**Motivational Mondays interview:**

**Paul Damico – *Airing* 05.03.2021**

**Max Irzhak** [00:00:02] Many of you will recognize my next guest from Season 4 of Undercover Boss, as the President of Moe’s Southwest Grill.

But today, he’s the CEO of Global Franchise Group which owns some of America’s favorite brands like Great American Cookies, Marble Slab Creamery, and Round Table Pizza.

With more than 35 years leading the food and hospitality industry, Paul Damico is sharing his secrets to success.

*This* is Motivational Mondays. I’m your host Max Irzhak, and joining us from Atlanta Georgia is Paul Damico.

**Paul Damico** [00:00:29] Good morning.

**Max Irzhak** [00:00:32] Can you share a little bit about your story around how you first got started in the food industry?

**Paul Damico** [00:00:38] I was very intimately involved in my high school career in the restaurant space — my father was the maître d' of the local catering establishment. And I was involved in that every weekend, catering weddings. I started i think in tenth grade as a dishwasher, and worked my way up to prep cook — and so i spent every Summer and most of the year in the kitchen. It’s really how I became enamored with the back of the house of restaurants, and ultimately attended Johnson & Wales university where I got my culinary degree and my business degree.

**Max Irzhak** [00:01:18] You took over as the CEO of the Global Franchise Group in April 2020 — right at the start of the pandemic when there were *the most* unknowns.

I’m curious about *why* you decided to jump into the deep-end and take on this challenge.

And how do you handle the unknown?

**Paul Damico** [00:01:34] It was an interesting time for sure. At that time I was based in Chicago as the CEO of Naf Naf Middle Eastern Grill. And as the pandemic started to get serious, it became evident that we were going to have to completely close Naf Naf Middle Eastern Grill.

While I was being recruited to move to Atlanta, I had spent about a month completely closing down a 38-unit restaurant chain in Chicago and throughout the East Coast and Midwest. And so that was probably the most difficult time in my career to have to layoff 800 employees and mothball a concept entirely. It just so happened that i was being recruited at that time for an opportunity in Atlanta and so i decided to pursue that opportunity, and as i stepped out of Chicago and stepped into Atlanta i was faced with a much larger organization — 1500 locations, in 13 countries across 5 brands, and started to immediately close 800 locations that we had in malls in North America. And so that made closing Naf Naf seem like nothing at all.

And so here I am now as the CEO of this company that is just looking for leadership, and how we are going to emerge once this thing is over — and we always had our eye on the prize which was we’re going to get through the pandemic and we’re going to reopen.

**Max Irzhak** [00:03:15] A lot of aspiring leaders are enamoured by the thought of running a company and being at the top. But many are unaware of the mental stress that comes with that title.

**Paul Damico** [00:03:39] Yeah, the level of stress was something that i had never felt, both while in Chicago, and stepping into Atlanta. People were worried about their health, they were worried about their business, they were worried about their families — and beyond those three things, everything became a distant fourth — but all three of those were in crisis mode i would say. And so I deal with *my* stress by working out, and so I was working out twice a day to try to relieve the stress that I had due to all of these mitigating circumstances. And so I would say that sleep was rare. I would say that I broke out in hives for four months because I couldn't control what was happening around me. And so it was a very difficult time. Stepping out and stepping into the same thing on a much bigger scale.

**Max Irzhak** [00:04:37] How do you motivate your employees?

**Paul Damico** [00:04:43] We start by recruiting the right people. And certainly one of the things that the pandemic did for us was help us downsize and rightsize the organization. You hear that a lot throughout the industry, and it’s not just the restaurant industry… you hear that across the board. And so every organization has in it some underperformers. What this pandemic allowed us to do was really shed the underperformers. And so that is something that we did, at the same time we rightsized the organization. We cut out over 2 million dollars of overhead, and really prepared the organization to be able to move… for a fairly large organization, to start to behave more like a jetski and less like a cruise ship. Because we were still in the pandemic and we didn't know if it was going to go for just another 30 days or another 12 months. Or was it a 2-year gig? And so we prepared mentally and structurally for reaction times to be *way quicker* than they had been in the past. And I think that’s led to our success in reemerging a year later with basically 100% of the operations.

**Max Irzhak** [00:05:52] For a lot of great leaders, there seems to be a single moment that changed the type of leader they would become.

Can you share the story of how your father’s boss helped your family all those years ago and how that impacted your leadership style?

**Paul Damico** [00:06:05] It’s just something that is so vivid in my memory. I’m one of six children, and I'm the third. And my brother that was affected and had his liver replaced, had a liver transplant — I was 10 years older than him at that time, and so to watch my parents how they reacted — my brother was 10 i was 20 and so i was in college, i wasn't home for all of the drama. But when we heard that he was on the list, had a pager — and when that pager went off you had i think six hours to get onto the operating room table. And that was a 5-hour drive from Long Island to Pittsburgh — which was the only place that was doing liver transplants at that time.

And so it was a harrowing time for the family. I don’t know how my brother slept knowing that he’s got a pager, and when it goes off — it’s happening. The family worked on how we were going to get my brother there in time. And so when that happened, my father worked for an aerospace as his major career for 40 years, and when that call came, that was like a miracle. “We’re going to send the jet, you’re going to get on the jet, and 40 minutes later you’re going to be landing in Pittsburgh.” Fascinating stuff for what was now 30 years ago. It’s amazing.

**Max Irzhak** [00:07:41] And how did that impact your leadership style, seeing that your father’s boss went out of his way to provide that jet and take care of his employees like that?

**Paul Damico** [00:07:51] I’ve always felt since then… I call it servant leadership — whether i am the President or the CEO, servant leadership is part of my DNA as a leader. So when i started to see how that happened with my father, this is something that is above and beyond. You don’t ask for it, it’s just given, and someone’s there to help you. And that’s the way I run my daytoday now in the companies that I run. I sometimes think it’s rare to see CEOs that will deliver the coffee to the boardroom for the team, and when the meeting’s over, I clear the table and take out the trash. And sometimes people look at me like “you don’t have to do that.” And i say “i know i don't have to do that, but that’s who i am.”

**Max Irzhak** [00:08:44] Can you explain for our listeners what servant leadership actually is?

**Paul Damico** [00:08:49] For me it’s not just leading the way to do it, it’s behaving the way to do it. You don’t just do it when it’s right for you, and you don’t just do it when it’s managing up through the board or through the ownership of the company. It is horizontal, it is vertical down to the lowest hourly employee. So I’m the one that will go into a restaurant and I will ignore the GM, I will ignore the director of operations, and I will go right to the bartender or the dishwasher — first thing, and ask them how their day is doing, shake their hand, thank them. And then there’s always time to get to the leadership team. So *that’s* for me servant leadership.

**Max Irzhak** [00:09:37] When you were the President of Moe’s Southwest Grill, you had the chance to connect with your employees in a pretty unique way by disguising yourself and going on the show Undercover Boss.

What did you learn from this experience?

**Paul Damico** [00:09:49] The number one thing that i’ve learned is that the people that are involved in running the restaurants on a day-to-day basis are real people, and they have real challenges — *lots* of them. Everybody has challenges in their life, right? They have economic issues, they have family issues, they have personal issues — and some of these issues really started to bubble up. And that’s basically on the show how they find the what they call “the contributors” — the employees that engage with me on the show. And so people should get to know their employees at every level — I think, at a fairly granular level. Because it makes decision making that much easier. When you set a strategy and you want things taken care of, and things don't happen the way you want, there’s always a reason. And if you know what’s happening in the ranks, it’s easier to fix those decisions and course correct on them.

**Max Irzhak** [00:10:48] As a leader at the very top, how do you close that empathy gap between yourself, and the people at the very bottom of your organization?

**Paul Damico** [00:10:55] You hope that your senior leadership team that is overseeing every aspect of the business, and *their* teams understand that empathy is an important factor in what we do if we really care about people. Our tagline here, which really is more than a tagline at GFG is “I love this place”. And people wear that on their sleeves. That's on pillows in people’s officers, and on t-shirts and banners — and it’s not just something we do for an annual conference. It’s something that truly lives, and so when you see an email from an area manager on the West Coast that signed a deal… he goes “I love this place” ... we know what that means. It’s not just something an individual said, it’s said throughout the organization.

**Max Irzhak** [00:11:44] How can more leaders put themselves in their employees shoes?

**Paul Damico** [00:11:48] As students start to emerge and think about finishing their academic career and entering the workforce, I would hope that every student has some form of a mentor that will help guide them in making the right decisions, and becoming more people-focused, becoming maybe servant leaders in whatever field they are. I’ve had many mentors that were also bosses throughout my career, and it’s why and who i am today — I believe that.

**Max Irzhak** [00:12:25] What’s your advice for finding a mentor?

**Paul Damico** [00:12:31] I would start with family members that are in a field, have been somewhat successful in that field. Because that will lead to other people that they will put you in touch with that they truly respect in the industry. It’s hard to actually have a mentor that is a family member because, in my eyes, mentors are the people that you can ask the dumbest question to, and you’ll just get a straight answer — and that rarely will happen with a family member. So you’ve got to start somewhere. So in college or when you’re in your higher education, it can become a professor, it could become someone in the non-academic area of Human Resources. It could be somebody associated with the college that you’ve built a relationship with, and you can take that relationship with you when you leave. And then as you start your career there are lots of opportunities for mentors that you will meet along the way, and you will say i think you will be a great mentor.

**Max Irzhak** [00:13:37] Ideas can come from anywhere in the organization, like we heard on Undercover Boss with Angelisa who shared a really cool idea for a dessert burrito.

As a leader, how do you build a culture where people can feel comfortable sharing their ideas and actually feel like they’re being heard?

**Paul Damico** [00:13:53] Part of it is really your reaction to whatever those ideas are — from employees, from franchisees, or from people within your organization. If the organization looks at you, the leader of the company, and sees a wall, you will *never* have any kind of innovation coming your way from those individuals. If you are open-minded and you have a personality that fosters that kind of outside the box creative thinking, lots of ideas will come to you. Some of them are not going to work within the organization. Angelisa had a fantastic idea, but it just wasn't an idea that could work within the Moe’s Southwest Grill brand. Why? Moe’s is known for not having any freezers in the restaurant — all of our product was fresh there so we never had frozen product. It’s kind of tough to have an ice cream in a restaurant without a freezer.

**Max Irzhak** [00:14:47] I remember reading something about you that I really admired.

You said “I want to be remembered as the person who provided opportunity, and helped a lot of people reach their personal goals.” To me, *this* is the difference between a boss and a leader.

Why is personal development of *others* at the heart of your leadership style?

**Paul Damico** [00:15:06] I care about people, and when you find yourself as a servant leader in a position of authority, decision making, and career opportunities, you have the ability to influence the organization, and the person you’re trying to help. You don’t always get that opportunity when you’re in middle management, right? But when i can take individuals, and put them in roles i think they’d be great at, and watch them succeed — that for me is success, that’s success as a leader.

**Max Irzhak** [00:15:339] Can you share one mistake you’ve made in your career that actually turned out to be a great learning opportunity, making you a better leader in the process?

**Paul Damico** [00:15:48] I have not made any mistakes in my 35 years. I think making mistakes is part of growth, right? And i think it’s like the culture of the company — if there’s a culture of fear of making a mistake, that is a stagnated organization. If the culture is it’s okay to make mistakes, then what a staff meeting looks like, and what team building exercises, and what grand openings look like are two very different things. And when you have an environment where making a mistake is okay, you see everybody's shoulders drop a little bit, you see a little more smile on their face. And there’s no death and destruction around making a mistake. I’ve made mistakes in the past with hires — I've hired hundreds of people in my career. And I would say that there is a couple that I probably made mistakes on, and made decisions to course-correct and wish those people well.

**Max Irzhak** [00:16:58] Many of our listeners will soon be graduating from college and applying to jobs.

When you’re looking for new people to join your team, how would you describe your ideal candidate?

**Paul Damico** [00:17:07] The first thing i look for is personality. Do they have a high energy level is probably key for me. Do they smile a lot is key for me. We’ll get to the academics and how they performed in school at a later date, but I'm really looking for can they engage someone in a simple conversation. Or are they just wound tighter than a drum and don't even want to be there. So for me, it’s about the personality first, the experience and or the education second.

**Max Irzhak** [00:17:44] That’s so interesting. I’ve asked that question a couple of times, and a lot of the responses do circle around personality first, rather than the actual tangible skills that they’re bringing to the role. I’m curious why you place personality above technical expertise?

**Paul Damico** [00:18:01] Because i think for students that are leaving academia and entering the workforce, everybody tries to get their resume to look like something like it’s not, right? If you went from High School and went to 4 years or 6 years of college, and now you’re entering the workforce, I don't expect you to have a lot of experience — because you have *none*. There might be social groups, there might be civic groups, there’s always lots of volunteering. At the end of the day, i see it as our role if we’re going to bring in entry-level people directly out of school, for me, we’ll teach you everything you need to know, but you have to be willing to learn, and you have to have a personality that fits with the culture of the company.

**Max Irzhak** [00:18:42] You’ve worked for quite a few big-name brands like Marriott, Moe’s, and made a huge impact at each of them... what do you attribute your success to? What’s your approach for excelling at what you do?

**Paul Damico** [00:18:54] I look back to my early days at Marriott, and I was always viewed and told that I was a hard worker. I think I learned that hard work *truly* while working the dish machine in restaurants. Nobody ever wanted to clean it, and back then there were more dirty ashtrays than there were dirty dishes because everybody smoked. And i was the one who wasn’t grossed out or afraid to clean it — i had the cleanest ashtrays in the restaurant. And so I always made sure that my dish machine was as clean as the clean dishes coming out the other side. And so i was recognized for being the first guy in, last guy out, always had the right uniform on — no one ever had to tell me. Partly because I had a parent that I worked with and coached me in private when we were back at home about getting there early, staying late, looking the right part, making sure you had your nametag on — all those little things as you're starting to think about what a career is. So it’s an important thing to have a work ethic that really makes you shine in whatever environment you choose to be in.

**Max Irzhak** [00:20:12] It sounds like it’s even more than hard work; it’s actually taking pride in the work that you do.

**Paul Damico** [00:20:18] Sure. Absolutely. And I've always taken pride in everything that I do. For me, nothing is half-assed — personally and professionally.

**Max Irzhak** [00:20:26] What is one final thought you want our audience to walk away with? What is some *actionable* advice?

**Paul Damico** [00:20:34] I think as i think about students entering the workforce, when i left school i think because of the curriculum that i chose — culinary arts and hospitality — my windows were fairly narrow, i was going into the hospitality industry. If i was emerging from academia today with a degree in finance, i could work anywhere, in any industry. And so I think it’s so important that you choose an industry that you have a passion for, and you could see yourself there for 40 years. I know that’s a difficult thing today, especially with millennials who want to change jobs, change apartments every 18 months — I understand it, I have three adult daughters and I'm watching this happen. But you’ve got to go somewhere that you love because if i ever bumped into you and i say “how are things at the company?”, and you don’t immediately spring into action with a smile and say “it is the best decision i have ever made, and i love what i do every day!”, then you’ve made the wrong decision. And so you’ve really got to study the *industry*, not so much your degree. And it’s where you apply that degree that’s going to make you happy, it’s not that degree. Nobody is happy about any degree they ever have. *Where* you’re going to use it, and are you going to love where you’ve made the decision to go use it.

**Max Irzhak** [00:22:05] And if you could go back again and do it all over again, what would you change?

**Paul Damico** [00:22:14] I’ve just made decisions in my career that when opportunities present themselves to me, in hindsight probably should’ve stayed where I was a little more, a little longer. Marriott is probably my biggest mistake. I was there 14 years, loved every minute of it, but got bit by an entrepreneurial bug. You know I was tired of the blue blazer and the red tie, and the wingtips and I needed to go do something a little more hands-on. And I made that decision, and then 3 months later, Marriott went public. And so I left some money on the table. But I was young and inexperienced at that time in those matters. I'm a little more cautious now.

**Max Irzhak** [00:23:01] That’s actually a very interesting take because it’s so different from what we usually hear. People typically encourage others to go into entrepreneurship and follow that bug, but you almost wish you stayed a little bit longer on the corporate side.

**Paul Damico** [00:23:17] Only for financial reasons. I’m thrilled because i would not be where i am today if i did not chase that bug and really get in the weeds and get dirty and get my hands dirty and risk everything. I had the most stable career at Marriott that anybody could ever have, and i had a wife and three young daughters, and i came home one day and said “We’re wrapping it up, we’re going to be moving to southern California, and we’re going to start a restaurant company from the ground up!” And my wife thought i had lost my mind. But listen, it turns out that those 7 years in southern California were the best 7 years of our life — and we raised our kids out there. So everything happens for a reason, and i think that’s important to remember.

**Max Irzhak** [00:24:10] It all worked out. Paul, I want to thank you for showing up everyday, and putting empathy at the heart of what you do. You’re a true role model to all young men and women aspiring to become great leaders.

**Paul Damico** [00:24:25] Max, thanks for having me. It was a lot of fun.

**Max Irzhak** [00:24:27] And a huge thank you to everyone listening today. We’ll see you next week on Motivational Mondays!