



Ruminations On What makes Businesses Succeed (as if a lawyer knows!)

Insights

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This post is personal, and as the introduction to DVD's state ... this post does not reflect the views of FP, etc. It's a labor of love, and also a reflection of my conviction that safety is inextricably intertwined with broader HR issues.

I'm typed this while flying across the Atlantic to South Africa and Zimbabwe three nights ago. That's not a relevant fact to this post ... I just wanted to type the phrase. My normal post would start out, "I'm cooling my heels in the \$%#! Newark Airport." Pretty prosaic stuff.

The point is that I am heading to Africa with my newly graduated son, who has become pretty much my best buddy ... well along with my charming wife, companionable daughter and Labrador retriever. But you get the point. This trip is a bit different, and therefore, I am going to intersperse my usual law-driven posts with some personal observations about why employers experience problems.

I am fortunate to have quite literally grown up in the family businesses. When my dad left Corporate America to start his first business – trucking – he had little money so he wisely leveraged his human capital ... he “hired” my whip-smart mom, whose no-nonsense mathematical mind so complemented his Irish exuberance and entrepreneurial talents. So I stayed at the terminal most nights until 8 or 9 when mom finally tiredly drove home. Don't feel sorry for me. I actually saw more of my parents than most kids, and I observed them in the real world. As I grew older, I began to work in the terminal and then rode my bicycle to the newly opened McDonalds and persuaded them to hire me “underage,” which foreshadowed my eventual “flexible” approach to rules and bureaucracy. I thought that was what every kid did ... get a job. After two summers in fast food, I explained to dad that “the worst job you have is better than chopping lettuce.” (Due to my incompetence, I never advanced to “grill,” the embodiment of teen *studliness*.)

At 14, I started work in our wire rope rigging shop working with 1000 ton (unguarded) presses, cutting torches and lots of other stuff way cooler than washing dishes. The OSHA Act was brand new, so we didn't worry about things like PPE, respiratory protection when pouring lead sockets, or prohibiting employees from packing 44 magnums at work. Say what you will about OSHA ... it was needed!

Bear with me ... there is a reason for this wool gathering.

Unlike some lawyers, I was blessed to learn how the real work world functions ... and I grew up around decent working people who can never simply be “FTE’s” to me. Not what you expected from a management labor lawyer?

A few observations ...

“Small business” ways apply to big business. Regardless of changes in technology, regulation and the products and services provided, certain concepts remain immutable. In “small business,” every employee knows that resources are not unlimited and that money wasted comes “out of the family’s pocket.” This attitude is even greater among management. You weigh expenditure and you are responsible about how you perform your job. The most successful man that I count among my friends built a \$9 billion a year business from nothing by running the business with “common sense” responsibility. There are problems because a small business model tends to go off the rails when you start measuring profits in the billions, so you have to “evolve.” Nevertheless, “big business” can learn a lot from “small business.”

Never get too big for your britches, or as dad explained, “Pigs get fat and hogs get slaughtered.” By the time I entered law school, our family was living a nice lifestyle, but I grew up in an environment where my parents delayed self-gratification. I remember mom and dad once having to choose between paying the home or terminal electric bill, and they chose the terminal bill. Good thing it was spring. Although my brother and I never suffered, I recall mom and dad returning their Christmas presents for each other to make payroll one year. However, I also recall my shock in law school when mom and dad bought a 57 foot Chris Craft boat and I realized that wow ... they’ve done pretty well!

Most of one’s employees are good decent people, and as a manager, you have a responsibility to them. Let me make this more practical. Everyone pays lip service to respecting blue collar folks, but like politicians and academics, they may not actually want to brush shoulders with them. Fair enough; maybe a PhD does not have a lot in common with a truck driver. However, one must still appreciate one’s employees as real life decent people ... even when you want to strangle them. My dad died when I was 26, and my mom, his true business partner, continued running the companies. Mom had no desire to go home, so she always worked late. She noticed that at least two employees always hung out at the warehouse, carried her huge briefcase, and walked her to the car. When she confronted them, they confessed that the drivers had drawn up a schedule so that “Miss Betty” would never work late alone. How can I ever feel superior to employees after growing up with such people?

As a side note, my dad was a fierce employer and expected performance. He even fired me twice, which is pretty bad. Lots of sons get fired by their dads, but ... twice? And my mom was even tougher. Despite dad having fought in two wars and been a POW, there was never a day that I didn’t fear mom more than dad!

My point is that if you really want to be union-free or avoid charges and lawsuits, you have to approach your workers with what can only be described as down home common sense and a sense of tough fairness. But don't be reluctant to demand performance or to discipline and discharge employees. Far more labor law issues arise from not terminating employees than from terminating too many employees. To be candid, I'm not really a wise person to cross either, which is one reason I am so protective of my clients. Dad would have been the same way.

As an add-on, I wanted to learn more about how to support South Africa's efforts to raise its black, colored and Malay majority to an equal quality of life with the whites. I spent time today in several "Townships" with a black entrepreneur, who showed me thriving neighborhoods of people trying to get ahead. People were friendly; kids were clean-cut and in uniforms from school, and bitterness and a constant attitude of blaming apartheid were not present. Sure ... there are some hell hole shanty towns, but even those sites are not what you may think. I doubt that I could behave so honorably.

My point? If folks in this harsh environment can step up and seek to improve themselves, we have no justification in the U.S. to say that we cannot get employees engaged.

Thanks for indulging me. I'll discuss more lessons I learned from mom and dad in future posts and add observations gleaned from my 29 years of practice about how employers get in trouble. In fairness to our safety-driven theme, I may post them on my other Blog, howardmavity.com.

Howard ... *Bill and Betty's son*