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Hard work, God and Carl's Jr.

By: *Flor Palacios*

In 1984, I immigrated to Los Angeles from Honduras. Next month, I will pay off my home in Santa Clarita.

The American Dream is not dead. My first job upon arrival was working at the salad bar at Carl's Jr. I spoke no English and earned \$3.35 an hour. Little did I know at the time, I'd spend the next 28 years of my life with that company, moving through the ranks of crew person, assistant manager, general manager, district manager and finally director of operations for the Los Angeles market. I finally left to take a senior management position at Blaze Pizza in 2014.

My success would not have been possible without Andy Puzder, the CEO of CKE Restaurants (Carl's Jr.'s parent company) and U.S. labor secretary nominee. He saved Carl's Jr. from looming bankruptcy and instituted an employee-first workplace culture that allowed it to thrive. As labor secretary, he would replicate this success across the country.

Like me, numerous CEOs and leaders of our nation, including President Barack Obama, used entry-level restaurant jobs to enter the workforce. Restaurant jobs are one of the few employment opportunities available for those with few to no skills but a willingness to work. And restaurant employees aren't without skills for long. They quickly learn customer service, cooking, custodial and accounting skills, among many others.

Don't take my word for it. According to a recent national survey by polling firm CorCom Inc., 90 percent of CKE employees agree they learn valuable, marketable skills on the job. Research shows that roughly two-thirds of such employees earn a raise within their first year on the job.

More important than technical skills are the soft skills restaurant employees learn. These include teamwork, customer service and confidence. Research by economists at the University of Virginia and Middle Tennessee State University finds that those who pick up these skills early in their careers have lifetime earnings that far exceed their counterparts.

These skills not only improve professional lives, but also personal lives. When I started my career, I was so shy I couldn't

make eye contact. Now I'm able to stare down anyone.

As my skills grew, so did my job title. Yet, my success contrasted with the failure of the company. In 2000, after a series of corporate mistakes, CKE Restaurants' value had dropped to roughly \$200 million. It was saddled with \$700 million in debt and was on the verge of bankruptcy. It was at this point that Andy was named CEO. His reforms rapidly increased the value of the company, so that when it was bought in 2010, the sale price was about \$1 billion. Its value has only grown since then.

How did he do it? By investing in his people and constantly working to improve the company's human capital. His philosophy was that if you take care of your employees and franchisees, they will take care of the customer, which will take care of the bottom line. It's a refreshing approach that is in short supply in today's corporate world.

In practice, this meant various scholarship programs, college funds, management training programs and business development seminars promoted by Andy. Many of my colleagues and I took advantage of all of them. My management degree, which has allowed me to succeed at the highest levels of corporate America, was paid for by CKE.

Andy's approach also meant a focus on growth, meaning new products, locations and marketing. Though growth is often derided as a strategy that doesn't help regular workers, it created thousands of new opportunities for employees like me. Such an employee-centered growth model with an appreciation for the broader value of entry-level jobs is exactly what the country needs on a grander scale. Roughly half of 30-year-old Americans now earn less than their parents, suggesting that my success is becoming the exception, not the rule.

I went from living in the housing projects to living in one of the most desirable places in the country. I have God, Carl's Jr., Andy Puzder and my own hard work to thank.

Flor Palacios worked for CKE Restaurants for 28 years and is currently in a senior management position at Blaze Pizza.