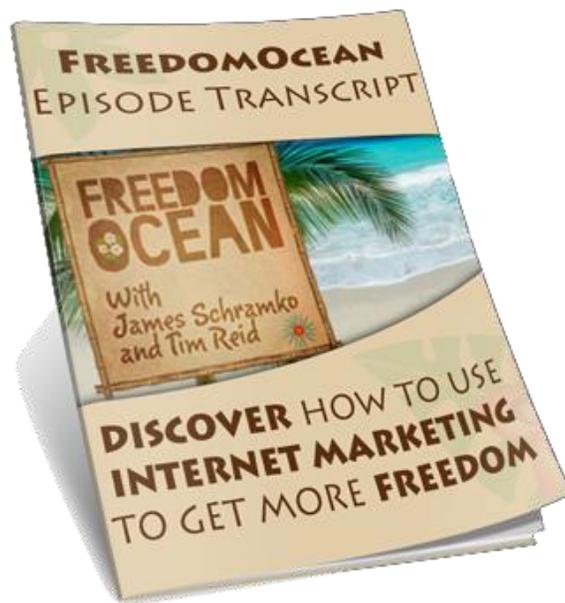




## Episode 78:

# 3 Steps To Double Your Profit And Halve Your Work Hours - Part 1



The Complete Transcript

[www.FreedomOcean.com](http://www.FreedomOcean.com)



(To be read whilst..on a hammock under a palm tree! ;0)

Intro: James earns millions from internet marketing. Tim's got millions of questions. Welcome to [FreedomOcean](http://FreedomOcean.com). Now, jump on in!

**Tim:** Ah, the dulcet tones, the relaxing tones of the FreedomOcean. I do love that intro. Welcome back listeners to episode 78 of your favorite ocean. I am Timbo Reid, and over there, just lying on his lilo really is Jimmy James Schramko. Hello mate!

**James:** Good day! How are you going?

**Tim:** Very good.

**James:** We have great internet quality today.

**Tim:** You're happy with that.

**James:** Sounds good. I have missed a show, and so much so that the iTunes charts though keeps popping it up in the top 10. Something about that. It gets a stack of downloads for a semi-active show.

**Tim:** I don't know mate. I'd love to get inside that algorithm. iTunes, if you're are listening, I'm guessing you're not, but just take us inside the algorithm. Invite us to Frenchs Forest. That's where Apple are in Australia. But I'd rather go to Cupertino.

**James:** Cupertino spelled with a U?



**Tim:** Is it?

**James:** Yeah. Is it Cupertino?

**Tim:** I don't know. Cup of tea. I don't know. Cup of tea or cupertino. I just want to go there and get under the hood. So secretive Apple. What's that about?

**James:** You have been travelling a fair bit. You haven't made it there yet?

**Tim:** I haven't mate. Well, last year made I made it to Anaheim, but I've never been to Cupertino. I'd love to. I'd like to go and just hang out in San Fran. Really, I reckon it would be a good energy to be ahead just for a short period of time Jimmy.

**James:** Apparently, they don't call it San Fran if you're in San Francisco. They don't. That's a little insider tip.

**Tim:** Ah. What do they call it? What would they shorten it to? Because I love shortening things. What would they shorten it to?

**James:** Well they're big on their state codes like SF, but I don't know what they call it.

**Tim:** Mmm. Cisco. Hey Cisco, Hey Portio. Who was that, one of those comedians?

**James:** Not sure.

**Tim:** You're giving me nothing.



**James:** I'll just leave you hanging on that one.

**Tim:** You're drowning. You're drowning in the ocean.

**Topic: Double your profit, half your workload**

Now Jimmy, this show, it's all about online marketing. It's all about building a better life, a better business life. Doing more of what you love and less of what you hate. Today, we're talking about three steps to double your profit and halve your workload, but, there's a but, there's an asterisk against that headline. We're only going to share one of those steps because the other two, we're going to come in two more episodes.

**James:** It is a three-part series.

**Tim:** Three-part series. That's accountability right there. We have to show up again.

**James:** I've watched a couple of TV series lately, and they're pretty good at doing the serialized thing where you pretty much need to watch the next one and the next one. We're not really doing this for any other reason than we need more time to get to the three leveraged steps. I could reveal what the steps are, and then we'll dig into one of them. How about that?

**Tim:** Mmm. Well, do you want me to play the good guy or the bad guy?

**James:** You can decide.

**Tim:** OK. Let's just reveal one step. Because if the one step is really good, like put your best foot forward. Marketing lesson: don't keep your powder dry. Like now is your time to shine Jimmy. I reckon just go with



the one, and if it's any good, our beautiful listeners will come back again and again. So, insert drum roll. What is the first step to doubling your profit and halving one's work load?

### **Step 1 – Leverage Yourself**

**James:** The first step is you have to leverage yourself because that is the fundamental platform through which everything else travels.

**Tim:** And you mean create more of you?

**James:** No. I mean you can actually leverage you. You can make yourself more powerful so that you can manage things better, you can control your schedule better, you get more time off if you have specific ways to deal with the amount of time that you spend on things and what you're spending them on.

**Tim:** Right. So is this that whole which you've spoken about previously, which is delete, delegate or do? Or is it more than that?

**James:** It's like that. I guess it's my current thoughts on this. I have really refining it for especially the last year. I've had to pull back on the work hours a little bit and dial up more ocean time. And this is how I've been doing it.

**Tim:** Literally dialing up more ocean time.

**James:** Literally. Like absolutely. I surf and it's been transformative, and it's really made me be very focused on what I'm doing at any particular time. I'm in the moment. If I'm surfing, I'm surfing. If I'm working, I'm working. And I don't blend the two.



**Tim:** Well, it'd be hard to. You couldn't take your MacBook out on your board.

**James:** You know some people are really getting into this tech. There's a watch you can get at Rip Curl that tracks all your waves, and your speed, and your paddling, and your blah blah blah. And then I think I don't want that. Same as I don't want an Apple watch. I really don't want to be tracked and measured within an inch of my life. I want some downtime. I think people are so glued to their device, etc. etc. Let's just rip into how you'd leverage yourself so that you can take advantage of the other two steps, which will come up in the subsequent episodes.

**Tim:** Yeah. We're becoming entire where people can contact us so easily, and that Apple watch is just going to add to that and these other devices that you can get. I think there's going to be a point where you switch off and start leveraging. So what's the first step to all that?

### **Start with your inbox**

**James:** First step for most people is getting a hold of your inbox. I know we've talked about it before, but it's where most of your time goes. In a given week, there'll be very few listeners who spend anything under 10 hours in their inbox in a week, which is frightening. If you think about an average workweek of being 40 hours, and by the way, that's not average anymore. Most people spend a lot more time online, especially online marketers. It's going to be 10, or 15, or 20 hours a week in the inbox. But it's most often over 10 hours. So that's where you start.

**Tim:** What is it about the inbox? It's so addictive.

**James:** It's because it's reactive. It's like a lucky dip. We get in there and we don't know what we're getting and because most people have no plan, they're following someone else's. They're reactive. So you get into the inbox, and the email comes and that causes a reaction, and that



takes you off on a whole new track or a whole new tangent unless you have very strong rail set and a determined idea of what you want to get out of your time. If you've got that rule, I'm going to do this by the time I finish this session on the computer, then you will likely just get sidetracked and sucked into blackholes that the inbox delivers you.

**Tim:** There's that quick fix nature about it, isn't it? Like something comes in, you can open it, you can see what it is, you can do something, you can forward it on or reply to it or delete it. It's almost gaming in a sense.

**James:** It is. And I'm sure we get little dopamine releases when the stuff comes through. We might make a sale, we might have, oh, hang on. You're not going to renew my domain before it cancels, or someone want to book an appointment with us. There's all these potential things so being ruthless on unsubscribing, knowing that you can always add yourself back into someone's list. It's just much harder and annoying to receive that. Turning off all the unnecessary alerts. Do you really need to know every 35 minutes that you made a sale? Or could you just log in to a filter that says Sales and just scan through them? Can you move stuff off to a support team? That's a huge way to relieve yourself of an inbox burden is to move support to somewhere other than you, which is unfortunately most people are trying to handle. Support and support doesn't scale when it's you.

**Tim:** Great point. Listeners, James's quite often at 10 to 15 hours a week, if you think that's ridiculous, then there is a great app called [RescueTime](#), I think it's called, isn't it? You can actually track where you spend your time online and report back as often as you let it. It can be quite scary.

**James:** You install it, it runs in the background. Every week, it sends you a report of how productive you are and where you spent your time. It's a fantastic tool. I love this tool. If I get a sense, "Well hang on, I'm spending too long at this computer" and I think I'm starting to spin my wheels, then I can always log on to the app. You just click on the icon on the top and



you can see where you're up to. But I find the weekly report fascinating. It says this week, you did 31 hours for more than last week, I'm like, "Damn. I blew it." I aim for 25. I quite often get under 30. I'm sure I probably used to spend 60 or 90 or even more at times on a computer. The reality is I make more profit now with less time, and that's the whole point of the three-leveraged steps. And it starts with you getting in control of where you're spending most of your time. And for most people, it's the inbox.

**Tim:** All right. Next, leveraging yourself or get control of your inbox. What's the next step?

### **Filtering**

**James:** Next step is very strong filters. So you have to only be working on the things that actually matter, only speaking to the people who you need to speak to, and only having things in your space or presence that adding or contributing to your output, not zapping energy and adding to the noise and the crowd. So if you're dealing with the wrong customers, you're going to burn your time and profit. If you are focusing on low yield activities, you're going to burn your time and profit. So having filters in place is essential.

**Tim:** It's hard sometimes to be selective. But that's what you're asking people to do isn't it?

**James:** You have to.

**Tim:** To remove things and people in your life that are just getting in the way.

**James:** Yeah. Think about the shopping center experience. You go to the shops because you need to buy a hammer and some nails to do your home handy project maybe, your hobbies. But there are so many



possibilities. There's so many things that that shopping center has but you're not going to buy everything there. You're not going to buy everything from every shop are you? Unless you're Michael Jackson on a spending spree when he was alive.

But you're really just going there for a specific purpose, and you filter out everything else. You're not looking at the bean bags, you're not looking at the furniture store, you're not looking at the tiles shop, you're not looking at the groceries. Today, you want a hammer and nails because you knew what you wanted before you went there. You zero in on that, put on the blinkers. Get it, and get out. If you're lucky, escape with a little bit of extra masking tape or a screw driver that you didn't anticipate because it was right near the hammer, etc. Or they had a little upsell or cross-sell, but the point is filters. Put on those filters and focus. Focus is really the key attribute that the most successful people have been able to harness.

**Tim:** So far, the two things that you've mentioned James, require willpower. And in my experience, to practice willpower, you've just got to practice it. And you'll develop that muscle because next time you get out of the shopping center with anything in mind that you need to buy, and you find yourself getting distracted, "I'm just going to go and buy that or pop into that shop," you just got to say no and it will be hard, but it actually becomes easier the more you practice saying no.

**James:** Well, it's because you're challenging some habits. But there are ways to cheat it if you want to get willpower in your side. It's attack the things that require the most energy early in the day when you have the most willpower in your daily willpower deposit. So, you've got the willpower. For example clearing your inbox, it's good to do it first thing in the morning when you've got the willpower to go, "No, no, unsubscribe, unsubscribe, delete, not interested, filter, set rule." Do it then.

If you do it at 9:00 at night, or 11:00, or 2:00 in the morning, Oh, God help you. You'll be following sales letters, buying \$2,000 info products, and



then by 3:00 in the morning you'll be on a domain name spree for your brand new business model. And then when you wake up the next morning with a willpower hangover, you'll be, "What the hell did I do? Oh my gosh, I bought this thing..." And then the next inbox thing comes along, and it's just a roller coaster, and a lot of people never get off it.

**Tim:** Yes, and I think we've all been on it. We have all been on it.

**James:** The inbox hamster wheel. You know, it's not good.

**Tim:** No, it's not, it's not. It's tiring, it's draining, it's boring, and it's not overly productive. So what's the third step, Jimmy, in leveraging yourself?

### **Purge**

**James:** So another thing that you can do is you can purge. And I mean this like in every sense of your life. Not just your inbox, but your wardrobe, your garage, your office, your friends, family even. Just eliminate, cut down and reduce back to the essential.

**Tim:** Is that getting rid of distractions?

**James:** I was reading "Essentialism" and that's a great book, but it's really saying you know what, just pursue the few things that actually matter and just accept that you can't get to everything else, you don't need all this other stuff. It's just noise, and it takes energy. Even if you look around a cluttered office, it burns energy.

If you go to your wardrobe that you've stuffed full of weird clothes, they don't make you feel good when you put them on. Get rid of three quarters of them. You don't need them all. Only have the best. Like pull out the ones that you are saving for the good day, and make that your wardrobe and just donate the rest to charity. Go down to your garage and open it



up, and just pull everything out of it, put it up for sale, a garage sale, or donate it to the charity store, and just keep the things that really give you joy and make you happy that you use. And let go of the stuff that's holding you down.

### **Mark Zuckerberg and his one outfit**

**Tim:** I was talking to my kids about this a couple of weeks ago, where we watched a video of Mark Zuckerberg answering a question as to why he wears the same clothes every day. And for him, it was the same as with Steve Jobs, one less thing to worry about. Then Zuckerberg also went into the fact that he has the same, he knows what he's going to have for breakfast every morning, and what he's going to wear, so it's like these decisions he's already made, and he can focus on the stuff that he actually enjoys doing or are going to make the biggest impact on his life.

**James:** Yes. It just takes a lot of energy to have choice.

**Tim:** But does it make life more boring?

**James:** No, because you're saving that energy for things you absolutely love and you're passionate about. So if you're, say, a painter, but you always wear black clothes, then you're minimising the energy required to figure out what to wear today and you're maximising the energy of what you want to put into that canvas with that palette. You're just moving the energy to where you need to have it.

If you love dressing up, if you love clothing and fashion and it excites you, by all means make that where you put your energy and trim somewhere else.

**Tim:** A very Zen approach, James.



**James:** It is Zen, but it's so true that most of the things that we think we need to do, that task list of 350 to-do items, let's be real. You're not going to get to 330 of them, so just forget about them.

### **Purging in business**

**Tim:** At a business level, what do you think? I was talking to a mate this morning about this, and the idea of just owning a niche and doing one thing incredibly well versus offering 5 or 6 things. I know there'll be many people listening who are in that boat. Part of that purging, is that about deciding what it is you are going to work on for the long term and pushing everything else aside?

**James:** Yup, like Oprah says, "Stay in your lane." McDonalds just culled their menu to make it faster to prepare and a simpler menu choice for people walking in, because they had like 7 different chicken burgers, or sandwiches, as Americans call burgers, and I don't know why.

But you have to just trim back. We've been to the excess, we know what it looks like. Get back. Just trim that block of marble down to the statue. Keep the good bit and get rid of the waste. And single-tasking is along the same lines, it's not trying to do so many things at once. It's just saying, "You know what? f I'm trying to do 5 things at once I'm going to be crap at all of them. Let's just do one thing and nail it." And like, really hit it home.

And I like what Warren Buffet says about diversification. It just means you really don't know what you're supposed to be doing. You know, people who diversify are protecting against risk, but they just don't know where the good stuff is. And when you think about it, that 4 percent of your actions are going to deliver you 64 percent of your results. Most of your win is in just a small fraction of your portfolio.



And I constantly do this. Every 12 weeks, in our business, we prune back, we trim down, we change product lines, we move whole business divisions based on if they stand up as being the effective part, or the non-effective part.

**Tim:** The other side of that argument is that one is a very dangerous number in business. So if you choose to purge everything and focus on the one thing, if that one thing is either the wrong choice or something happens within the economy or the market or whatever it is, you're going to be left in a bit of trouble.

**James:** It could be, but you can diversify within that one thing but just trying to do completely unrelated things might be more of a challenge.

**Tim:** Yeah, right.

**James:** Now, I think 2 or 3 things is fine. When you start going beyond that, people start to spread really thin on their effectiveness. You can do things like bringing on teams, semi-automate things to make them more passive. I think if you have things that involve the one customer, then that helps a lot.

And I view my business that way. I've pretty much got one customer who can get coached, buy websites and have search engine services. My one team can service these different parts of the portfolio, my support center supports these, my shopping cart supports these, they can cross sell each other so they become powerful, and I call this the Chocolate Wheel philosophy.

So if you have one main customer who can partake in multiple products, then really you own one main space. I'm really in the online business space, so that's pretty much one thing with a few different product lines. And if I was in that, but I had a completely different business with a



completely different customer, then that involves more energy transfer and that's going to be a real choice I would have to make. Do I want to burn the energy on that transfer? You know, am I sick and tired of this, do I want to start something new, am I bored? Or am I just going to focus on that?

**Tim:** Yeah, gotcha. All right, bud. So listeners, we are talking about the first of three steps to doubling your profit and halving your workload, and that step that we've been talking about so far is leveraging yourself. Three things you can do to do that. Get control of your inbox, apply very strong filters to everything you do, and start purging things out of your personal and business life to free space up for the things that you should really be focusing on.

Jimmy, is there anything else about leveraging yourself before we wrap things up?

**James:** There is. I would say, make sure you use a scheduler for your time blocks, because that will allow you to precommit to certain times. So if you want to halve the amount of time you work, you could literally block off the time and say "This is the time that I work. And when I'm working, I'm not responding to Facebook, I'm not watching a TV series, I'm not doing anything other than pure, focused work and I'm going to be amazing at that."

And keep the blocks small, like 50 minutes maximum, and then don't do more than 4 hours' work in a day if you can, because most adults are not going to be able to put in even an hour of really truly productive work per day. So time blocking.

### **The Go Zone**

**Tim:** I interviewed a fellow recently on my other podcast. He's a guy, what's his name, Mark McKeon. He's written a book called "The Go



Zone”. And The Go Zone identifies, we’ve got 2 hours in a day where we can perform, it’s all about high performance, and everything else around that is called the “slow zone,” and that’s where you just do the other stuff, however long you choose to do it, it’s just the other stuff, that’s kind of not going to be the things that move your business forward the most, but in the go zone you work on the one, two or three things in those two hours that you are just going to blitz.

**James:** I would agree. If it’s high customization, high energy, then you’ll want to do it in the go zone. If it’s in the slow zone, if you have to do it, then at least you want to use frameworks, checklists, templates, standard operating procedures. That is one way to reduce the amount of effort involved in performing work that has to be done but might be a little more monotonous.

It could be a standard operating procedure for processing a podcast. If you for some reason had to edit your own one, and goodness hopes you don’t have to. But if you did, then a framework would really help you just go through the checklist, like a pilot or a nurse, and reduce the amount of energy expended.

**Tim:** Yeah. Certainly, you don’t want to be on the tools. You want to get off the tools as much as you can.

**James:** Another one here is sleep. And rest. You have to rejuvenate, you’ve got to balance out high effort with high rejuvenation, high rest to recuperate. Any athlete will tell you this.

**Tim:** In the spirit of The Go Zone, that’s called the “no-go zone”.

**James:** Right! Well, most adults don’t get enough sleep, hadn’t had a good sleep since they were a kid, and I think it’s one of the things I went without for far too long in my career, and I’ve really benefitted a lot.



Everyone I bump into says I'm looking much healthier now, because I get sleep, I eat properly, and I move every day.

So this is getting your performance up. The more time I spend doing the non-business things, the better game I bring to the business table, because I'm like a high-performance machine. When I want to number crunch for 30 or 40 minutes, from my accounting projects, I can just rip into it with real zeal compared to when I was just a blunt workhorse.

**Tim:** Yeah, well if all that leads to being able to rip into your numbers, your accounting, then you must be doing something right, mate, because I wouldn't say it's the favorite of many people.

**James:** It's not, but you do need to concentrate when you're doing numbers.

### **What's your effective hourly rate?**

So I'll leave you with one more. You ready?

**Tim:** Yeah, drumroll.

**James:** Start gauging yourself with an effective hourly rate. It's a simple calculation, it's your monthly profit divided by the amount of hours you worked that month, equals X per hour.

**Tim:** Your profit divided by number of hours.

**James:** Yep. So to get your profit it's like all of your income minus all of your expenses equals your profit, and then you divide that by how many person hours you put in personally for the month, and that is your effective hourly rate.



Simple example: you make \$100,000 profit for the month, you put in 100 hours, equals \$1,000 per hour effective hourly rate. If you made \$10,000 profit for the month, you put in 100 hours, then you have a \$100 per hour effective hourly rate. And that benchmark is the one that you want to see if you can improve, and that's how you're going to work less and make more profit.

**Tim:** Love it. It's a very simple formula.

**James:** It's very simple and it's the foundation for the way that I measure success for my [SilverCircle](#) members, is that measurement, is one we track more than just about anything else.

**Tim:** Love it, Jimmy. Alright, listeners, leverage yourself. Step 1 in doubling your profit, halving your workload: get control of your inbox. Apply strong filters. Purge what you don't need, use a scheduler to block off time, get lots of sleep, lots of rest, have some fun, smile, have a laugh, and gauge yourself with an effective hourly rate, which is net profit divided by hours.

Jimmy, that's a lot to go on with. Mate, lucky we didn't cover the other two.

**James:** Well, I think we're walking the talk here, we can put out a punchy episode respecting the time that should increase the effective content per hour rate of this episode.

**Tim:** Love it. OK, so FreedomOcean.com is where you can find past episodes, all 77 of them, or 78 now, and if you want to send James or I a question, find out a little bit more about us, you can do that over there as well, FreedomOcean.com. Jimmy, lovely to speak, mate, and we'll be back very shortly with step number 2 in doubling your profit, halving your workload. Until then, enjoy the ocean, buddy.



**James:** Thanks, Timbo.

Outro: Thanks for diving into the ocean with James Schramko and Tim Reid. You've just come that a little bit closer to living the life you choose. Please keep in mind that the ideas, opinions, and information shared in the show are those of the hosts, and do not reflect those of their past employers. And as far as future employers go, well, they're both pretty much unemployable.

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