

Happy Employees = Happy Customers; how another U.S. Independent Does It
By Wolf Gugler

How does one hire, develop and retain good store level talent? In this ongoing series, we are happy to profile Bob Brame's Cadiz Hardware in Cadiz, Kentucky—another example of success in employee hiring and development from south of the border.

Cadiz sits in a rural lake area, population around 3,400. It is known as a retirement community, and grew over 20% in the last year alone. In town, Bob has competition from a hardware store, two lumberyards and one wholesaler. Within a twenty-minute drive, he also competes with three Wal-marts, two Lowes, one Home Depot and other DIY chain stores.

Bob's grandfather started a country hardware store in the 1929 Depression, beginning as a gristmill, and later adding coal sales and groceries, which quickly grew their business.

Bob's parents had opened and run a Dollar General dollar store, so he was certainly well versed in a family-run retail operations. He opened a farm and livestock store after graduating from college and met with much success, but eventually chose to sell it due to the high travel component involved with his field sales duties. He then built Cadiz Hardware in 1996, beginning under the True Value banner, and changing to the Do-It-Best format last year, a very customer-focused and friendly organization.

Cadiz employs thirteen f/t and p/t employees, four of which have been with him since day one. With a 2.4% local unemployment rate, Bob values his employees and makes sure they are aware of that.

Bob's first experience hiring involved taking an ad out in the community newspaper announcing, "Bob and Patty Brame are opening a local hardware store and looking for quality employees." He describes Cadiz as a "Mayberry" type community; word of mouth had fifty applicants (many related to one another) on their doorstep immediately. He met with each applicant, going over his goals; essentially to become known as the most customer-friendly store in town, and that customer service is always foremost. Applicants who didn't buy into this philosophy were thanked for their time and weeded out.

Since that time, Bob involves his wife Patty and his Paint Manager (who was his first employee hired and still with Cadiz) in the interview process. It is relatively informal but uses a basic interview guideline highlighting an individual's strengths and weaknesses, their perception of customer service, and reference verification. Their employee complement includes a mix of veterans and novices.

Regarding training, Bob holds regular monthly training sessions using the Do-It training tapes to enlighten his employees not only in retail operations, but also in all aspects of business including sales and gross margins. In effect they become business partners, and willingly take on personal responsibility for their respective areas and duties.

Bob makes use of the Samsonite Corporation's "golden rules marbles." Bob was first introduced to these by an employee who had formerly worked for Samsonite. Jesse Shwayder, Samsonite's founder put together sets of marbles with a gold band of paper with "life's golden rules" wrapped around them. Bob found these to be quite motivating and inspiring to his staff in addition to their own customer service beliefs.

Annual reviews are conducted in January with Bob and Patty reviewing the store's performance and the employee's contribution to their success. Bob makes a point to always highlight the individual's strengths and rather points out what areas in the store need improvement, as opposed to finger pointing. He has found this method very effective to boost morale and the individual's willingness to improve when they don't feel intimidated or threatened by this approach.

Bob pays above the national wage average for retail, and reviews Industry data regularly to maintain this position. Some bonuses are also paid; for instance, he estimates the store's annual performance in early December, and hands out an average bonus of 1-3% of each employee's wages just prior to Christmas—at the time they really appreciate it. Other ongoing incentives include dinners for two, and an additional "birthday" holiday paid day off. He also recognizes all birthdays with a cake and small celebration at the store.

Medical coverage is also fully paid for each employee (= \$1000's/year), and family coverage is offered at the store's cost. It is a very costly benefit, but one Bob feels strongly about in offering, and has seen the loyalty he's garnered in return.

He is also active in the local Rotary Club, and sponsors many school events which earn him local customer loyalty and visibility. For instance, a local schoolteacher recently stopped him in town when something in his home broke and required an extension ladder after closing time. Bob called Stan Bridges at the store, who gladly waited for the teacher to arrive and pick up the much-needed ladder. Going above and beyond is a way of life for Bob and his team.

Hearing a very upbeat attitude occasionally interspersed with laughter from Bob during our interview, it's no surprise he is more than holding his own in a very competitive market; in fact, he took the time to share his thoughts while seeing his business increase over twenty percent from last year at this time. And, like many, here are some of his Customer's questions he cheerfully answered along the way too: "You would be surprised how many people retire, never had a garden in the big city where they lived, but want to come down and raise their own food, but they ask some very unusual questions.

"Where do you get the cans to put the veggies in, and how do you seal the can lids?"

"Can I grow enough tomatoes on one plant on my deck to have tomatoes for each meal for the rest of the summer?"

"Can I put something down when I till up my garden to keep ALL the weeds out of it for the growing season?"

"I want my soil to look like that commercial for Troy Bilt tillers, how do I get that?"
(we have red clay soil in our area!)

"I want to rent your tiller for 2 hours, but I live on the lake 23 miles from the store; you will knock off the travel time won't you?"

"I don't know what happened to your tiller, I really don't have all that limestone rock close to the top of the soil like my neighbor does!"

"I want you to set the lawn spreader for me so that the seed that I bought at Wal Mart will cover my entire yard." (our seed was actually cheaper—and they don't really know how many square feet are in their yard)

Would you share your ideas and have your operation profiled for upcoming articles?
We'd appreciate hearing about your "employee success formula" or tips for other
Retailers to learn from.

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