal. And after serving their customers, the goal should be to keep their best employees - people leave companies because of their bosses. But the leaders have to know that you're playing with fire. So every word that comes out of your mouth matters, and how you treat people matters. And that's the words that you use. And there's always, there's a million different ways to handle

difficult decisions. Or even when you call somebody, which I did on Friday, which was great. I called Drew. Hey, Drew. What's up? Can you run me a quick report? He goes, Gui, I'm on the golf course. Oh, I'm sorry. Hey, you know what? Let's just catch it on Monday. It's not that urgent. Hit them well. Love you. Hang up. Do you know how many people would be like, oh, must be nice. You get to go play golf, and I'm working. You know what I mean? And then if you extrapolate that across 1,000 different interactions that you could have, so I want to treat everyone like gold. And I wanted to figure out, could we have a super hard-charging culture that accomplishes a lot. They're always trying to play at the highest professional level, but do it with kindness. And that's why I'm writing the book. And you're going to laugh at this one, I know. I mean, if we want to do a follow-up. I said to our ghostwriter, I said, Gail, we have to do a chapter called "Little League." She goes, oh, my god. No, we're not doing a chapter on Little League. That can be part of another chapter. I said, Gail, we're doing a chapter on Little League. She goes, what in the world is Little League going to be about. I said, Gail, I'm going to blow the top off of every mom and dad, mostly dads, that are coaching eight-year-olds and taking all the fun out of the sport for an eight-year-old who just wants to run around and play the sport and lick a popsicle and have a blast with their friends. OK? It's not the damn Super Bowl and the whole thing. But I've seen it with my guys. It's like the craziness of the behavior. And she goes, well, tell me who we should focus this on. I said, we're going to focus it on the father that doesn't lead a team at his company and is a good worker and working hard. But now he's going to coach the eight-year-olds, and it's his first time. And he has this image and the whole thing of how he's going to do it, and tough, and we're here to win. I'm going to toughen you guys up and this whole thing. Then you realize, I mean, I say this to all these athletes. You know what they say to me? They say, Gui, for the love of the game. That's all we wanted. For the love of the game. My

friends have been chased out at eight years old, the whole thing. So I'm doing a chapter on Little League. And my goal in that chapter is to have it be either copied or sent to those coaches.

DONALD THOMPSON: That's awesome.

GUI COSTIN: You've got to read this.

DONALD THOMPSON: Listen, that is awesome, man. I would love to do a follow-up when the book is out. I'm going to get it. And I have thoroughly, you can't fake synergy. You can have good conversations, good podcast, good content. But I just appreciate what you've built. And I'm going to start to follow you and all the different things because we all need inspiration and role models at every level to keep us in that fight to do what's right while we're chasing the dreams and goals that we have. And so I'm appreciative for your time and effort in what you're doing, but how you're doing it, and that you chose to spend some time with us today.

GUI COSTIN: Well, thanks. And you said how to reach out to me. So if anybody wants a signed a copy of the book, my email address is gui@dakota.com. So we'd love to send you a signed copy of the book. And, like I said, thanks so much for having me.

DONALD THOMPSON: All right, brother. We'll have that be the last word. But I've absolutely enjoyed spending time with you.

GUI COSTIN: Same here. Thanks for having me.

DONALD THOMPSON: Thank you for joining us on High Octane Leadership with Donald Thompson. Today's episode is a step in our

collective journey towards leadership excellence. Remember, every story we share and every insight we gain is a piece in the puzzle of our leadership journey. For more insight and detail, hit the Subscribe button so that we can stay connected. For deeper information and more episodes, go to donalddthompson.com. Continue to lead with vision and purpose. And until we meet again, embrace your role as a high octane leader in the ever-evolving world of business.