

# Why The CEO of IHOP & Applebee's Says There is No Substitute For Hard Work & How He Leads Different Generations At Work

00:00

Hey everyone. Welcome to another episode of great leadership. My guest today is John Payton, the global CEO of dyeing brands, which is the parent company behind I hop, Applebee's and fuzzies. Taco Shop. John, thank you for joining me.

00:15

Thanks for having me, Jacob. I'm looking forward to talking. Before we get into all the fun stuff that I want to talk to you about today, can you give listeners and viewers a little bit of context about the company in terms of how many employees do you guys have how many locations just so people can get a sense of the size of the business? Sure. So like you said, dime brands is the parent company in specifically the franchisor. Of of Applebee's, IHOP, and fuzzies taco shop, both Applebee's and IHOP. Each have about 1700 restaurants, for a total of about 3500 3600 restaurants in the US and in 20 countries around the world. fuzzies is earlier and it's in its incarnation. So it's got 150 restaurants, mostly in Texas and in the middle of the country. So it's a growth brand for us. For those who don't know, fuzzies is a is a great taco. It's all tacos, and it's fantastic. And so we're a franchisor, right, so we have over 300 franchisees who own the restaurants and whose team members are their employees. So at dine headquarters, we have 600 team members among the brand teams, and then technology and HR, the things you'd expect. And then there are over 100,000 team members who work in all the restaurants for our our franchisees across the country and around the world. Yeah, massive organization. And then in terms of revenue, are you able to share, like, what's the annual revenue for the business?

01:49

So the revenue for dine brands, the public company, is the royalty fee revenue that we we receive from our franchisees, and that's just about a billion dollars. Wow, you know, this system wide, the restaurants generate, you know, billions and billions of dollars in sales that for our franchisees, yeah, yeah, just wanted to get make sure people have a sense of the scale. So billions and billions of dollars, billion dollars just in kind of a franchise revenue over 100,000. Team members, so massive, massive organization, with employees around the world.

02:24

I was curious how you actually got into the CEO role at dine brands, because you have a very interesting career, you came from a very

02:32

diverse area, right? You weren't Starwood before that you were at PwC. Early on in your career? How did you end up as the CEO of dine brands? Can you share what that career trajectory was like? Sure, well, it certainly wasn't because I had a plan. Or there was a path that I had set and, and I didn't even have the goal years ago of becoming a CEO. And so you know, I was I was an English major in college, undergrad, I purposely avoided anything to do with business. You know, I went to the I sort of had a chip on my shoulder because my, my father was a the first graduate of NYU MBA class. Wow. And you know, he was a stockbroker in New York. And he was all about business and a firm handshake and making eye contact with his business associates. And so I purposely went the other direction. And then when I graduated, I went to PwC. And consulting, I was there for 10 years, first in bankruptcy consulting. And then in just general management, strategy consulting. And at about the 10 year mark, we had a two year old, and a baby on the way. And the consulting model back then was out on Sunday night back on Friday night. And my wife sat me down one day and said, We all need to live in the same city that we actually work and live in. And so I really was looking for a job, because I needed to leave PwC in the consulting lifestyle. I found Starwood Hotels, and Starwood Hotels, which was acquired by Marriott in 2016. But I was there for almost 20 years, Starwood with Sheraton Westin W, St. Regis, you know, 13 brands overall. And I was hired, as consultants typically are to come in and be an internal consultant. Right. And so at the time, Starwood had just been created in 1999, when I went there, when Barry sternlicht, who had a REIT that owns many hotels, and he in a very bold move at a very young age, which is a whole other leadership story, you could tell. He bought Sheraton and Westin in two separate transactions, and created a third rival hotel company to Hilton and Marriott in terms of size overnight. And so I got there about a year after Starwood was created. And as you can imagine, when you put three companies together like that, there's a lot of process chaos and things like that. And so, the loyalty program at Starwood was called

05:00

Starwood Preferred Guest. And if you think about back in 2000, before the digital age that we have now, when you enrolled in the program, we sent you a beautiful kit, like the size of a shoebox, and you open the package and your your loyalty card was in the box, beautifully wrapped. And the box cost something like, you know, \$8 to produce and \$4 to mail. But because our processes weren't there, we would send you a box every week, week after week with your card. And then because we didn't have to turn it off. So I got hired because of my process background on boxes to people nonstop. Yes, you know, that's an example of the kind of process issues we had. So I came into work on a lot of the products. Yes, it is right to support our marketing programs and things like that. Okay. And over the years there, I had operating roles and marketing roles and finished as cmo

05:55

and a lot of interesting stories about how I got into different roles at Starwood along the way. Perhaps we'll come back to that later in the in our conversation. But when Starwood was purchased by Marriott in 2016,

06:08

I had kids who were still in school. The good news was Marriott offered me a job the bad news was it was in DC, and I wasn't ready to move the kids you know, in high school to a new location. So I I looked for a job I ended up at Realogy now called anywhere, and it is the largest franchisor and owner

of residential real estate brands so century 21, Coldwell Banker Sotheby's Corcoran, and others. I ran the franchise group there. And the Franchise Group was one of four divisions at Realogy 2400 franchisees in the US and around the world, 100 countries, and the Division I ran there was about the same size, the Dinah's and so that was really the stepping stone. So when I when I got the call for Dine,

06:55

it was a no brainer. I've read I got to go back to hospitality, which I really missed.

07:00

I got to be a step up, be first time CEO and that was the you know, the right size company. decision for us was, yeah, and the big decision for us. Jacob was moving to Los Angeles, because my wife is from New Haven. And I'm from Philadelphia. And we've spent our whole lives in the Northeast.

07:18

But our kids were finally out of school, I had a junior and a junior in college and one who graduated. And we went to the kids and said good news is there's this great opportunity for me. Bad news is it's in LA. And my obnoxious son said, You've got to take this job, dad, because you and mom are slowly decaying in Connecticut. And then on a Sunday things. Yes. And he said you take the same walk around the neighborhood every day, complaining about the same trees that the neighbors have been cut for 10 years. And the two of you need to be repotted and refreshed. And he was right. We're having a good time in Los Angeles. We're in LA, are you?

07:59

Studio City in the valley? And our headquarters is in Pasadena? Oh, well, I You're not that far from me. I'm probably 2030 minute drive from you.

08:08

Oh, great. Yeah, could have done this in person. So for people who are watching and listening, just to give people a bit of context, towards the end of the show, we're going to be talking about managing expectations at work. So we're going to be talking about a lot of really interesting things there. In terms of, you know, why work in the office, so why it's not a good idea to just work 10 months, and then keep switching roles, why thank you notes, after you go for an interview are important, a lot of these expectations that we're not, that are thinking about and talking about anymore. So we're gonna go through a bunch of those later on. You mentioned something interesting, which is that you were an English major, and that you kind of went the opposite direction of your dad. And I hear a lot of people and even my wife and I had been talking about this. And online, even a lot of pundits are saying, oh, you know, it's, it's not worth if your kids want to go to college, it's not worth to fund college education. If they're going to go into literature or to art or into any liberal studies programs, you should really only be funding their college education, if they want to go into STEM or if they maybe want to go into business. And even my wife and I were debating back and forth. We're like what happens if our if our kids say You know what, I want to be an artist and I want to go to art school or I want to be a writer and I want to just get a master's degree in literature. Do you think that and obviously you got a degree in literature and you became very, very successful writer, an English major?

09:30

Is there still value in non stem and non business related fields? Like would you give if you had a child who said they wanted to be an artist, or become a writer? Would you be okay with funding that kind of a college education?

09:45

100% I feel strongly about a liberal arts education today, as I did when I did it 30 years ago, for a couple of reasons.

09:57

When you're majoring in English or history or philosophy

10:00

For your religion or political science,

10:03

you have your your reading, for example, great works that if I had gone to college and been an accounting major, you know, I wouldn't have read The Iliad, I wouldn't have taken three Shakespeare classes. And so you learn a lot about civilization, the world, humanity, through literature, and through history, and through politics and through religion, you learn to write, you learn to think critically, you know, one of the one of the things that I noticed early on when I got to PwC, is I didn't really know anything about accounting or finance, because I was in a program with PwC, hired a few liberal arts majors a year, which is the way I got in. And so I had a lot of makeup learning to do. But the way I wrote was noted all the time by people who were senior to me, in that I could express things, you know, clearly, concisely, convincingly, persuasively. And so, absolutely, I mean, the one tweak I've made to the advice. So for example, my son who just graduate from college, was an English major. And my advice to him was, combine that with something that's a little bit more quantitative, and a little bit more business related, because there is an expectation from employers that they may not be as some of them may not be as embracing of liberal arts as in the past. So he double majored in English and econ. And I think that's a you know, a terrific combination. And if one of my children wanted to be an artists, that's fabulous, right, you got to trace chase your dreams and and do what makes you happy. You don't have to be in, in business. Today happy I combined psychology and economics when I went to the University of California Santa Santa, so similar similar mix.

11:40

I also read the you, one of the pivotal moments in your career was when you got a bad performance review. And it actually reminded me a lot of what happened to me, I didn't get a bad performance review. But I after joining my first job out of college, I was promised I'd be doing all these really amazing and cool things and traveling the country and meeting with entrepreneurs. And mind you I double majored graduated with honors, I worked really, really hard and thought that I was going to make a difference and climb the corporate ladder, get an MBA, do all that kind of fun stuff. So I take this job and a couple months in I'm just doing data entry and cold calling and PowerPoint presentations. And the pivotal moment for me was when the CEO told me to go get him a cup of coffee. And it wasn't quite a

bad performance review. But it was a very pivotal moment. For me that was like, Wow, this, this is what corporate life is like, I this is what I'm destined to do for the rest of my life. And it kind of set me on a different path. And it seems like you was there a pivot?

12:37

Did you go in a different direction as a result? Yeah, I had one more full time job working for another company. And then for the last 15 years, I've been on my own reading and writing books, speaking in a lot of conferences and events, working with a lot of business leaders and CEOs. And it was because I was forced to go get that CEO a cup of coffee that I went off on this other path otherwise, I honestly I don't even know if I were still in the corporate world what I would be doing now.

13:01

I have no idea. But I bring that up. Because it seems like for you, you also had a pivotal moment like that. Not getting a cup of coffee, but getting a bad performance review. Can you share a little bit about what happened?

13:13

Yeah, so to give you a little bit of context, Jacob, so

13:18

at the time, NYU business school in New York, had a MBA program for liberal arts majors. And the way that program worked was you had to be simultaneously admitted to the program at NYU, and sponsored by one of the 10 companies that participated in the program. Okay, so it was was the accounting firms, the banks, that consulting firms, so PwC sponsored me to be in the program. And I was in a program with at liberal arts majors. Doing the MBA program at the same time that I was working at PwC was very rigorous, because it was full time school and full time work. And the way PwC ran the program was the first two years we all had to be in the audit practice. And then and then they moved us out to consulting. So it turns out that I am not a good fit for audit, at least certainly wasn't when I was 22 or 23. And so I think a combination of being really uncomfortable because I was three months out of college, I've only taken two accounting classes, and I was on an audit along with accounting majors who'd spent four years studying it. I also was not particularly mature when I was 22 or 23. And I didn't take the job seriously enough. My lack of accounting skills was evident. I probably was a little too leaned into humor and sarcasm to make up for my insecurities. And so I got and I still have them, by the way, handwritten because reviews were handwritten back then. I still had I got two really, really bad reviews back to back and I reread them recently and and PwC used to have a box where your supervisor would say you have to check. I will work with this staff accountant again.

15:00

I will not work with the staff again and again. And he indicated please do not give me John again. And so after those two, you know, that was a wake up call for me. And it wasn't so much the pivot about I need to go leave this job. It was the pivot about, I'm an adult, now I need to take both feet out of college, I can't have one foot in college and one foot in the real world. And if I'm going to be successful, I have to take this seriously, as as long as I'm doing it, right. And that, that helped me sort of do a mind

shift. And ultimately, I switched to consulting, which was a much better fit for me than audit was interesting.

15:39

And it's crazy when you think about how different the world of work is now, I think I looked at your LinkedIn profile, you were at PwC was 89. I want to say 8090 9989 99. Wow. Yeah. And then you were also at Starwood for almost 18 years to so long time. And in the interview that I read, I think it was a profile in the Wall Street Journal that was written about you, when they talked about the bad performance review. What, how did that actually because a lot of people get bad performance reviews, right? I mean, and oftentimes, those bad performance reviews can either cripple us, where we just become a shell of our former selves. Or sometimes we can take that kind of information, and we can use it to propel ourselves and do something else. So when you got that negative feedback, what was going through your mind? How did you avoid getting into the doom and gloom scenario of like, well, I guess I'm just not any good to channeling that and eventually becoming the CEO of nine brands.

16:43

I at the time, you know, I'm enjoying the question, because it's asking me to really go back in time and try to remember to get back in my head at the time, at the time. I, I, my, I think I really had a fear of being fired. Yeah, right. And so and, and I, you know, I mentioned that we all have, we all have our origin story, you know, and my origin story is about a very

17:07

strong father, who had very, you know, views about what I should be doing and how my grades should be and all that. So at the time, and this is not healthy, but it's the truth. I think part of it was just being afraid of telling my father that I got fired from my first job.

17:23

And, you know, we can talk about all the therapy I've been in since then to get past that. But however, I, I think I really had a fail a fear of failure. And I didn't want to be a failure. And so that was my motivation, which was,

17:37

I knew I was probably smart enough to figure it out. But I needed to focus and it was really, it was really the, you know, the kick in the butt that I needed, you know, the other. The other thing that I learned from it, looking back on it years later, which I often share with, with, you know, young people starting out today is that, you know, when you're in college, if you get an 80 or 85, and you get a B, you live for another day. Yeah, right. That's, that's, it's good enough, if you wanted to be good enough. But when you're when you're at work, right, and your whatever it is you're doing, whether you're programming, or you're auditing, right, or you're, you're you're you're entering copy into websites, and digital, if you make a mistake, and it's not 100%, you've you've it's just it's pass fail, you know, you failed the client, you failed your employer. Yeah. And so, work, you've got to be 100%. And I didn't understand that. Yeah, I love that you bring that up, because I have a new book that's coming out. Or by the time this episode goes up, it's actually out, I just got it yesterday called leading with vulnerability. And I talk a lot about that, because vulnerability in our personal lives is not the same as it is at work. And too often, the you

know, the story that I always tell people is, it's very vulnerable, if you're at work, and your boss gives you something to do, and you go to your boss, and you say, I'm really sorry, I messed that up. But if for you that's vulnerable, but for your boss, for your leader at the time, they're not thinking like, Oh, it's okay, they're probably thinking like, and, like, at the end of the day, we still have a customer that needs to be served, we still have a problem that needs to be solved. And so the whole concept of leading with vulnerability is, don't just show up to work all the time and be vulnerable, but sprinkle the leadership in there. So if you make a mistake, talk about what you learned from the mistake, talk about what you're going to do to make sure it doesn't happen again, let your leader let those around, you know that you're trying to close that gap, and you're trying to get better and learn and grow. Because to your point at work, it's a different dynamic. You have customers, employees, deadlines, you're being paid. There's a hierarchy there. You can't just show up and keep saying I need help. I'm sorry, I made a mistake. I don't feel good at certain at a certain point. You have to do what you were hired to do. And so I love that you mentioned that, like, You got to get it done. At the end of the day. That's what the customer cares about. That's what the employee cares about. And it's funny because that's right. Yeah.

20:00

I would add for the leader, it's also helpful when you when your leader leads with empathy. Yeah, right. And, and.

20:09

And that's true, you know, we read a lot about the, you know, the the new generation that's entering the workforce and 20 to 30 year olds, and, and, and that they're motivated differently than I was right. So like I said, I had this fear of being fired. And, you know, I want to be a partner at PWC. And I'm going to be here for 12 years. And, you know, the, the, the younger generation that's working in business today, doesn't quite have that, you know, that hardwired aspiration that we did. And so it requires of us to be to be really empathetic and understand where they're coming from, and what's important to them. And, and in that example that you gave, right of mess of messing up and going to your boss, yeah, you want to have a solution, you want to you want to reflect back to your boss that you understand why this is a problem. But it's also helpful when the supervisor can put themselves in your shoes and understand what we're asking why, why did you have this problem, what's going on at home, the topic of vulnerability is front and center inside of a lot of organizations today, but should you actually be vulnerable at work? In my brand new book leading with vulnerability, I actually say that you should not be vulnerable at work. But instead, you should lead with vulnerability, the difference. Vulnerability is about exposing a gap. Whereas leading with vulnerability is about exposing a gap that you have and then demonstrating what you are trying to do to close that gap. To figure out how to make all of this happen. I interviewed over 100 CEOs and surveyed 14,000 employees around the world. And I put all of that into my brand new book, which just came out, you can learn more by heading over to [leadwithvulnerability.com](http://leadwithvulnerability.com).

21:53

So does require empathy, though, because I'm curious. And I've actually been talking to a lot of people about this too. To your point, it seems like a little bit of an older generation, the work ethic and the approach to hard work and doing what it takes was just kind of in its how work was done, right. I mean, that's how a lot of people grew up. And then today, to your point, it seems like that's kind of missing.

And I would even go so far as to say it feels like a lot of people don't even want to work as hard anymore. Today, it feels like a lot of people are honestly for lack of a better word, somewhat lazy, it drives me nuts.

22:24

The fact that a lot of people out there saying I want to make a lot of money, I want the pay, I want the benefits. I want the equity in the business. Oh, and by the way, I don't even want to come into the office anymore. Like I hear that stuff. And I'm just like, Are you freaking kidding me? Like, What planet are you on? And so it's even if you look at a lot of social media, right? There's trending themes on tick tock and social media, like the Sunday scaries is if people who are working inside your company are eight years old, right? It's like, oh, I'm, it's Sunday. I gotta go into work on Monday, I'm getting the Sunday scaries. And I like it, it boggles the mind. There's a trending topic called like, lazy girl jobs. There's another one for Mondays I forgot what it is. But it's like easing into the work day. And the more the workday progresses, then the harder you're going to work. If I hired somebody like that, and they didn't show up on Monday, like just ready to kick ass, I'd be like, What the hell are you doing here? What am I paying for, for you to like, chill out on Monday. So part of me, I'm trying to like I get the empathy piece. But then also a part of me is, like, angry.

23:36

Like, trying to figure out how that happened, where so many people are wanting more, but they're willing to put in less. I don't know if you agree with that. But I'm trying to balance that, like, be empathetic with get your job done.

23:57

Yeah. So I don't agree that it's that it's laziness, you know, which is good. The reason I use the word.

24:06

And the reason I use the word empathy is and the other thing I'd say is always had to be careful about

24:14

broad, broad brush strokes. Yeah, you know, generation is lazy, a generation is this and that sort of thing. You know, so I don't think it's lazy. And the reason I use empathy is because,

24:27

you know, every, every generation has, its, you know, the things that have shaped it and things like that. And I think this trend was before COVID. It's not just because of COVID. It was probably accelerated and energized from COVID.

24:41

But, you know, what I find in the, you know, in the 20 year olds and the early 30 year olds is, is the work life balance, which I think was a, at best a cliché.

24:54

It certainly wasn't a really ambition for for



24:58

people who were working in the 80s and 90s.

25:00

but it really is important today, right? And so it's really important to, to young adults and young parents to be fit, to be mindful to spend time with their children and not and not miss three or four dinners and night a week. And so, you know, those are real concerns. And it's a very, I think, admirable, admirable point of view. And what I think is interesting in the workplace right now, is how someone who's 25, and in my case, 56, reconcile those two things. Because the fact that I grew up probably working a little bit too hard or too often. And the people who are joining our company now are very focused on you know, this really, I think, healthy balance of the two is we have to find a way to make it work. And I think that's where empathy comes in. You know, I don't believe it's coming from laziness, I think it's coming from, from prioritizing, prioritizing life a little bit differently than I did 25 years ago. And yeah, I get it. Look, I'm not advocating for people to work 90 hours a week. But at the same time, if you have expectations, by the way,

26:10

I'm okay with that, by the way. Yeah. And, and I get it, but at the same time, if somebody has aspirations of leading a team or a function or a business, to me, leadership requires sacrifice, right? I mean, you look at any great athlete in any sport, and they're never going to tell you, Oh, yeah, I'll man work life balance was so important for me, I just trained an hour a day. And somehow I became number one in the world, right became, you know, a top 100 player, even a lot of the great leaders out there. And so many of them I've interviewed on this podcast, sacrifice more, right? They they put in more time they care more, they put in more effort. And yeah, I mean, if somebody wants to stay an entry level employee forever, if somebody just kind of wants to coast and not make any meaningful contributions, and you want to put in 30 hours a week and all that stuff, that's fine. But, you know, if you're, and you can tell me if I'm wrong, but if you're looking to promote somebody to lead a team or a function, I would imagine that a lot of leaders out there saying, okay, who's here who's like, I had Mark Randolph, the former CEO of Netflix on here. And he was telling me that he would always do 10%, more than what he was asked, because he knew that he wanted to grow, and he aspired to greater things. And so again, I'm not advocating for working 90 hours a week. But at the same time, I'm not also advocating for working 24 or 30 hours a week and wanting to get paid for 40 or 50 hours a week. Right. I mean, I think there is something to be said for putting in the time and the effort that's required, and of course, having to sometimes make the occasional sacrifice. I think that for people to think that there's never going to be a sacrifice, that you're never going to have to be faced with those challenges is totally unrealistic. In the business world. You're, you're you're 100%, you're 100%, right? You know, the, the old, all of the old adages, ring true today, right, be the first one in be the be the last one out? You know, that's advice I give to my kids and to people who are joining the company for the first time. Exactly. Take make make your boss's life easier by taking work off his or her plate, right? Do do more than is expected of you. And that's how you Yes, how you impress? Yes. 100% agree with you. And, and what what I'm talking about in terms of empathy is, if if somebody says, I want to leave at four o'clock to pick up my kids, and I'll be back online at 730, when they're asleep, working until 10 o'clock, I'm fine with that total. I think that's that's the kind of flexibility that we've built into, to the way we work now. You know, and that's

what I think about in terms of in terms of empathy, but when it comes into terms of what, what impresses me as a boss, right, it's hard work. It's going the extra step totally doing the right thing and showing that you're not just ambitious, but that you have, you can actually put your work in your content, your deliverables. Okay, so we're in total alignment there. And yeah, I agree. I mean, I'm a big believer in workplace flexibility. I think the era of just having to work nine to five, five days a week, and missing out on all those important life moments is not a good way to live. And so yeah, to your point, if you want to wake up early, so that you can leave early to go to kids soccer game, you got a doctor's appointment, do what you got to do totally get it. But at the same time, it almost feels like the pendulum has swung too much in the opposite direction, where now, employees are saying things like, I don't even want to come into the office, and I want more and more and more, and I want to do less, less less. And so that's at least where my frustration comes into play, because I keep seeing that. And hearing that to the point. I think there were even a couple of articles that were written one in the Wall Street Journal, which said that a lot of organizations are actually hiring older workers. Now. They're trying to bring them back out of retirement into organizations because they liked their work ethic better. And so it just you know, it's

30:00

just fascinating to see how this change is coming about. And obviously, you have a very young workforce, a lot of people who are working in the restaurants around the world, what are you seeing that they care about the most? And are you seeing any friction between what employees are asking for versus what you as a leader and your teams are willing to offer and give?

30:26

I would say that it's settling down. So you know, the work from work from home work from the office is, is probably one of the bigger challenges that I've dealt with in my career. You know, it's interesting, you know, COVID, COVID was obviously a tremendous challenge. But we were all aligned, right? We all agreed that we needed to keep our team members safe, keep our our guests safe, right, keep keep the franchisees

30:54

open and healthy, accessing the funds, etc. So as as, as extraordinarily difficult as COVID was, we had a mission, right, kind of like World War Two, where the united us, but when I think about one of the tougher business problems, it was this after two to three years of bringing people back to the office. Right. And, and, you know, as well as I do, that there were companies that went completely virtual. Right, there were companies that came back really quickly. You had Jamie diamond, you know, in New York saying, if you want a career at Citibank that will be in the office. That was very clear. Yeah. And I think that's what they rolled that out as the policy right, or do they go back on it?

31:31

I believe that's the policy. Yeah, I believe, I believe so too. Yeah. And so and so, you know, we here at Dine, we were remote. Right. For for COVID. We also then exacerbated the issue because we moved to buildings, as COVID was ending. So we had to go remote again, because we were our lease expired. And we had to build out a new building for six months. And we had to bring people back. And we had a lot of pushback from our team members about coming back at all coming back two days

coming back three days. And we've landed on a version of a three day a week model, which is working really well. However, it took us a year, and several iterations. And a lot of town halls. My my leadership team didn't agree on you know, we had people for no days, people for five days, people in the middle. And this is a decision where there really isn't a right answer, right? It's not a spreadsheet that's going to fit to a finite number. Right. It's not an analysis of a market, it's not writing code for your for your website or your app, you know, this was really an opinion about what is the best thing for our team members, and what's the best thing for our people. And I, I do believe that humans are social creatures, and we are better off together than apart. And at the same time, you know, because of empathy, I do recognize that, you know, people really do benefit from being at home some days, and being able to balance all the things that happened during the day. And so, you know, we've waited about three days, but it's taken a long time to really get everybody on the same page to get managers accustomed to telling their teams, okay, it's going to be Tuesday, Wednesday, Friday, this week, because it's a, it's a whole new responsibility for managers to coordinate when a team is going to be in if my team is in and I need to talk to another team. And I got to talk to that other team that are you going to be in on Tuesday and Thursday. And so that's been really challenging for managers,

33:31

developing you know, what's what's what I think is really interesting is, you talked about companies hiring older workers, when when when we look at our engagement surveys, and we did a lot of extra surveying of our team members around coming back to work, it looked like a barbell, right. So the the younger workers, the younger workers wanted to be in the office, I can come back to why the older workers wanted to be in the office. And that middle cohort of 35 to 50 prefer to be at home more often than not. And it was because they had young families and they had kids, right. And they found it much easier to juggle their responsibilities at home with with work, the older workers were empty nesters, they were lonely at home, they wanted to come back to the office. And the most important thing and it took some time is that the younger workers after 1234 years out of college, were learning they're not getting developed the way they that they wanted to. Because when you first join a company, it's really an apprenticeship, right? You're learning by observing you're learning through day to day coaching and that wasn't happening remotely. They didn't know how to present in a meeting, right? They didn't know how to do small talk at the at the water fountain. And so they really craved the learning how to be in business and be in an office and interact. And so that helped, but it took time to get there. It's funny as you were talking I was actually pulling up the financial charts of a couple banks city. I looked at Bank of America

35:00

Erica, I looked at Wells Fargo, Capital One and then also Citi Group. So guess which bank from all of those had by far have a more superior performance. And I don't know if it's purely coincidence or not, I'm just gonna throw it out there. But when you when I looked at all those banks,

35:22

JP Morgan Chase is the only one that consistently especially over the past year, it had a very steady increase in stock price performance. Whereas none of the others did. Bank of America tanked. Wells Fargo also dropped and has been relatively flat. Capital One also dropped and Citigroup dropped. So, you know, obviously, I don't have like hard data behind it. But it goes to show that maybe there's

something going on there where JP Morgan Chase, telling everybody get back into the office, maybe they're doing a better job of innovating and coming up with new ideas and getting people to work together to collaborate. And they're, you know, they're performing very well, compared to other banks and just other companies in general. So who knows? Maybe there's still time and made it may not Mr. Diamond may have been onto something. Yeah, awesome. Press that you researched all those banks. While I was talking? I didn't think I was giving that long answer so that your stock tickers but I'm also curious, because a lot of people probably don't, don't get a chance to ask this right. I mean, obviously the CEO of a company, what is keeping some CEOs from you like you to just say, back in the office five days a week? I don't want to talk about it. Right. I mean, in some companies have tried, I think Apple has tried, Disney has tried, and they got a lot of pushback. But why not? Or what's keeping a CEO such as yourself from saying, Hey, everybody, we're gonna get back to the office work five days a week, it's gonna be flexible, like, you don't need to be here nine to five every day. But we want you back in the office every day. Why not do something like that? Do you think a lot of employees we just kind of like boycott and riot and you start smashing I have signs everywhere.

37:07

Up be just pancakes hitting in the back of their head? Exactly.

37:13

Look, I think that

37:16

number one, number one, there's a practical concern, right is if if, if a company was to do that, employees have the ability to go find a job elsewhere. Yeah. And so there's the risk, there's the risk of losing talent. So I guess that's the end, particularly when you've got many companies, my former employer, anywhere they know has gone completely virtual. And there are people from across the country, how many people they hire.

37:41

When I left in 20, in 2020, they had

37:46

1000 People at headquarters, and another 1000 or 2000, around the country and around the world. And now they're completely completely virtual.

37:54

They're completely virtual, and they're hiring across all 50 states. Right. So interesting, that can be done. Yeah, that can be done. But what I would say is even more than the fear of losing people, it's, it's my fear, that people's mindset would change. Right? So I want them to want to be here. Yeah, I want them to enjoy being here. I want them to feel like that they're valued, not just for their work, but for their, for their point of view for their diversity for what they bring to the company. And so I think to mandate that at a time, when,

38:28

when it's clearly people's expectations about how they work has changed, would would do more damage to morale and culture, productivity, you know, we can always find someone to replace somebody who quits. But that many people wouldn't quit. But they would still feel like that they don't they're no longer valued as an individual. They're just a cog in the wheel. Do you think when you look at sort of the balance of power today, I mean, obviously, if you look back several years, you'd say organizations had the majority of power? Would you say that employees in today's marketplace? They're the ones who are kind of driving workplace policies and practices, they have the majority of the power in today's business world?

39:12

Or would you say it's like 5050 majority? Majority, the power is an interesting phrase. You know, I, I'm not sure that either. I don't think of it in terms of who's got the power. I mean, there's, there's inherent power right? In, I run the company, right? So I obviously have authority and capabilities and decision making right permissions that others don't have. And the layer belief below me has authority over those below them. So there's always an inherent power right to use that word. But what what has changed over the last 10 years is is the willingness of senior management and companies to listen to and respond to the needs of their team members. So like many companies, we have team member resource groups here. Okay, we've got you know,

40:00

are Black and African American group, we've got our LBGT que group, etc, we've got we've got six of these groups. And we're having conversations company wide, sponsored by these groups that are so frank, and so emotional and so informative, that, that I can't imagine 20 years ago, having conversations like that, at work now and what that's doing to help us build a culture, helping help us walk in each other's shoes, and helping our team members feel empowered, right, even though they might not have power, they feel empowered to sort of drive the way we understand each other and value each other at Realogy. I'm sorry, at Dine, that's what's changed, right is the way in which we've invited team members to be part of the conversation and an influence in our women's team member resource group, went through all of our human resource policies, they studied our maternity policy, and they benchmarked it with other hospitality companies and other companies, Los Angeles, recommended changes to make it better. And we did that because that group felt that they had the permission to do that. Got it. Alright, let's shift gears a little bit. last 1520 minutes or so, section we call a leaders toolkit. And this is where we give practical, actionable advice for people out there. And we're going to be talking about managing expectations at work, which I think is a really interesting topic. So why do you want to begin with this when you think about managing expectations at work you were mentioning, before I hit record, that you have your kids, your kids, friends who are approaching you kind of getting advice. And you were sharing some very simple yet practical things that I honestly I don't remember the last time I've even heard people doing those things. But they're so crucial. So if somebody were asking you how do I manage my expectations at work? I mean, what are some of the things that you're telling people?

41:59

Okay, everybody, my conversation with John Payton continues for subscribers of great leadership plus on Apple podcasts. And in this bonus episode, we're actually going to do a deep dive into how to

manage expectations at work. And as the CEO of a large organization, John is actually going to share some very practical and strategic tips that he has used in tips that he encourages his employees to use when it comes to managing your expectations at work. Specifically, we're going to talk more about career development and self reflection. We're going to talk about leadership skills and problem solving strategies, things like being able to speak the language of the business and why that's so important, along with several other things as well. So if you want access to that bonus episode, it's exclusively available to subscribers of great leadership. Plus, you can do that again on Apple podcasts. And if you want, you can join the community at [Great leadership.substack.com](https://www.greatleadership.substack.com) 40,000 Strong, who are getting access to a weekly in depth guide, an article that I write, as well as a weekly leadership hack that you can use to become a better leader. And lastly, if you enjoyed this episode, please take a couple seconds. Share it with a co worker, a friend appear somebody who you would like to see become a better leader. Thanks again for watching. I'll see you next time.