

WINTER 2017

# Intouch

*The Official Magazine of NAMA*



*The 2016 Election: The Impact on the Convenience Services Industry*

*NAMA Giving Back*

*Philadelphia Beverage Tax*





11

*CTW 2016: Breaking Records in Music City*



22

*Public Policy Conference*



25

*The 2016 Election: The Impact on Convenience Services*

**COLUMNS**

- 6 A Closer Look with Carla Balakgie
- 8 From the Desk of Dan Mathews
- 10 News & Views with Pat Hagerty
- 37 TechNews Roundup
- 39 NAMA Foundation Updates
- 40 Up Close with ELN
- 42 Up Close with WIN

**FEATURES**

- 19 Giving Back: Five Star Food Service
- 20 Philadelphia Beverage Tax: Top 5 Takeaways
- 29 Spotlight: Advocacy in Action
- 30 EDP & SDP: Class of 2016
- 32 Election 2016: New Year, New President, New Employment Laws!
- 35 The Top 12 Principles of Networking
- 41 Business Marketplace



## Today's Workplace: Five Generations and Counting

Carla Balakgie, President & Chief Executive Officer of NAMA

### The workplace as we know it is undergoing a tectonic shift.

Soon, for the first time in history, five generations will be working side by side:

**Veterans** (born 1945 or before), **Baby Boomers** (1946–1964), **Gen X** (1965–1976), **Millennials** or **Gen Y** (1977–1995) and **Gen Z**, also known as iGen or Centennials (1996 or later).

According to Rebecca Knight of *Harvard Business Review*, whether this multi-generational workplace feels happy and productive or challenging and stressful is, in large part, up to the boss.

During CTW in Nashville, I listened along with many of you to the ideas set forth by Seth Mattison regarding the emerging workplace and workforce. One of those in particular has stuck with me: the juxtaposition of the hierarchical organizational structure vs. the power of an interrelated, connected employee network.

Historically, the “command and control” structure of the traditional org chart has been baked into companies’ cultural DNA. As Mattison noted, that pecking order mentality is reflected even in what

employees say: “We need to run this by the higher-ups” and “We’ll communicate this down the chain to the front line” are among the examples he shared. The implication is that in this model, information is shared on a need-to-know basis, managed and controlled in a vertical system, and ultimately, hoarded as an element of power.

However, Millennials and members of Gen Z do not share that kind of hierarchical orientation. Rather, they seek out networks, interconnected ideas, talent and information from a web of sources akin to the technology and information economy in which they grew up. They value transparency and see power in sharing, not hoarding, information.

According to Mattison, this structure mirrors the worldwide web, which came of age along with the Millennials. This interconnectivity can lead to decentralized leadership, faster decisions, more satisfied customers and happier, more empowered employees. It can also wreak havoc on traditional management processes and cultural norms.

Understanding the strength of networked organizations—and on a broader level, new leadership modalities—will require a change in ethos or mindset and the retraining of behaviors throughout all levels of the organization, particularly the most senior.

“Organizational careers don’t look the way they did before,” says Peter Cappelli, professor of management at the Wharton School and coauthor of *Managing the Older Worker*. “It’s more and more common to see someone younger managing someone older.”

With multiple generations interacting, it’s critical to focus on the inherent diversity of talent and to look at the possibilities

of how it can be leveraged to enrich the company’s performance.

“It’s important to be aware of generational tension — loosely defined as a lack of respect for someone who’s of a different generation from you — among colleagues,” says Jeanne C. Meister, a founding partner of Future Workplace, a human resources consultancy, and the coauthor of *The 2020 Workplace*. “It’s your job to help your employees recognize that they each have distinct sets of skills and different things they bring to the table,” she says.

In a world where communicating and collaborating is vital to success, high performance workplaces will connect people, information, culture and tools in the forms and fashions that elicit the best response from each individual in the ecosphere, as well as the group as a whole. And this may look and operate vastly different than it has in the past.

As leaders, we have the unprecedented opportunity—and significant challenge—to harness the talents and perspectives of five generations. How that is to be accomplished is still unfolding and will require experimentation, failure, adaptation and a commitment to continuous learning about the emerging interconnected nature of human resources. It will also require a commitment in both word and action from the current leadership to embrace this new world order.

I challenge you to shed old paradigms, to begin leveraging a decentralized power base to your advantage, and transform traditional structures and practices to truly come together. Your business will be stronger for it.

Let us know how it’s going and how NAMA can help you. ■



# 5 Counterintuitive Principles That Will Change Your Life

Dan Mathews, Jr., NAMA Executive VP & Chief Operating Officer

It's not easy to be counterintuitive and go against the old paradigms. Yet history teaches us that most breakthrough successes have come from running counter to the prevailing paradigms.

Where would we be today if Bill Gates of Microsoft had believed his own pronouncement in 1981 that "640K of memory ought to be enough for anybody" and stopped pushing the limits of what computers could do? And where would the movie industry be if Harry Warner, founder of Warner Brother Studios, hadn't later challenged the world's preference for silent movies, when he said, "Who the hell wants to hear actors talk?"

You wouldn't know or enjoy the innovations brought to you by Microsoft or Warner Brothers if Bill and Harry had gone along with the conventional thinking, the paradigms of the day. In fact, most of the innovations that are part of your life exist because courageous people challenged the existing paradigms and went in a different direction.

So take a walk on the wild side and try these five counterintuitive principles for yourself, and see if they help you achieve breakthrough performance:

## 1. If it ain't broke, break it purposefully

Conventional wisdom says that if something works well, don't try to fix it.

That's OK until it runs its life cycle, which most things inevitably do.

Recognize the warning signs of diminishing returns — doing more and more of the same, only harder, and watching your results dwindle. A car manufacturer can only ride a model for so long before it has to change models or totally redesign it.

Take the Honda Civic for example. It is one of the world's most popular cars, and it has been redesigned dozens of times since its U.S. introduction in 1973.

The key is not to break things for the sake of breaking them, but to do so purposefully at the right time and in an orderly way. Look for the moment when you begin to experience diminishing returns, which is your early warning to get planning for the next generation.

## 2. Let go of control to gain control

How much control do you maintain over how an objective is accomplished? You gain more control and a high-quality outcome by describing the expected results in detail and letting your staff develop the approaches they'll use to accomplish the objective. This is a fundamental principle of what the world's best managers do (as cited in *First, Break All the Rules*).

Let's suppose you work with a team of six relatively experienced people who are generally familiar with a particular objective. Clearly articulate your specific

**Happy New Year! The dawn of a new year is the perfect time for companies to reassess goals and priorities, to look at strategies with a fresh perspective and to try something new and different.**

**Einstein said it best: "Insanity is doing the same things over and over again and expecting different results." In an industry of entrepreneurs and agile professionals, if you're not consistently cultivating new ideas, innovating product and disrupting business as usual, you won't see growth in your organization. In fact, you may see a decline.**

**Learning to adapt and embracing disruptive thinking can not only change your business for the better, it can change your life. Author Hank Boyer talks about the importance of counterintuitive thinking and challenging business norms that are seemingly functioning, in order to achieve a higher level of growth. Here he shares his insights on how a little unconventional thinking can go a long way. As you kick off this new year, I encourage you to consider these concepts. They may be just what you need to break the mold.**

– DM

expectations for the objective and then ask the group (or each individual) to develop a plan to accomplish the objective.



**Recognize the warning signs of diminishing returns — doing more and more of the same, only harder, and watching your results dwindle.**

Doing this unleashes the creativity of each person, and because it is his or her own plan, you've gained each team member's buy-in to achieving the objective. Monitor progress, offer encouragement and watch how the team meets the objectives because you gave them control over how it was to be done.

Conversely, by not doing this and remaining the single point of control, you become the small end of the funnel through which your department's work flows. Your department loses the additional productivity and staff buy-in for the cost of having to be in control on everything.

### 3. Don't hire in your own image

If you have hiring responsibilities, then you've been successful. So it is natural to look for people who are just like you when you need to add to staff.

You may be successful, but you aren't perfect. You have weaknesses and blind spots, like every other person on the planet. The problem with hiring people in your own image is that when you do, you institutionalize your weaknesses and blind spots — which in turn, will reduce your team's successes.

A team's strength is found in its diversity. If a baseball team manager only had first basemen on the team, the team would be weaker at every other position. You need diversity on the team, so you place the best players at each position. Hiring people with diverse skills, perspectives and behaviors means that the team won't be paralyzed by groupthink.

### 4. Go slow to go fast

We live in a world where we are obsessed with speed — speed dating, speed walking, speed reading. We're even up to our eighth Fast and Furious movie: *The Fate of the Furious*.

We let the need for speed direct our thinking whenever we are faced with a new assignment. We think, "What's the fastest way to get this done?" Masters of the "go slow to go fast" principle have learned that the only way they can ever successfully sustain speed and quality in executing their job is through intentionally instituting "go slow time."

In order for a physician to move with speed to save someone's life, she or he must have first put in countless "slow hours" of study and practice. That All-Star first baseman could not make the game-winning play if he or she hadn't visualized and practiced it during "go slow" time. And that "let go to get control" manager had to build trust with staff over "go slow" time in order to let go with confidence.

### 5. Fear of offending offends more than offending itself

How many times have you found yourself in a situation like this: Your co-worker Pam has a certain bad habit that you and everyone else on staff see, but she's oblivious to it. Everyone is afraid to

address it directly with her, fearing she will somehow be offended.

Like your co-workers, you have tried to ignore it or use a subtle approach to address it with Pam, but to no effect. So eyes roll whenever she does that thing, and people talk about it behind her back, but no one does anything to help her.

Because no one has the courage to address the issue in a loving and respectful way with Pam, she doesn't know she is suffering negative career consequences — maybe being overlooked for a promotion or raise, which could help her family.

Wouldn't the more caring thing to do be to address it in a kind way with Pam, before it becomes what she is best known for? And what would she say if she knew that you were deliberately holding back something that could help her?

### Bottom line

I'm not advocating you wholly abandon conventional thinking in favor of replacing everything you do with a counterintuitive approach. What I am suggesting is that becoming a slave to conventional thinking will hold you back in life — whenever you should when convention says to zag. ■

**About the Author:** *Hank Boyer has spent more than three decades working with organizations that want to get the best out of their people, and with senior leaders who want to improve their effectiveness. Author of books on career success, sales, and leadership, he has served as the CEO of Philadelphia-based Boyer Management.*

*\*Reprinted with permission from MultiBrief*



# Millennials at Work: Insights for Your Business

*Pat Hagerty, NAMA Chair*

employees so they understand their career trajectory and their role in accomplishing goals.

## 2. Transparency

Pecking orders and “information hoarding” don’t work for this generation. They expect that their employer will share information, be trustworthy and get buy-in. Announcing decisions with no explanation or context creates disharmony for this demographic (and others).

Keep the flow of information going strong to foster an open, collaborative environment. It’s good for building morale and good for business.

## 3. Flexibility

Millennials do not draw hard lines between work life and home life. This can be a valuable asset for your business, but it requires adjustments to the traditional way of working. Remote work arrangements or flexible hours can demonstrate that you care about your employees in ways that are meaningful to them.

## 4. Engagement Opportunities

Millennials are a generation of joiners. They have a need to be engaged emotionally with causes beyond their own world. This is where our company has had the most success.

At Vistar, we have a deep commitment to the Leukemia and Lymphoma Society (LLS). Our support began 10 years ago, when an employee’s son was diagnosed with the disease. Fortunately, that young

man is doing fine today — his condition is in remission and he’s in college. In fact, he wrote me a very meaningful note of thanks recently.

Over the last decade, Vistar has raised more than \$1 million for LLS. Not a week goes by that we don’t have a wine tasting or breakfast or raffle to benefit the charity. We have duck races, jeans day, pizza days and more. Not only are these fundraising activities fun, but they’re making a difference. There’s even an LLS-related medical research grant named after Vistar. We are all proud that our company, working together, could make this happen.

This commitment to LLS, now engrained in our culture, has also been good for business. It engages our millennial employees, who drive most of the activities, and our longtime employees enjoy them too. Who doesn’t appreciate working on a cause bigger than their day-to-day job?

And Vistar is not alone. Many others are undertaking significant philanthropic efforts. For one example, take a look at what Five Star is doing in the feature in this issue.

Moving ahead, let’s consider ways that we, as an industry, can demonstrate this fresh thinking and commitment — through our event and through groups like our Emerging Leaders Network and WIN. We have the opportunity to begin a big movement, and I’m excited to explore the possibilities with you. ■

**M**y last column focused on the power of millennials as consumers. This quarter, I turn to their potential as employees.

At our company, Vistar, we work hard to attract and retain the best and brightest millennial employees. Quite simply, we know it’s good for the future of our business.

So how do we go about doing this? In many ways, we’ve found that millennials are not so different from other generations, but they do have a special set of values that must be acknowledged and nurtured.

## 1. Growth Opportunities

To attract any star, you must offer a competitive salary. But with millennials, the potential for growth is even more important. In a PwC study of millennials in the workplace, 52 percent of those polled cited growth opportunities as a motivating factor, compared with 44 percent citing competitive wages.

Millennials want to be valued for their performance and contributions. Give them a measurable challenge — and hold them to it. Counsel younger



# CTW 2016: BREAKING RECORDS IN MUSIC CITY

NAMA's 2016 Coffee, Tea and Water show was the largest to date, delivering a record-breaking experience in Nashville and reaching milestones in participation, exhibit space and more.

CTW participation grew to 953 registrants, 115 exhibitors – 31 of those companies exhibiting for the first time at CTW – and the largest show floor ever, with a 10.5% increase over 2015.

"CTW 2016 bested past performance metrics by delivering elevated education, a jam-packed show floor and most important, more than 950 industry professionals ready to get business done," said Carla Balakgie, President and CEO of NAMA.

CTW opened on a high note in Music City at the Gaylord Opryland Resort. Nashville singer/songwriter Lionel Cartwright performed "Let Me Fill Your Cup," a piece he wrote to celebrate NAMA's inaugural Coffee Services Hall of Fame. Commissioned by Newco, the song debuted during the show's General Session.

"It was Conway Twitty who said a good country song takes a page out of someone's life and puts it to music. Newco is honored to share Lionel Cartwright's song with the industry," said Karen Webster, Chair of NAMA's Coffee Services Committee and CFO of Newco.

### *Coffee Services Hall of Fame & Coffee Legend*

NAMA debuted its Coffee Services Hall of Fame during the general session,

with many members of the inaugural class in attendance. The Hall of Fame was designed to honor industry pioneers previously recognized with awards from The National Beverage Products Association, including the NBPA Hall of Fame and Lifetime Achievement awards, the National Coffee Service Association, including the NCA Silver Service and Java awards, as well as those who've received NAMA's Coffee Legend and Industry awards for the coffee channel.

The Coffee Legend award, a beloved element of CTW, was awarded to Dean Gilland, former NAMA Vice President of Sales and CTW. During his 16 years at NAMA, Gilland was instrumental in developing services to the OCS channel and the creation of CTW.



### Keynote

Founder and Chief Movement Officer of FutureSight Labs Seth Mattison shared his expertise on generational and cultural shifts in the workforce, including talent management, change and innovation, and leadership. Exploring the effects of these shifts, Mattison discussed traditional organization hierarchy vs. the value of networks and the importance of transparency and information sharing within an organization. Businesses positioned to win in the new world of work are those adapting their mindset and structure to include these concepts and practices, Mattison said.

### Education

The show's 15 education sessions were designed to support key operator needs

including small business management, specialty coffee, cold brew, loyalty and gamification technology, and elevating services to create a comprehensive OCS experience.

Thursday's education was dedicated to the theme of "The Workplace Café of Today," featuring sessions on branding, design, an Emerging Leader-led session on trends and millennial consumers, and a panel session on implementing these ideas strategically in industry businesses, led by NAMA CEO Carla Balakgie and COO Dan Mathews.

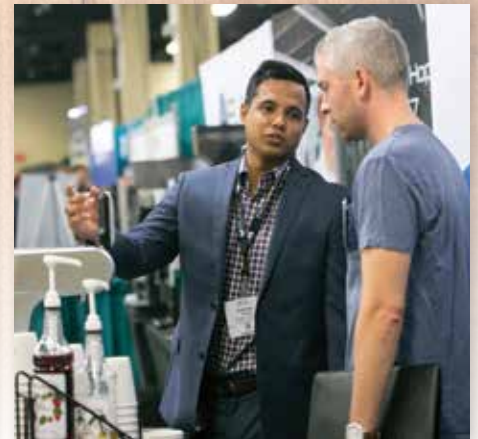
Other notable sessions included a post-election briefing by Eric Dell, SVP of Government Affairs, ENERGY STAR standards for batch brewers and best practices in sustainability.

### Election Night Reception

Tuesday evening featured an election-themed reception co-hosted with IBWA and complete with big screen news coverage as the results rolled in. Shayron Barnes-Selby, Vice President of DS Services and new IBWA Chairwoman, was recognized for her leadership and contributions to the industry.

"We thank our sponsors and the Coffee Services Committee, led ably by committee chair Karen Webster, for their support and leadership. Finally, special congratulations to the honorees from our inaugural Coffee Services Hall of Fame and Coffee Legend Dean Gilland," Balakgie concluded. ■







## NAMA Coffee Services Hall of Fame

### I N A U G U R A L C L A S S

Robert Berliner

Pat Birmingham

Jerry Blum \*

Ted Borak \*

Charles Brinkman, Sr \*

Howard Chapman

Tim Cleland

John Conti

Jeff Dale

Jerry Dale

Kevin Daw

Stuart Daw \*

Jeff Deitchler

Jean Dominik

Leo Fante

Howard Fischer

Robert Friedman

David Gellman

Dean Gilland

Ben Ginsberg \*

Irv Greif \*

Con Foley

Al Hacker \*

Susan Hartley

Richard Hazlett

David Henchel

Steve Hyde

Marc Israel

Ralph Kiser

Mark Kelley

Sid Lindholm

Jay McMenamain

Joe Manning

Robert Maurer

Gene Monte

Jack Millender

Mary Millender

Maurice Moss \*

Brian Murphy

Jim Nelson

Michael Nugent

Randy Parks

Geoffrey Paul

Rick Pavlic

Edwin Phelps

David Pulsifer

Len Rashkin

Jeff Rawlins

Bryan Real

Paulette Rigolli

Roger Rigolli

Robert D. San Filippo \*

Tim Sanford

Julius L. Shaw

Ken Shea

Lowell Shindler \*

Elliott Slutzky

Patti Sorkin

Fred Steiner

Hal Steuber

Diane Steuber

Tom Steuber

Robert Louis Stephenson

Don Stoullil

Ollie Thomas

Mike Tompkins

Phil Tilley

Pete Tullio

Tim Wayne

Edward Weber

Joe Webster

Jack West

Anthony Westcott

Tom Williams

Butch Winkler

James M. Zirakian

James P. Zirakian Jr

\* Deceased



A top-down view of a white ceramic coffee cup filled with dark coffee. Overlaid on the cup is the text 'SAVE THE DATE' in large, bold, blue letters. Below the text, in smaller white font, it says 'CTW 2017 will take place November 6-8 at the Gaylord Texan Resort &amp; Conference Center in Grapevine, TX'.





**#ICYMI**

CTW education session presentations  
are available for download at  
[www.coffeeteaandwater.org/schedule](http://www.coffeeteaandwater.org/schedule)





## WIN Fun Run/Walk

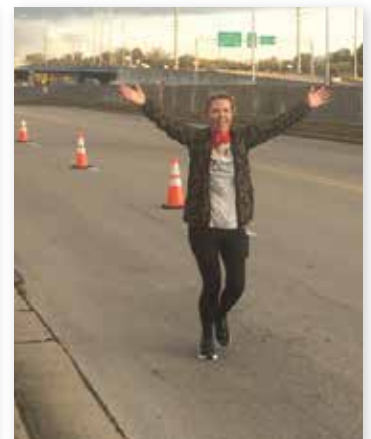
WIN's second annual Fun Run/Walk inspired participants to start Wednesday off on the right foot, networking with industry colleagues as the sun came up. More than 80 runners and walkers pounded the pavement on a five kilometer course around the Gaylord Opryland Resort.



Funds raised through the race will help WIN honor its goal to promote health and wellness in the industry. The group will make a donation of \$2,500 to the NAMA Foundation to benefit FitPick.



The event was organized by WIN's Advisory Committee: Heidi Chico, Janette Carter, Barbara Russell, Angela Olson and Carla Variglotti, along with the help of many volunteers. WIN thanks its sponsors and volunteers for helping to make the Fun Run a success! Anyone interested in joining WIN should contact Pam Gilbert at [pgilbert@vending.org](mailto:pgilbert@vending.org).





# NAMA Foundation Golf Outing

