

Integrity, Growth, and Connecting with Customers - By Mark Hamister

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More Lessons from the Early Years of The Hamister Group

In last month's 'Never Give Up' article I recounted a number of important lessons that I learned before age 18. As The Hamister Group's 30th anniversary continues to approach, I would like to resume the narrative with more anecdotes from my early years as a manager. I hope that these personal illustrations will benefit both my co-workers and colleagues and that they will provide further insight into our company's philosophy.

In college I learned about integrity. Rochester Institute of Technology (RIT) is a co-op school, which means that sophomore, junior, and senior students alternate each quarter between taking classes and working in co-op jobs. I didn't like any of the co-op opportunities that were available as I started my second year, so I proposed a new initiative to the College Board: the creation of shops in the empty tunnels underground campus buildings. We didn't have enough retail stores for students to purchase reasonably priced supplies and the college had plenty of unused space. I drew up plans for an RIT student co-op, which would install and run shops inside the tunnels. RIT accepted my proposal and members of its Administration participated in the Board of Directors. The 'Tunnel Shops,' as they were eventually called, were highly successful. They included a record theatre, a sundry shop, a mini-market, and a stereo equipment store. There was also a poster shop with a pure white sand floor and black lighting that made our products look fabulous. The problem was the cheap posters looked terrible as soon as the students hung them up in their rooms; our excellent presentation was misrepresenting our product. We realized that the only honest and right thing to do was to refund payment for returned posters and close down the shop. This was my first memorable lesson as a business manager: while companies should present their products in the best light possible, they should not disguise the truth.

In 1977, while I was working as Administrator at a Rochester, NY adult home, I bid to purchase Bramour, a 77-bed Rochester area assisted living facility. The approvers for the purchase were the Fathers of Mercy, a Roman Catholic Church group that still held the property's first mortgage. My two partners and I drew up a full written proposal. I was assigned the task of delivering it to Father Luigi, the representative of the Fathers of Mercy. I expected that I would drop off the proposal, chat for a few minutes, and leave. I certainly didn't expect an interview. Father Luigi welcomed me into his living room, graciously accepted the expensive bottle of Italian wine I had brought him as a gift, put the written proposal aside, and asked me to sit down.

We talked for two hours, during which he grilled me on the facility, my intentions, and my financial knowledge. That elderly Italian priest knew more about money markets than I did. At the end of the interview I asked Father Luigi when he would make his decision. He paused and looked at me for several minutes. Then, without having read a word of the proposal, he said, 'how about now?' He sealed his approval with a handshake and told me to have my attorney contact his about the paperwork.

In shock, I asked what made him decide so quickly. His responded: 'This isn't about the property. This is about whether you are an honest person who knows what he's doing.' From Father Luigi I learned to trust my intuition during business deals. Facts were certainly important to this gentleman, but what mattered most to him was his gut instinct and the values of the person with whom he was doing business. I try to remember his example during all major business deals.

With Father Luigi's approval, my first company was created on June 1, 1977: 8678 Lake Street, Inc. The optimistic foundation of 8678 Lake Street was followed by 3 stagnant years, during which my partners and I managed the facility as best we could, but without any progress toward acquiring a second adult home. I was still working full-time at another adult home and trying to manage Bramour during evenings and weekends. I finally came to the realization that you can't grow a company on a part-time basis. If you truly want to run and expand your own business, you've got to risk leaving your present job and devote yourself full-time to the new company. After I quit my day job, we acquired 2 Florida skilled nursing facilities in just 2 years. By 1988 we had a total of 12 facilities throughout the east coast.

In 1990, the Administrator of one of our Florida nursing homes was sent to the first Persian Gulf War by the Army Reserve. During the 1980's I had been so involved in mergers and acquisitions that I had become disconnected from customers and front-line staff. So I saw the Administrator's deployment as an opportunity to get out of the office and back into the field.

During the six months I served as Interim Administrator I ate all of my meals in the facility with the residents. They greatly desired an improvement in the mediocre food and, since I was then experiencing it for myself on a full-time basis, I agreed. Amateur cooks have difficulty producing large quantities of food, pay little attention to presentation, lack variety, and do not produce sufficiently tasty meals. Our company had experimented with the idea of hiring chefs instead of cooks, but we had not yet determined whether we should make it a company-wide policy. Engaging chefs would mean a \$50,000 payroll increase per location, since sous-chefs would also have to be hired for the head chef's days off. We decided to hire a chefs and sous-chefs for that Florida home. The difference was dramatic: previously indifferent meals became outstanding. Customer satisfaction went through the roof. We subsequently required all of our facilities to hire chefs. As a manager, I had a personal re-awakening concerning the importance of direct customer contact. I might have delayed that decision for months or years if I had not been able to directly witness both a deficiency and its correction. When you are in direct contact with your customers and front-line co-workers, you gain an insight that you never could have had while sitting in a corporate office.

During my tenure as Administrator I also learned about the importance of small efforts that brighten our customers' lives. One evening, after eating dinner with the residents, I didn't feel like going back to the hotel. I started walking the halls, talking to residents. I had had many conversations with residents before that, but only for a few minutes-too short a time to really get to know someone. I got into a long discussion with one lady, who told me that she had been a stage performer in the 40's in Buffalo. She had acted in 2 plays at Shea's Buffalo Theatre before getting married and having kids. Since I was on the Shea's Board at the time, I asked someone to search the archives for any mementoes of those performances. Sure enough, we found an old playbill with the resident's name on it. I had it framed and presented it to her and her family. She was ecstatic. It was the only thing she talked about for months afterwards. By making a phone call and spending \$10 for a frame, I had made this lady's year-and mine, too. This is why I always encourage my staff to do little things that will make a customer's day. A small effort can mean the world to people.

To be continued next month.

Click here to read the first part of the narrative: ['Never Give Up' and Other Lessons Mark Hamister Learned Before Age 18.](#)

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