

TOP WORKPLACES 2010

Posted on Sun, Mar. 21, 2010

LEADERSHIP

On what it takes to be a great boss Three of the region's CEOs sat down and talked about it.

By Becky Batcha
DAILY NEWS STAFF WRITER

What do workers want? The hot new business book *Drive* says that money goes only so far to keep employees happy and productive. What they also crave are intangibles such as autonomy and purpose.

A lot of them aren't getting their fix. According to the latest figures from the Conference Board, only 45 percent of Americans are satisfied with their jobs. That's the lowest level of job satisfaction since researchers started counting, in 1987, and the Conference Board says the malaise goes beyond those who are staying put in miserable jobs to wait out the downturn.

Workers' interest in their work has dropped 20 percent over the last 23 years, the Conference Board found. And workers' satisfaction with their boss has gone down 15 percent.

Against this backdrop, we brought together the three chief executives whom employees in our Top Workplaces 2010 survey chose as the Philadelphia region's top leaders to ask what it takes to be a great boss in today's lousy economy. Here is an edited transcript of the provocative roundtable conversation with Jeff Brown, president and CEO, Brown's Super Stores Inc.; Jeff Kaliner, owner and CEO, Power Windows & Siding; and Harris Fishman, president and CEO, First Financial Group.

Question: To get things rolling, what are some of your thoughts, generally, on being a great boss in hard times?

Jeff Brown: I think it has more to do with human issues than anything else: treating people respectfully, being honest. The news isn't always going to be good, but there's a proper way to handle it.

Instead of having a top-down situation where I would say, "We have to cut jobs or we have to cut costs," we work with our employees to see what ideas they have. The fact that my employees are at the table makes a difference to them.

The other thing is equitableness. What you see a lot of big companies doing today is, they seem to have all the toughness go to the lower-paid employees. They don't take on any suffering, it seems, in the executive suite.

Our thinking is that our more-senior people could more afford to deal with tough times. We think that it's right to do it in that order.

Harris Fishman: You know, I think a lot of it goes to culture. When people join our company or they leave another company, we ask them, "What are you running from or running to?"

It's often not compensation or their benefits, it's more about, "I don't feel appreciated. The leadership doesn't respect me or they don't know me. And they're not helping me grow."

We're very entrepreneurial. We're very much not micromanagers. Particularly with our sales-management team; they are there to do the job, and they don't need me to tell

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Sarah J. Glover / Staff Photographer
Harris S. Fishman, CEO and President of First
Financial Group: "He knows how to listen."

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them what to do. Maybe they need me to coach them along the way.

We do a lot of recognition programs. For our industry, that used to be very popular, and now it's very rare as companies are cutting back. But we just did our annual awards dinner. We do a black-tie event, and this year we rented Citizens Bank Park.

Jeff Kaliner: I think Harris hit the nail on the head when he talked about culture.

You know, in our industry, we speak about creating a gratifying experience for the customer. We take it a step further. We talk about a gratifying experience for the employee, as well.

More often than not, we will promote from within. And our employees see that opportunity.

More than a lot of companies, we do a lot of different social events, and it goes beyond that. We're still a relatively small company, but there's a gym facility. I think that it not only makes people healthier, of course, but more excited to come to work and just be around.

Q: You all push problems out to your employees to solve. How, specifically, do you do that? And why?

Kaliner: In our industry, we're marketing, we're sales, and we're operations, right? It goes in that order. When it comes to the media and the print and the radio and television spots, I do a lot of it myself.

[laughter]

Fishman: Obviously, it works.

Kaliner: But, really, one of our biggest departments is door-to-door marketing - still. I think that a lot of people are surprised. Those employees will make the decisions on where we should be and when we should be there and who should go.

It's not glamorous. You know, you're not necessarily proud of going door-to-door. But we've made it so that you can be. OK, certainly the dollars help. But that's just one of the aspects.

Brown: If you ever shopped in a grocery store before, nobody has authority to do anything. And it's incredibly frustrating that the people you deal with can't solve your problems.

But it also affects employees, who are frustrated that they can't satisfy the customers. So we basically adjusted the job description of almost everyone that works for us. Everybody is expected to make a decision to solve the customer's problem on their own, not expected to call a manager for approval.

That filters through almost every job in the company. If I have an executive come to me to make a decision for them, I'll tell them, "Why are you coming to me? Make the decision."

Fishman: We talk a lot about, "Don't bring me problems, bring me solutions." Have some type of solution. If you're not sure, have two or three, and then we'll help you through.

And my sense is you probably do a similar thing.

Kaliner: Yeah, and sometimes it's the wrong decision that's made, and that's OK. But everyone has to rally behind that decision and just execute.

Fishman: And if it's wrong, it's OK.

Kaliner: At least they took action, right?

Brown: What's funny is, for most decisions, there's a lot of different ways to solve them that are all OK.

And the amount of money that business spends to make sure the person makes the right decision is far greater than the mistake. That's what doesn't make sense.

Q: What does having this kind of authority mean to your employees?

Brown: You feel good, as a human. All of us feel good about a certain ability to control our destiny.

If you're working customer service and you can't decide how to resolve a problem and every customer is leaving mad at you, it's a downer. It's really depressing, and people will quit. It really reduces your satisfaction with your work. And I think there's plentiful evidence that that's true in almost all fields.



Sarah J. Glover / Staff Photographer
Jeffrey Brown, president and CEO of Brown's
Super Stores Inc.: "Looks for 'out-of-the-box'
opportunities."

Q: In our survey, several of your employees said they trusted you as leaders because you've set up businesses that are sustainable - and not in the green sense. They have faith that you're making good decisions so that they will continue to have a job.

How important is it to communicate that message?

Fishman: I think that's one of our biggest jobs: to communicate the vision. And I don't think you can over communicate that. That's what we're here to do, I think.

We're double the size that we were five years ago. And we would expect in the next five years we'll double our size again. They know our growth plans. We talk about it all the time.

We have a monthly newsletter that goes to everyone's home, so the spouses know about the company's growth plans and how they fit in.

Brown: We have a way we do this that's pretty interesting - and very much contrasts the way a lot of people in our business do it.

We share our financial information with just about everybody. So, a guy running a relatively small department knows how much his department made or lost every week. And for everyone else who does that job in our company, he knows how they did.

And it's not secret. They can share it with all their employees, and a lot do. They can see week to week whether we have a sustainable business or not because it's completely transparent.

Kaliner: It's funny that you mention sustainability that's not related to being green. I think, in our industry, we're somewhat fortunate because we are green.

The home-remodeling industry as a whole is not up and hasn't been up. But we've been able to grow and to show the employees we've grown. The president [Obama] is talking daily about tax credits and stimulus money to save energy, and they see that.

When they see the company growing, they take pride in it. They've made decisions along the way, and they can say, "Hey, I made that decision to open up that territory or to knock on that door."

Brown: You know, our business is unionized. And pretty much the pay we pay is the same for everyone, and it's pretty much the same for all my unionized competitors. So, really, the pay isn't going to be that much different.

The main things that could make your job better is that it's more sustainable, and your company's not going to go out of business, and you're going to get your pension and health insurance.

Growth opportunities, that's big for them, too. If they're an assistant meat manager, they want to be meat manager. Growth creates that, even though it's not a huge financial reward.

Q: All of your companies are prospering, which probably helps explain why your employees are confident in your leadership. You're also all the owners of the business. Is that a factor? That employees know you have skin in the game?

Fishman: You know, clearly we win if the company wins. If the company doesn't win, our personal assets are on the line. If we make an investment in the business, they see that's an investment that we made instead of taking that money home.

We recently renovated our office space - last year. That's the last thing that so many businesses were doing. Our headquarters in Bala Cynwyd is about 20,000 square feet. We expanded and totally renovated.

People have more pride in it. More clients are coming in to the office and so forth. So, they realize that this is hundreds of thousands of dollars - millions of dollars - worth of investment that we're making in them, so they can grow their practice and acquire more clients. I think they see that connection.

Kaliner: My partner and I have made it very clear, particularly to midlevel managers, that we don't have any predisposed exit strategy as owners. And we really don't.

We sit down, and he and I talk, and say, "Wow, look at how many people's lives we are really affecting now." Them, their spouses, and their kids, and what have you.

We don't have to continue to grow. But we want to.



Sarah J. Glover / Staff Photographer
Jeff Kaliner, owner & CEO of Power Windows and Siding: "His insight is always shrewd."

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Fishman: Growth is expensive, right?

Brown: Yes. And risky.

Fishman: It's easier not to grow, sometimes. You can make more profits short-term not to grow.

Brown: I think it really does make a big difference. And I have to tell you, when I deal with big companies, I often have a sense of frustration. The decisions they make can really be dumb, but that's what they're going to stick with anyway.

I think the difference is having a person. In our company, everybody knows what I stand for. Everybody knows if it's going bad what I won't do, no matter how much more money I could make by doing the wrong thing. They know I wouldn't do that because they know me personally.

Q: Another interesting thing that turned up in the surveys was that your employees said they feel challenged and are almost never bored. How do you foster that engagement?

Fishman: Well, I talk about this expression. I should make up buttons: "No excuses."

You're not going to hear me give any, and I'm not going to accept any.

So I'll challenge people: "What is the solution here? You've got a problem. What do you think should be the solution?"

If I figure it out for them, they won't learn, and they won't grow. Sometimes, I challenge just for the sake of challenging. It's fun to watch. That's how people become empowered, if we allow them to think.

Brown: I think if you look at a lot of American jobs, they're sort of designed assuming that people aren't smart, that if given the choice, they'd make a bad decision. I think in all three of our cases, if I hear my peers right, we assume the opposite: that everyone is smart.

We let our people use their brains. I know in my own case, a good day for me is one in which I had some good challenges, and we were able to get through it and come up with a good solution. I imagine all of us would take pride in ourselves in knowing that we had a good day like that.



Sarah J. Glover / Staff Photographer

A roundtable conversation with the three top leaders—(from left) Jeff Brown, of Brown's Super Stores Inc., the operator of 10 area ShopRites; Harris Fishman, of First Financial Group; and Jeff Kaliner, of Power Windows & Siding—taking place last month. They were chosen in the Top Workplace 2010 survey.

Why they're No. 1 for leadership

The 34,616 employees in the Philadelphia region who participated in our survey were asked to rate their company's chief executive office in response to this prompt: I have confidence in the leader of this organization. The leaders with the highest score among large, medium, and small companies are our winners.



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HELPING PEOPLE CREATE WEALTH & SECURITY, SINCE 1886

2 Bala Plaza, Suite 901, Bala Cynwyd, PA 19004
610-766-3000

www.TheFirstFinancialGroup.com