

Goal Get It! How to Reflect, Dream and Focus Your Way to Success – Payal Kadakia – #911

Dave Asprey:

You're listening to The Human Upgrade with Dave Asprey. Today's episode is here for you to talk about goal setting. And as you know, I promised this year that I was going to tell you why you'd want to listen to an episode so you can decide if it's worth your time. I like to think that everything I do on my show is worth your time, but maybe you just don't care about something. So in that case, I'm going to give you permission to skip to the next episode or the one before so that you can just make better use of your life.

Dave:

And what I wanted to do today was talk with a wildly successful entrepreneur about how she approaches setting goals. And this is a really big thing. In fact, Game Changers had a whole bunch of stuff in it, my book Game Changers, about different ways to set goals and how important it is and how successful people set goals. But it's completely all over the place. So we can learn together from asking people, well, you did something really wildly successful, what was your technology? What was your mechanism? How did you do it? That's what we're going to get into today.

Dave:

So how to make a plan and how to meet goals that could make you a big deal. That could be a great description of Payal Kadakia, who is the founder of ClassPass, a company that's valued at over a billion dollars. People have only done a 100 million hours of workouts across 30,000 partner studios in 30 countries. Mindbody acquired ClassPass recently in 2021, but that's a huge entrepreneurial success. So I want to know how she did it. And I want you to know how she did it so that you can go out and make your own mark on the world. Payal, welcome to the show.

Payal Kadakia:

Thanks for having me, Dave. It's good to be here.

Dave:

When you started ClassPass, did you think it was going to be like this?

Payal Kadakia:

As a person who went on this journey and started a company, and I know you know a ton of founders and entrepreneurs, by the way I will say in caveat this is I started this company a decade ago and that was not when entrepreneurship was something everyone was doing, it wasn't really front and center for a career path. So I knew when I went on this journey I knew that I was going to be in it for the long term, but more importantly, I knew that I wasn't going to stop until I solved the problem I set out to. And that was really to me the fire in all of this is I knew I needed to solve the problem. And I didn't doubt myself for a second to say I wasn't going to solve it. And I think that's really what kept me going for all this time. And it is obviously amazing to see it on the other end of it.

Payal Kadakia:

But as I'm sure you know with your own companies, it is all about changing people's lives, having impact. And I'm really proud of every reservation anyone goes to and anytime I meet someone who says I use

ClassPass and it helped me find this studio or that studio, I'm still really grateful because the journey was not easy as most entrepreneurial journeys are not.

Dave:

No, they aren't. So your book is called LifePass and you're kind enough to send me the advanced reader copy not for sale. My shelves are studded with books that no one else got to read before I did, which makes me feel very special. Thank you. And you talk about your goal setting approach in here, which is why I wanted to have you on the show. But let's face this. Okay. You worked at Bain & Company, one of the large management consulting firms. You also have a degree from MIT in Operations Research and Economics. How much of your success comes because you're smart versus your background versus your goal setting?

Payal Kadakia:

That's actually an interesting way of phrasing it.

Dave:

How much of your success comes because you're smart versus your background versus your goal setting.

Payal Kadakia:

That's actually an interesting way of phrasing it. I would actually add another whole part to that, which is my passion, which really was dance. And all those mechanisms of being smart, my goal setting, those all played a part in enabling me to go after my passion. But at the end of the day, it was my passion that was the fire in all of this. And it's interesting because yes, I do have this background, which yes, I did a lot of check marks from my parents and was successful in all the ways that society would think. But honestly, what made me a good entrepreneur was my passion for dance, was my creativity, was my ability to move swiftly in and out of things. And of course, the foundation of the rest of it made it better, it made it easier, it made me have the horsepower to work through very, very complex problems. But at the end of the day, the fuel was not that. That's really, like you said, it's like educational tools.

Dave:

That's a really cool answer. And thanks for just the honesty there. And it did take you 10 years of hard work and you put in your time as a management consultant to learn how companies work. You worked for more than 10 years to make this happen.

Payal Kadakia:

Absolutely. And yeah, I mean, I think it's awesome that you bring up this point because I think this is actually such a big point that, I mean it's actually the reason I wrote this book is because I was around the MIT, Bain part of my colleagues, my friends. And then they have this part of me where I was at Bain going and dancing on the weekends and living my passion performing being an artist. And I knew that they all had that part of them. It was just left behind, whether it was in their youth or college.

Dave:

It was desiccated.

Payal Kadakia:

Yeah. Exactly. And I was this girl who was in my 20s in the middle of New York City and I was fighting to have the passion. And that honestly gave me a separate enlightenment to life and it gave me a certain pep to my step. And I know everyone who saw me knew that I had that fire in me. And it came from having this sense of an other side. And on the other side of this, I will say, and this is what we can also talk about too, is there's a lot of people who have the passion, but need the other side. You need the tools to actually [inaudible 00:06:36] and execute. And that's honestly why I wrote this book because I'm this odd combination of both. Yes, I have these great foundations, I have good skills, but I honestly have really been driven by passion and purpose. And I think a lot of times we talk about passion and purpose without the execution side or we talk about the type A execution side without purpose. And I know my story would not be possible without the combination of the two.

Dave:

We definitely have a lot in common there. And one of the things that actually pisses me off and someone interviewed me a while back and like, "Dave, everything you touched turns to gold and you're just this overnight success." I'm like, "Do you not know that I put 20 years in increasing responsibility in Silicon Valley before I started this thing." I had to have the skills. And you get those by working hard, by mentorship and by apprenticeship and by learning and reading and all that stuff. And no one ever sees that. You chose basically the vodka version of that, which is management consulting, right?

Payal Kadakia:

Absolutely. And I really agree with what you're saying. It's even when I was consulting, it may have not been my end-all be-all job, but I put in good work. I used my time wisely and never wasted any opportunity that came my way. And yes, I looked at MIT and Bain and yes, I worked really hard to get those. Those things were never really handed to me. I mean, my parents came here from India with \$3. This was not necessarily something that was self-made for me or, not self-made, but was given to me or my parents in a way. And they worked really hard. I was around that my whole life. I knew what hustle looked like, I knew what growing up without privilege looked like. And I knew that every opportunity you had in your life, you took advantage of it and you gave it 150%. So I never spared any of that.

Payal Kadakia:

And I think the other part of it for me was when do I stop doing that? Because I think people who are built in this sense of my parents did so much for me, I can't ever get off the ladder that they want me to be on, it's really hard to then start charting your own journey, taking in all the skills and tools I knew I had learned, but applying it to something I actually wanted to do versus society was telling me to do. And that was a very big moment for me.

Dave:

What a great way of putting it. I really appreciate that you're going under the surface there to talk about it, the idea that you can be really passionate. So many people approached me, it's like, you're 23 and you're really passionate, you want to do this. It's like, well, learn the skills to do this. And then you get the kind of crusty hardhearted business person who's like, well, of course, I'm laying waste to a whole bunch of people's lives, but I made money. So I just like, there's like a flat deadness and I know people like that. And it's not nice to be around them. And some of them wield enormous power. So you manage to stay in the middle.

Dave:

And before we even get into your goal setting techniques from LifePass from your book, okay, were you born with that passion? Was that a parenting thing? Is that just who you are? How did you get the passion? And I know any one of us can develop learning skills and how to operate businesses and all that. But how did you build and maintain the fire as you described or the spark that you balanced it out with? Where's that from?

Payal Kadakia:

Honestly, it really came from dance and I know it's-

Dave:

From dancing. Okay. That's a great answer.

Payal Kadakia:

It's, and honestly, I feel blessed that I found something I loved when I was so young. I think that's really one of the things that I talk a lot about, you're never too young to find what your purpose and calling and all of it is. I just happened to find it really young. And when I started dancing when I was three years old, and by the time I was performing, which I was five and I was really, I was good at it. And people loved watching me dance. And it wasn't because I loved to dance. It was because I loved the relationship between the performance and the audience and the idea that you could give something to other people and to have a sense of service in a way. I found that as actually as a sense of service. And I know we talk a lot about purpose in the sense of it is really about what you give to other people. I found this sense of enlightenment and the fact that I could give something to other people when I was five years old.

Payal Kadakia:

And honestly, and this goes right back to what you were just saying, there was nothing else in my life, money, getting a great job, any other like great accomplishment anyone would tell me that honestly trumped the feeling of giving emotion and feeling to other people. I just fell in love with it when I was really young. And that's why I always tell people when there is something that makes you feel that magic, hang onto it. And honestly, my entire journey of ClassPass was about fighting for other people to feel that same thing. That's really what the crux of ClassPass always was is to give everyone a chance to constantly have that feeling, because I really, I fought to dance my entire life through my MIT days, through my Bain days, everyone knew me as a dancer because I was that girl. Second my classes were over I went and danced. The second my meetings in consulting were over I went and danced.

Payal Kadakia:

And if you love something so much, you have to hang onto it. And it was really that that gave me the fuel. And honestly, every single time in my life I stopped dancing, I would get sad, and everyone would know that around me. And it's one of those things where in my life, I know it's my fuel. And everyone should know what their fuel is, whether it's meditation or working out or some other activity, we should never stop doing that. And throughout my life, I mean, there's been many times when I was running ClassPass or even obviously when, I've recently had a kid, everyone's like, "Oh, are you going to stop dancing now? Aren't you getting older?" And I'm like, "No, I'm not going to stop dancing." And I really want to keep telling everyone else that, like, don't give up on that spark, that thing that makes you youthful, playful and gives you enlightenment in your life.

Dave:

Wow. So you're using ecstatic movement and the idea of service to others, which puts you in a flow state, actually both those independently put you in a flow state. So you're stacking those up, which gives you that passion, which keeps you going. And I get it when I go on stage, it's not, oh, everyone's looking at me, I'm getting energy. It's that I'm doing something that really matters for all these people that gives me energy. And there are people who can go either way on that. But it's how it is. Now you're up against a few other goal setting experts who've been on the show. I know Tim Ferriss has been on a couple times, Tony Robbins, Deepak Chopra. So this is your chance. I'm holding LifePass in my hands. What is different in LifePass from all of these other goal setting experts with tons of attention? So give me the pitch.

Payal Kadakia:

Absolutely. And first of all, the way I approach goal setting, and I think this is important for everyone, and yes, it is about following the steps, but more importantly, it's about developing a habit to do it. So you know how to prioritize your life. And yes, it is about following the steps, but more importantly, it's about developing a habit to do it. So you know how to prioritize your life. That is the thing that most people fail to do is ever figuring out what their priorities are. This was my way of figuring out what my priorities in my life actually were.

Payal Kadakia:

And so step one for me, which is what I don't ever really see anyone doing is I reflect, I reflect back on my last year and I write down words and emotions that really depicted what that year was for me. So whether it was lonely or feeling disconnected or I felt like I really did some aspect of my life well, I like to write those things down in terms of emotion, not in terms of what I accomplished. Usually when you tell someone, you ask someone at the end of the year, "Hey, what did you do? And what was this last year about?" They were not going to tell you emotions. They're going to tell you their accomplishments, right? So that's usually already how peoples start wrong. So that's why I start with emotion.

Payal Kadakia:

The second step is to do the same exercise, but thinking about the future year, what words do you want to really anchor on for the coming year? So if I asked you were doing the same exercise in a year, what words would you want to have written down for this reflect phase that you were doing? So now you are really anchoring yourself on not, once again, achievements and accomplishments. You're anchoring yourself on how do you want to feel in a year, which is something like I said, a lot of times, we don't really think about, we think about getting things done, we don't think about where we want to go in terms of our heart and mind and thought. So that's step two.

Payal Kadakia:

The whole third part of the process, and I believe time and how we spend our time is a critical part in understanding how we're going to improve our goals. So everyone does a time analysis. So we write down all the big chunks of your life, right? So it might be family, it might be work, it might be a hobby, it could be going on social media. And honestly, just taking stock of where you spend your time is so important because that's, once again, something that we don't ever really know, we just think these are the big buckets in our life without really figuring out where we actually spend our time.

Payal Kadakia:

And once we have that, we go and pick a few areas of our life that we're going to focus on only for the next three months. So I do a quarterly goal setting process. I don't do annual resolutions. It's only for the emotional state words. It's not for the actual goals. And once we pick those few focus areas that we're going to do, then we set goals only for the next quarter. Now, so already the first three steps, you didn't set any goals. What you just did is prepared yourself to set the right goals that are for you intentionally for the coming year. So we haven't even written down a goal yet, but we are now much more in a place where we can actually go for it and set the right goals.

Payal Kadakia:

And then in each of the focus areas, I write down three really minute goals. And now these are things like I'm going, if you say, I'm going to read more. More does not work. What does read more mean? You need to be very specific. So I go through all the different ways to be very specific about your goals to make them actionable and something that you can actually execute on.

Payal Kadakia:

A lot of times people will put the fifth step in the process and not start with step one, which prevents you from ever getting started in the first place. So I go through all of that because the one thing I will say in my life is I get things done. And I know that. Once I am passionate about what I want to do, I get things done. And I have a formula for how I set goals in my life. And I know for me, once I write down something, the chances of it not getting done are close to zero. And I think that's really the contract I want people to have with themselves is once you write down this set of goals, if you wrote your dream words right, if you pick the right focus areas that you really want to work on, this list should be motivating. It shouldn't feel like work, it shouldn't feel like something that is so aspirational that you feel like you can never get to, it should feel like an actionable plan to help you move forward for, like I said, the next three months.

Payal Kadakia:

And then when three months are up, you get to pick new areas of your life that you're going to focus on. So, especially and I think I found this very much especially as a woman, it's hard to balance everything you can and you can't have it all at the same time. So this gave me a lot of a chance to say, okay, these three months, I'm 100% going to focus in on X, Y, and Z. And then next quarter, I'm going to focus in on these other areas that I may have left off for the first three. And this helps me focus and actually get things done in them and be present in them versus feeling like I need to do all of them and never get them done.

Dave:

One of the things I'm working on teaching my kids right now, they're early teenagers is that a to-do list is a piece of crap and you shouldn't have one because you're just constantly stressed by a to-do list and you never get to the bottom of it. And because there's too much on it, you never get to the top of it. And that instead what you do is you take whatever you want to do and you figure out when you're going to do it and you put it on a calendar. So it's time-oriented instead of list-oriented. And what you're talking about doing with goal setting, that's different than what I've seen in other books is you're actually doing the same thing. You're saying, pick the goal and pick the slot of time to work on the goal and then pick another goal instead of having this long list of goals that are just overwhelming so you'll never pay any attention to it.

Payal Kadakia:

Yeah. Because you need to know what to prioritize and why. So prioritize it based on how you want to feel and prioritize it based on the area of your life you really want to make an impact in it. So I completely agree. And one other thing, which I love you just mentioned this that I talk about heavily in the book, I have a whole chapter on time. It's the eighth chapter in the book. It's literally about time because I think time is one of those resources we waste so easily and it's honestly much more important than money or any other thing that we actually have. And I do this one ritual that I've literally done for the last 10 years of my life. And I was always somebody who obviously was type A and had a great professional career, but at the same time was also a dancer on the side. So even just balancing the two of those things required me to be heavily good at prioritizing and scheduling my time.

Payal Kadakia:

So something I've always done is on Sunday night, I have this doc, which is called Payal's Weekly Priorities. And in it, it is not a laundry list, like you said, it is literally, it is stuff I have to do. It's bucketed by areas that I know I'm focused on, it's usually tied to my goal setting. And what I do is I actually do it by week. So I know which things I'm going to focus on this week. And you know what? If something I know is never going to fit in, I don't have 40 things under one thing, I actually put it into the next week or the week after to say, I will get to it. And for me, I hate feeling like this laundry list is there, I'm never going to get to it. I know if I put it into my calendar for a later time, it's going to get done. And only once I write this Sunday night priorities do I go back to my calendar.

Payal Kadakia:

So usually we look at our calendar and let it dictate our lives. I go the other way around. I make sure my priorities are set for the week. Then I look at my calendar. And usually there's always stuff on my calendar that doesn't align to what I just wrote down on my priorities. And I cancel those things because there's no need for me to do things that aren't aligned to my priorities. And I don't feel guilty about it. And I think that's usually where people go wrong because we have tons of stuff even on our calendar that are going to take up our time, which we are not necessarily prioritizing or going to be present for because our minds are in some other place. And I think that's usually where we start living a life based on other people's goals and dreams and not our own.

Dave:

Do you run your own calendar or does someone do it for you?

Payal Kadakia:

I have someone who helps me run it, but I am very, very closely aligned with how my calendar goes and I will cancel things. Like I said, it's even that Sunday night priorities doc is something that I shared with her. And I make sure that she knows, and she knows if it's not on my calendar or it's not on my priority for that Sunday night to take it off my calendar.

Dave:

Okay. What would you say? So it's nice to have help. I have someone who runs my calendar for me too. In fact, quite often I have two someones because I have multiple companies and that's just what it takes so that I don't just drown in sending, calling people saying, can we talk later? I don't even know how to schedule a calendar. I would fail at that part of the job. So what would your advice be for someone who doesn't have an assistant, who doesn't have health organizing all this stuff? Does anything change?

Payal Kadakia:

So by the way, I started all this when I had nothing. I mean, I was starting ClassPass, I still had my dance company on the side. I mean, all of these practices were things that I developed earlier on to help me once again. I mean, you can prioritize with or without someone, you can schedule things with or without someone. It's really about how you're going to be intentional of it. Will it take maybe an extra 30 minutes of your time? Maybe. But that's okay because you're setting yourself up to succeed for the week versus starting on Monday morning and having hours lost that week because you didn't really think about how you want to spend your time.

Dave:

I feel like the reflecting and the dream. So there's four components of the LifePass methods, reflect, dream, focus and set goals. So I feel like the reflect and dream are the places where most people cut so that they can handle paying bills and changing a load of laundry or whatever else like that. How do you or how did you when you were getting going, how did you avoid cutting there? Because those are the easiest places to do it.

Payal Kadakia:

100%. So first of all, and I think this is also important, the shoulds in your life, I talk about should versus must a lot. Must are things that you really want to do. Shoulds are things that you have to do. And look, we all have responsibilities, right? That doesn't mean we can't just shy away from them no matter what our dreams are.

Payal Kadakia:

And so what I have learned to do and I remember there was a point in my life where my husband and I had actually gotten married and I remember our finances were a disaster and I remember being stressed about it. And usually, I think it's us knowing when we're stressed about something, we need to do something about it. And I remember that quarter being like, okay, I'm going to spend time making sure I put everything together, like knowing what his numbers are, knowing what my numbers are, creating a budget and setting a time for us to check in on this monthly.

Payal Kadakia:

And so just having those as my three goals on something that, by the way, I wasn't super excited to do, but I knew was going to relieve this stress I was feeling, which is honestly progress. And that's why I make people write down the words that they were reflecting on, because if you had a word anxiety, what areas of your life were causing you anxiety? Let's work on them. And that's the same thing with things like cleaning and all of that.

Payal Kadakia:

And I think we sometimes forget that sometimes we even need to prepare for if you can find help. So if we get busy in our lives, even finding help for a certain area of our lives should be a goal. And I remember there was a point when ClassPass got so busy and I remember I couldn't do it anymore and I remember I had a goal that whole entire quarter, which was around finding the help, which is honestly very hard to do. It's literally okay, interview for cleaning people, have them test it out, see if it works. Those are once again the itty-bitty steps that actually lead to you getting there, or you can spend the whole year saying, I really hate cleaning. And that's fine. No one wants to do it, but you're not making progress on it.

Payal Kadakia:

And the other thing you could do is if you need to get very, very clear on how much does your apartment need to be cleaned or how does your laundry need to be done and then set it up in a way that works for you to be like, okay, well, can you multitask it? Can you clean and talk to a friend that you also really want to be inspired from? I'm all about that, putting things together so it doesn't feel like work. Like any single time I'm in a car and I know I'm going to just like be driving, I make sure that I've got a call scheduled with someone that I really want to talk to. I don't like dead time. And I think sometimes when we have these dead times, we end up thinking that it's a waste, but how do you make it productive for you and where you want to go?

Dave:

I'm the same way. I always stack things up that achieve multiple goals. You can work out with a friend or whatever, where like got friend time and workout time. And I'm assuming with dancing works really well for that.

Payal Kadakia:

100%.

Dave:

Well, what do you do when you lose track of your priorities? You had too many of them, it has to happen, how do you get back on track?

Payal Kadakia:

All the time. I mean, I usually go right back to Sunday night priorities. And if a lot of stuff is happening and I feel like I have lost where I want to go, because sometimes we know that, we get so many opportunities and so many meetings and you just can't see which way is the North Star. I honestly usually go back to goal setting and I go back to what I wrote down. And I don't check, even though it's a quarterly process, I don't check my goal setting sheet every single day. And by the way, this is my process, I go back to it when all of a sudden I feel like I've totally lost direction. It's all about being in line with where you want to go. And I look back at where did I really want to go this year? Does this opportunity line up? Did I say yes to too many things that actually I don't want to do and aren't really a priority for me right now and maybe they're a priority for me later and I should move it?

Payal Kadakia:

So it's really that check in again on how do I want to feel? Where am I going? What did I say I want to prioritize? Do I really want to change priority? What am I taking off or not? But it's about being intentional about it, but usually I have to go back to the beginning and not just keep doing everything and trying to make it work because I usually just get burnt out then. And I think that happens to a lot of us.

Dave:

It does happen. And thanks for just being pretty blunt about it. But you know what? Here's a hard question for you. You've been really successful as a woman in business, but now you're a mom. So what that you've written in LifePass changed after you had a kid?

Payal Kadakia:

The guilt of canceling a meeting is very different than the guilt of not seeing your kid. That has been probably one of the hardest. It's really hard when I have to miss time with him. It's a very different comparison because you want to spend every second with your kid. And so that the emotional side of that is harder than being like, I'm sorry, I can't come to dinner tonight because it's obviously a much more emotional bond that you have with your kid.

Payal Kadakia:

But I go back to what my philosophy always was, which is when you have so much stuff that you want to say yes to, it's easier to say no to other things. So I am more particular about what I do and say yes to. And that's I probably said yes to a lot of the things I really wanted to do, but had a little bit other stuff on in there to say, oh yeah, that might be fun, let me try it. I'm a bit more discerning of those opportunities now, because I know that means less time with my son.

Dave:

I think for anyone who has kids, kids are a forcing function for just prioritizing. If you thought you were good at prioritizing your time and your goals in your life, then just do that. Do you ever just on a Sunday night sit there and say, I just don't feel like doing my Sunday night priorities, I just want to eat pizza and drink some wine and my kids bringing food in my hair and all that kind of stuff? What do you do when that happens?

Payal Kadakia:

Of course. And sometimes I'm busy. You're busy, you can't do it. Usually what I tend to do is then look at my Monday morning. And if my Monday is, if my week is intense and I mean, yes, that's usually the case, I try not to, I look forward to doing this Sunday night because like I said, it's really about not wasting my week. So in a weird way, it energizes me. If I know I'm going to have a busy week, I try and do it on Friday. That's the earliest I like to do it, but I really like to do it somewhere between Sunday night and maybe the latest on Monday morning, because like I said, I'm going to waste my week if not and feel even worse, I want to eat more pizza.

Dave:

Got it. So pizza is a self-fulfilling prophecy. So you do your Sunday night thing.

Payal Kadakia:

Right.

Dave:

All right. I hear you there. You talk in the book about embracing your identity and letting it shine. So what is the identity that you embrace?

Payal Kadakia:

So I will start with all the identities I didn't embrace to tell you how they finally came together. So growing up, I was Indian and American. And I didn't fit into, at least I didn't feel like I fit into anywhere I was. So what I did is I split myself in two. So with my Indian friends, I got to live my culture and dance. And with my American friends, I was a football cheerleader. And I did all the things that felt normal to

that. And I've really felt like I was two different people in both settings. And as I got older, I also think this manifested once again with my business life and artist life, I was two different people. And I remember always struggling.

Dave:

Which one? When you're two different, was the artist Indian and the business was the American?

Payal Kadakia:

No, it wasn't. It was like Indian American was just a split I had for an identity. And then I had another dual identity when I was at work is I was this business person during the day wearing suits and then at night, I was this Indian performer who was dancing at great venues and all of that. But I literally, there were like two different lives for most people in the world. And so I had really dealt with a lot of that duality my whole life. And I think a lot of us do. I think there's friends we have that we act one way with and friends we have that we act another way with and work and whatever it might be. And for me, that really turning point finally was when, and dance, by the way, was this place where I started feeling more whole.

Payal Kadakia:

And I really hung on to environments where I felt like I could be my full self. And when I got to the point where I remember being at my job, and this was right before I quit to start ClassPass, I just remember being like, I can't live two lives anymore. I have the foundations, I have the skills, what is holding me back from being my full self? And I know there is magic in who I am and all parts of me.

Payal Kadakia:

And when I decided to start ClassPass, and I remember this from the beginning is it felt like all parts of me coming together. It was this the girl who was going to dance class on top of going to the business client meetings. I felt like I was bringing, for me at least my cheerleading side, which was a passion on top of my dance side all together. And it felt really more whole. And I stopped questioning that I was different. And I really think I've thought about this many times.

Payal Kadakia:

I really don't know any other person that could have built ClassPass because of the various combination of skills I have combined with the way I lived and the passion I had, I don't know any other Bain consultant who was probably going to dance classes every single time she had client meeting and was traveling. And so I knew that it was these things that I think in my past, I had thought were negatives or things that would make people doubt me that became my strengths when I really was in the right environment to start my own company and go after this problem.

Dave:

How old were you when you feel like all your different identities came together?

Payal Kadakia:

I would say, I mean, and it was a process, but it was between the ages of probably 24, 25 to 27.

Dave:

And that's relatively early for in the overall Ericksonian stages of adult development. So if you're listening to this and you're under 25, 26, 27, you're not alone. Just understand that. This is a very intelligent, very successful person. Same thing for me. I guess I'll finally start adding Modafinil, yoga and meditation to my LinkedIn profile, which you did not do in Silicon Valley when I started doing that, but I'm like, I'm just going to have to do it, but you have to reach a certain level of confidence and just not giving a crap about it really just like, oh, if they don't like it and all of a sudden, you realize, oh, maybe everyone else is equally weird as you, maybe in different dimensions, and all of a sudden, then you're more comfortable in your own skin.

Payal Kadakia:

I felt that with actually dance in Silicon Valley a lot, especially because my dance company was this beautiful Indian dance company, we were performing at some prestigious venues, I remember through in my ClassPass journey, especially as ClassPass was getting bigger I in the beginning was super excited about it and I felt like I got a bit more shy about it later on as the business was scaling, because I was like, are people going to take me less seriously if they know about this other side?

Dave:

You have a double problem because you're a woman. And people in business, I'm going to say like it is, they still take women less seriously than men. And it's probably something deep in our biology or whatever. But so yeah, you would have a worse problem than I would, but you still were willing to go out and say it, right?

Payal Kadakia:

Yeah. I mean, I realized that a lot of the investors actually that I had were ones that had to come to watch me dance. And I actually talk about this in my book. One of my investors out of Hong Kong from General Catalyst, he actually, we would be at huge tech conferences with CEOs of major companies. And he'd be like, "Guys meet Payal, founder of ClassPass." And then he'd be like, "I have to show you a video of her dancing." And I realized that I had chosen the right people to help me out with this company and to invest because they were invested in my passion, which I also then knew therefore they were invested in the passion of my customers and what I was doing because they saw the magic.

Payal Kadakia:

And even more than that, and I go into this in my book, I think you realize that if you can be really good at something, there is a skill in that that's transferable to say, if Payal knows how to work this hard and be so good at dance, I know she can be this good at doing this company. And I think that that is like another nuanced thing that I always talk about with transferable skills and whatever you do in your life is going to stay with you. It's like a pattern of success and a pattern that you can refine to apply to something that you actually love.

Dave:

It makes a lot of sense. And I'm thinking back, I did this class a while ago in the Bay Area called Five Rhythms Dance, which is just terribly frustrating. Like if you want to feel like a total failure in life, you do this kind of dance. And it's like there's someone in the middle playing some kind of Brazilian instrument and you're all supposed to do a step. But as soon as you feel like you got the step down, they change the step constantly. So you're never right until you just give up and you're like, I'm a total failure. And as soon as you do that, then you can do it. And I asked the woman in the middle afterwards, what do you

do? And she was the CFO from a major company in Silicon Valley. I'm like, "What the hell are you doing here on a Saturday afternoon?" She's like, "This is how I give back. This is what I do."

Dave:

So I feel like as you climb the ranks of success, what you find is that the people who are really doing big stuff, they always have a side to them that you don't necessarily see publicly, whether it's their exploratory sex life, whether they like burning meth, whether they do mushrooms all the time, whether they're into dancing, whether they like stream yoga, the favorite CEO I've ever worked for did yoga every morning for 35 years. And I ended up coming to his house every Saturday morning and doing yoga with him and a bunch of other people, just he's like, "I just do it. You can come or don't come. It's not part of the job. It's just like, I do it because I can't be a CEO without it." But his peers didn't know. And it's cool.

Dave:

So I think it's more normal than anyone lets on. And you feel very comfortable talking about it because you're talking about here in front of hundreds of thousands of people. What would you say to all the other people mid-level career, maybe like you at Bain, about how advisable is it to talk about those parts of your life that are maybe not the business part?

Payal Kadakia:

I think you have to know your audience and think about the people you are speaking to about it. And I became more and more comfortable obviously once I met somebody, it wasn't my first introduction to them. But as I knew someone, I worked with whether it was a manager or someone on my team, I felt more and more comfortable in sharing that part of me with them. And honestly it flipped my conversation with them, my relationship with them once they saw me even dance. And I think that's also important is what is this passion? What is this hobby of yours? Is it really a professional endeavor? What is it? I think a lot of times we do get scared about sharing once again all parts of who you are, but the more I shared it, I realized people respected me more, they found an authenticity in who I was.

Payal Kadakia:

And it's funny that you say that as the leaders of these companies, one thing I always did at ClassPass is I wanted people to share these things. So I would invite my entire office to my dance shows. I really overshared this side of me because I think I realized how much society tells us to really dumb these things out and to act like they don't exist. And that's honestly the antithesis of what ClassPass is. I mean, we as a company and I would go workout at noon because that's what I like to do. I like to go to my workout and I would have team members come with me.

Payal Kadakia:

And so I think it's really about leading from that place of authenticity obviously. I think companies can change in general to feel like it's more appropriate to talk about that because it's not even just about our activities. It's honestly about our whole lives. I really believe this whole goal setting thing that I do is something that we should be much more okay with sharing with one another, even the people we work with, because I know this as a leader, I am a much better, I can get much more productivity and motivation out of my team if I understand what's going on with them. And I think that's really what's usually lacking. So if you are working with someone, you have a good boss who really understands you and knows you, I would share it.

Payal Kadakia:

And look, at the end of the day, you might be in environments where people don't get it. And then you actually might need to really second-guess if you're in the right place. And I think that's another thing a lot of times you don't do is you just take in a sterile situation that you're in and say, I got to live here, but you have to really think about if that's going to make you happy long term and ever puts you in the right trajectory towards where you want to go in life. And I think that's really the biggest question to ask is it's always important to get skills I think when you're younger. Like during those Bain days, I never regret the foundation of skills I got in my life at that time. Was I super passionate about it? Probably not, but I learned a lot.

Payal Kadakia:

So I think it's find the skills, learn to cultivate an environment around you, whether it's the mentors that you can, whether it's in your company or outside your company, who are people that you can share more of yourself with? Because that's also a big thing we forget is when you're looking for mentors and advisors, it's not, oh, who has the best resume and who's the most senior at my company. It's truly who's going to see you, invest in you, care about who you are, all parts of who you are and push you forward. And I know for me, there are certain mentors in my life who helped me at that phase. And I would never be here if they didn't help me unlock certain blocks I had at that time.

Dave:

When you're dealing with situations, you're saying, well, maybe it's not the right place for you, clearly you've probably quit a job or two because they weren't the right place for you. Walk me through the emotional processing that you would do to quit a job that wasn't a good fit for you when you were young versus what you would do where you are now.

Payal Kadakia:

Okay. Let me think on this a little. So emotionally when I was younger, I mean, I don't know if it's completely different, but, and I don't think quitting a job is actually an emotional decision anyone should make, because you really do need to look at your finances. And I think that is something that is underrated. A lot of times people will message me, and actually big reason I wrote this book was, of course, I want to inspire people to go for their dreams and take leaps, but you need to have the plan underneath you and before I quit my job.

Dave:

It's nice to eat while you follow your passion, right?

Payal Kadakia:

Exactly. And honestly, I have learned this too, is when you're following your passion, it's like an infant and it's a newborn, it needs 24/7. If you're worrying about paying the bills and other things, it is taking away from your attention to especially with a startup when you're solving such a complex problem, you want every part of your brain in that. And so anything that's going to take you away from that, which is usually, like I said, I think finances is one of the biggest one, which is why I bring that up. And I honestly think that is probably the biggest thing to consider honestly when you're going through the quitting conversation because it's not an irrational decision to make at all.

Payal Kadakia:

So I think outside of that on the more emotional side, I think it's about knowing that, do I have the right skills to go after one of my dreams? I think emotionally and I do think having the right skills is a bit emotional because it's about confidence. I didn't know how to run a tech company, I didn't know how to put on a dance show in the middle of New York City, but I believed in my confidence of getting things done, which goes back actually to goal setting and my ability to say, when I write something down, I have a contract with myself that I know it's going to get done. I believed in my ability to get things done. And so when I chose to do something, I did it. And I think that confidence, which is something you feel is a place when you know that you're ready to leave a job because you feel confident enough in going in the next direction that you're going to.

Dave:

Yep. And that either you have another job lined up or that you have enough savings that you can take some time off. And my advice would be if you can get to the point where you know you're safe for three to six months, then quit without having a new job and take a month off to do the reflect part of what's in your book, because you'll really like what happens if you do that. But that is a luxury that doesn't happen at the beginning of your career. It happens five years in if you've been good at savings.

Payal Kadakia:

Actually, I don't talk about this in the book, but there's a few week period when I right before I quit my job to start ClassPass, I was thinking about starting ClassPass, but I also almost took a job at Spotify. And it's really interesting because it was a backup plan. I didn't know how to not have a job because I once again had had jobs for six years and didn't know anyone in my life who didn't have a job. And I almost took that job. And I had a meeting with one of my mentors at the time. And I was telling her about ClassPass and what I wanted to build. And then I told her, I was like, "Oh, I just went out to Spotify guys. I think they want to hire me." And she was like, "Why would you take that job if you're going? Why aren't you willing to bet on yourself to go after your dream?" And it hit so hard that I was literally living this plan B.

Payal Kadakia:

And so I think what you just said is so right, go after your plan A if you can and build a plan to go after your plan A. And that plan A might be, I need to relax for now to even know what that is, but that's okay. It's give yourself the time to do that, because if you constantly have a plan B, you're going to live a B life and not your A life.

Dave:

There are times as an entrepreneur where you set a goal, like I'm going to transition the business and you don't know it's going to work necessarily, but now I'm speaking from my own experience and I want you to either shoot holes in it and say your experience is totally different or validate, whatever. But I just want to compare. So I usually have an intuition, like kind of a gut feeling, oh, this feels right, because I tend to see stuff in the future and I tend to be a futurist. So I can totally, it all lines up and you just know. And then you do it. And I'm confident because I felt it and then I did the thinking for it. But there are other people who do the thinking and then build the confidence. So how do you do that? How did you get that confidence? Was you like, I just know it's going to work or you did the Bain spreadsheet model, you had a two-by-two matrix and you did all kinds of cool stuff?

Payal Kadakia:

I did all that first and it didn't work. And I think once I felt that, I realized to be more in line with my product and be more nimble and adaptable. And of course, it's not that I wasn't thinking through it and wasn't following that same rule, I just realized, let me focus on getting people to class and I will figure this out because I realized the biggest problem, it wasn't even about money. It was literally about motivating someone. Everyone had so much fear in trying a new class that I needed to build something to get everyone off the couch and into these amazing studios, because a lot of times, and the funny part about the surveys I did around the time, I asked probably 200 friends, hey, would you go to a yoga class? Would you go to a spin class? 99% of them said, yes, I'd love to try one this year. How many of them do you think would've gone? Close to 2% of them.

Payal Kadakia:

And that's really what I was trying to work on is okay, there is an interest, but the conversion wasn't there because the model was set up wrong. And something, and I think you would appreciate this is when we were an a la carte model, right? So someone had to come search for the class. And in one moment, the amount of brain cycles they had to do to buy it to figure out if they were free to get over their fear of trying a new class, those are three huge things for a customer to go through. And obviously no one was converting into it.

Payal Kadakia:

So, and by the way, when I started this, I was just trying to help them find a class. And so I was just thinking about step one in the process, but I forgot that there were other three hurdles in the way. And when we pivoted over to the ClassPass subscription model, what became interesting is because we separated payment from the experience. So I paid for it on day one of the model, every single class became an opportunity. You became a kid in a candy store, it was all yours. So instead of putting a tax on it, it became, I could go to this, I could go to this, I can't wait to go to this, I could sign up for it all.

Payal Kadakia:

So we just shifted the entire psychology of the behavior model. And that's what made it fun. People were dying to open up the app and book things. And like I said, when I was the a la carte model, it was literally the same surge experience, but I taxed you with a lot of terrible brain cycles of you saying, wait, I can't do this, I'm not strong enough, or I don't know how to put on my spin bikes. And it now became, wait, I have 30 days, I got to try this class. Let me sign up, I'm free. You almost, I flipped the entire conversation. And that's the part of ClassPass that I think we needed to. I couldn't prescribe that before. I didn't know that until customers started telling me that and showing me that. I obviously can talk about it in hindsight like a scientist and put it all together.

Payal Kadakia:

But I think this is the beauty of startups, right? It's actually, it's almost failing and iterating to fall into these things, because by the way, if this was something that science could have predicted, someone would've created ClassPass years ago. And I think one of the things that I love the most about it is I realize that this is such a human behavior problem, because it works in every country around the world, even with people who are English speaking, non-English speaking. I think then that to me is when I realized that this was something about human behavior. And I don't know, to me, that is one of the most fascinating things that we can do. And I love studying companies that do that.

Dave:

Very fun. You're reminding me years ago, like 2005, I looked at doing a yoga app because I had a hard time finding classes, I'm like, what if we had like an Uber, Uber didn't exist then either, I don't think, but we had some kind of a thing where if there's enough students, we'd all bid on having a class and then an instructor could just show up because I could never find a class at a time that worked for me. And it was torturing me, but that whole, how do you get people to go? I'm like, how do you reduce friction? So you nailed it. You did something right. And it sounds like your intuition did work really well and your focus on the problem of, hey, how do I get people to go? And that everything you did was in service to that one goal, which is really cool.

Dave:

Well, Payal, I know you've got a time limit. And so do I. So I just wanted to say thanks for writing LifePass. There's a lot of entrepreneurs who will write a book, like, let me tell you my story. And you're like, "Oh, so you sold your company for a billion dollars, good for you." And there's, I'm going to call that entrepreneurial porn. And there's a total place for that, like, I'm going to be like that one day. But I want to call out the fact that you actually put a framework in place, you used your OR and your management consulting to figure out how you did it and put that in the book, which is a different thing. So thank you for making it actionable and useful. So yeah, you tell your story, which is great, because it's educational, but you actually made it educational. So good job. And thank you.

Payal Kadakia:

Thank you. I really, I just want people to go after their dreams and not let anything stand your way. And I know what it feels like to be on both sides. So there is a way through.

Dave:

There is. And your URL is lifepassbook.com. If you liked this episode and you're thinking I want more entrepreneurial juice or I just want some goal setting info from someone who's actually spent some time thinking about it, read LifePass, but then you have to do the final step, which is leave review. Have a great day.