

## Service: Invest in Your People

I have a house in Boston, and it's only about a block or so away from a 7-Eleven. The 7-Eleven was pretty shabby when I first moved there. And to the everlasting credit of the leadership of 7-Eleven, they decided to really spiff up all or some of their stores, including this one that is my store, almost literally, next door.

I obviously don't have access to their financial records, but I wasn't born yesterday and I've done a lot of projects, and so I'm guessing that in this small space they spent about \$500,000, probably, doing the upgrade. And the great news was the place looked a lot better when they had finished, comma—and there is a comma—when they had finished, what did we have?

We had a terrific-looking place, same phenomenally crappy attitude on the part of the staff. At some level, I think it was a step in the wrong direction. That is to say, if you had an awful store with awful staff, you could say, "Well, I would be awful, too, if I lived in an awful place like this." But if you have a wonderful store with awful attitude, you've got to say, "It's awful attitude."

So my point is, as far as I am concerned, 7-Eleven took \$500,000 and flushed it down the toilet. Now, here is my command—not that I have any power at all—to you. You all, everybody who's watching this, has a budget, and in almost all budgetary processes at some point the budget is locked down, not forever, but at least for now. So here's what I want you to do: Lock your budget down, and then you take one last step before you submit it. You go back to the budget and you cut your capital expenditures by 25 percent and put that damn money into people.

Everybody can get turned on by a physical renovation of a store. It looks good; you can take photographs of it. But what about the attitude stuff? What about the money that goes into hiring? What about the training, what about wages, whatever it is? And so, literally, do your budget, lock your budget down, and cut the cap ex by 25 percent and pour that money into people, damn it.