More Than a Pair of Hands

HENRY FORD WAS a genius when it came to automobiles and the methods of mass production, but I believe his understanding of the worker was too limited when he asked, "Why is it that I always get the whole person, when what I really want is a pair of hands?" Unfortunately, that quote describes the attitude of some top managers today. But to protect and nourish the soul of the firm, we need more than a pair of hands; we need the whole person—and whether we like it or not, that is what we always get.

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One of the downsides of the Industrial Revolution is that it fostered the idea that a person is just a "production unit." As people have been "replaced" by machines, there has been a tendency to think of them as machines. This reminds me of an experience a friend of mine had with an answering machine. When he called, the machine answered: "This is not an answering machine; it is a questioning machine. There are only two questions in life that are relevant: Who are you? and What do you want? Most people do not know the answer to these questions. Please give your answer at the sound of the tone."

Who are we and what do we want? We are not machines; we are people, with our own fingerprints of personality and potential

potential. Only people, not machines, can respond to the unexpected and surprise the customer with extraordinary performance. Only people can serve; only people can lead; only people can innovate and create; only people can love and hate.

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What kind of employee do you want in your company? What kind of worker do you want to serve you in your home or in your school? We know that animals can learn a conditioned response and repeat an established pattern of behavior. But people have the potential to improve upon their knowledge, to modify, to adapt, and to exercise judgment within a framework of moral values. It is not just what we are doing, but what we are *becoming* in the process that gives us our distinct value and is uniquely human.

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W. Edwards Deming, in his quest for quality, reminded us that we all are born with an intrinsic motivation, self-esteem, dignity, and a curiosity to learn. Peter Drucker provides us with that simple yet profound definition of management: getting the right things done through others. The firm has the potential to bring these two principles together and to respond to that basic ethical question of the marketplace: What is happening to the person in the process? Is she developing and growing as a whole person? Or is management just a game of manipulation that will accomplish a series of tasks for a profit, with a gain going to a few at the top and with an atrophy of the soul of the person producing the results?

We need only to pick up a newspaper to be reminded that manipulation is not just a problem of the past. People are taken advantage of at work. They need legislation to protect them (maybe not all the legislation we have today, but that could be the subject of another book). And they are forced from time to time to organize and negotiate their terms of employment with management. Sometimes the problems are not as evident on the surface and appear to be covered by short-term financial gain.

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My former partner Alex Balc once gave a very thorough report on a competing company as part of our continued attempt to stay on top in our industry. He described some of the financial successes of this competitor (which were considerable) but also reviewed some of its problems with people, purpose, and direction. I will never forget his conclusion: "This is a company without a soul." Here was a case where it was forgotten that people are unique, one of a kind, and are not just the cost of doing business or the expense of a payroll.

WHAT IS VALUE? IS MONEY THE ONLY MEASUREMENT?

IN THE MARKETPLACE we have ways of measuring the value of the combined efforts of people in the firm. It all adds up, we hope, to profits. And profits add up to net worth. If we organize the firm for public ownership, we might even anticipate value being measured as a multiple of those profits. For example, as I write this book, ServiceMaster has a book value of \$750 million, yet our market value is over \$3 billion.

But what is the value or the worth of a person? Can we measure this value by a paycheck, a retirement benefit, an incentive payment, or even a stock option? Is it to be measured as a net cost or an added value? Things that are unique, one of a kind, grow in value. But is this true of people?

Some years ago I purchased a Hummel Christmas plate for my wife, Judy. The price was \$21.95. It was the first Christmas plate produced by the famous German firm, and the store clerk assured me it would increase in value. Recently Judy and I attended an antique auction and were surprised to see a Hummel Christmas plate just like ours being sold for more than \$1,000.

What was it about the plate that caused this remarkable growth in value? Its substance had not changed, and it was not more beautiful. It had not changed size. But it was in greater demand. The original mold had been broken. Now only a limited number of plates were available, with no opportunity for replacement. All of these factors had contributed to an increased value.

There is only one mold per person and no opportunity for replacement. Yet does this count for value in our normal way of thinking as we build the firm and the people within the firm? Publilius Syrus, a famous first-century Roman writer, concluded, "A thing is worth what someone will pay for it." For him, this was not just a simple truism; it was reality. He had been a slave, brought from Antioch to Rome, where he was purchased by a wealthy philanthropist who promptly set him free. Perhaps he knew the large sum of money his benefactor had paid for him. "Am I worth that much?" he might have asked. What is any human being worth? A few dollars, which is the combined value of one's chemical substance? The price of a slave? Or a special compensation package including a sign-on bonus for a star ball player or a highly skilled professional manager?

We will never be able to pay people what they are really worth, but sometimes we act like we can. We pay people wages and incentives and then make a monetary standard the only measure of their worth. But if we are to be true advocates for people, we must not limit the measurement of human worth to what

people are paid. Instead, the value of individuals must also be recognized by the contribution they can or are making in the lives of others—the people they marry, they parent, they work with, they produce for, they teach, or they serve. Two commonly recognized organizational units in our society where people contribute to others are the family and the firm. While this is a book about the firm, in a healthy society, both the family and the firm should support each other.

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In the firm, people have the potential to contribute in at least three ways. First, they contribute *value to customers* with the products they produce or the services they provide. Second, they contribute *value to owners*, as their combined effort is worth more than the sum of the efforts of individual participants. And third, they contribute *value to each other*, as they learn together and experience the satisfaction of accomplishment and advancement and as they develop their own selfworth.

These three principles of *people value* correspond to three of our company objectives: To pursue excellence, To grow profitably, and To help people develop. In our firm, we encourage every worker to actively participate in improving the quality of service to the customer, to participate as owners in the profits they produce, and to participate in the development of the people with whom they work. As we seek to make this triangle of people principles work, we nurture the soul of the firm.

Today our company employs and manages more than 200,000 unique people who all have different skills and talents. Our survival and future is dependent on them working together in doing things right and in doing the right thing.

Still the question remains, "How do you do it?" How do you get people to take initiative, to grow and develop, to treat the

company as if it were theirs? Obviously, you have to provide a compensation package that is fair and competitive, but any firm can do that. You also have to pay attention. You listen to your employees, get to know them, find out what makes them tick, and then help them reach their goals. That is exactly what happened in the life of Bob Ware.

My partner Ken Wessner first met Bob more than twenty-five years ago during the start-up of Norfolk General Hospital, where Bob was a floor finisher. In his first interview with Bob, Ken identified Bob's potential to work with and lead others. Although some in the hospital had concluded that Bob had no talent to manage, Ken listened and heard a person who cared about others and wanted to grow as a manager. He took a risk and asked Bob to join ServiceMaster as an assistant manager. Bob performed well in this position and was soon promoted to manager of the hospital housekeeping staff. Several years later he became a regional manager and then an area manager, a division manager, and division officer, and ultimately a senior officer of a large business group of ServiceMaster.

But Bob's story does not end there. This is not just another story of an entry-level employee making the big time as a senior officer. There came a time in Bob's life when the scope of the assignment and the extensive travel schedule no longer fit who he was and who he wanted to be. Bob wanted to stay close to home and run his own business. For the firm and Bob to continue to work for each other, the firm had to be responsive to the need for change. So he was provided the opportunity to buy a ServiceMaster franchise in Fredericksburg, Virginia, and then to add a Merry Maids franchise. He has grown these businesses as a successful entrepreneur, using them to help the people who work with him to also grow. Today we can point to many people in our company whom Bob has touched, mentored, and encouraged. They have grown and developed in what they have accomplished and in who they are becoming because leadership listened, identified potential, and then acted.

Bob's business accomplishment is not all that we should admire about him. He has also grown as a person, a husband, a parent, and a contributor to the personal development of others. He found role models and leaders in the firm who invested in him as a person, not just as a unit of production. This is all part of the duplication and reproduction process that occurs when the value and worth of individuals are identified and those individuals learn the joy and excitement of investing themselves in the development of others.

This simple truth of recognizing the potential, dignity, and worth of the individual has been one of the most important factors of the success and growth of our business.

Stories could be told of many others in ServiceMaster who caught the vision that they could accomplish something extraordinary with the support and help of others, and in so doing, they fulfilled one of our founder's dreams of building a business with ordinary people—motivated, trained, and excited about accomplishing the extraordinary in service to others. This simple truth of recognizing the potential, dignity, and worth of the individual has been one of the most important factors of the success and growth of our business.

A CAREER OR A JOB?

ONE OF THE benefits of creating an environment within the firm that contributes to the development of the person is that your employees become more committed to the firm. At ServiceMaster, one way we have recognized this commitment is by erecting a "Wall of Service" outside the entrance to our headquarters in Downers Grove. Engraved on this black marble wall is the name of every person who has served twenty-five years or more. It

makes no difference whether you were the president, a franchise owner, a custodian, a plant manager, or an accountant.

In front of the wall is a white marble statue that stands eleven feet high. It is a free-flowing representation of Jesus washing the feet of a disciple. This illustration from history is a great reminder for all of us that we have the potential to grow as we contribute and serve others.

Charlie Hromada's name is on that wall. Charlie became a part of the ServiceMaster family when Terminix was acquired in 1986. He grew up in the termite and pest control business, beginning his work with Terminix while still in college. Throughout his career Charlie has made significant contributions to the company and the industry. He developed the extended termite service contract and pioneered in the design and marketing of the damage repair guarantee. When Terminix began offering general pest control, Charlie wrote the manuals, training programs, and marketing materials. He took the initiative to meet personally with Terminix franchisees to help them with training, technical, and regulatory issues in this new area of their business.

When ServiceMaster acquired Terminix, Charlie saw even more opportunity. He was willing to "bet the egg money" and, along with other key leaders, took on the personal risk of acquiring an equity interest in the future of the firm as part of the commitment to help ServiceMaster continue its growth.

What makes a person spend more than forty years thinking about how to kill bugs—all with the same company? Charlie has seen momentous changes in the firm of his initial employment. Why didn't he accept one of the many offers that came from other competitors? Why didn't he leave when E. L. Bruce sold Terminix to Cook Industries, or when Cook Industries sold the company to ServiceMaster? And why is he still working today, when he could have retired comfortably after his stock earnout provision was vested?

The answer lies partly in Charlie's commitment to the people of the firm. He says, "The commitment to a company and its people is almost like the marriage commitment. Actually, you might say I married into Terminix. When I first came with the company, I went through initial training with the manager of the Memphis office. Since I was new in town, he invited me home to Sunday dinner. It turned out he had a beautiful daughter whom I promptly fell in love with. Frankie and I got married a year later while she was still in high school. In fact, I signed her report card in her senior year. So I was committed to Frankie and to the firm. And those commitments have only grown stronger throughout the past forty years."

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But Charlie knows that commitment works both ways. Along with the commitment of the individual to the firm, there also must be the commitment of the firm to the individual—a commitment that continues to provide opportunity, understanding, and growth. Charlie says that his commitment and faithfulness to the firm have grown because the firm, through all of its changes, has continued to provide the environment in which *he* could grow. "I was always given broad areas of responsibility in which to serve and was recognized and rewarded for my work," he explains. "I think I helped to interpret the route of the firm's success. And people in the firm always thought something of me as a unique person. They cared about who I was becoming and didn't just focus on what I did."

Charlie Hromada is part of the grand orchestra of ServiceMaster that keeps producing a symphony of results. People are playing different instruments with different parts, but when they perform together from the same musical score, they produce beautiful music. They produce value. They are in the process of discovering who they are and what they want to be.