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Dave Ciesinski: And so often, it seems like when an organization puts a mission on a wall or they put their values on a wall or they write their purpose, it just sits there and ... and it's hollow. Right? And in some ... under the worst of circumstances, it can almost make people feel sarcastic because they don't believe that the organization lives up to it. I didn't want that to be the case. You know, it'll never be the case that we get 100% of it right. But man, we're certainly going to do our best to try.

Kurt Greenbaum: From Olin Business School at Washington University in St. Louis, I'm Kurt Greenbaum and this is *On Principal*. In today's episode, we're going to take a peek behind the scenes at a company you might not know much about. But I'm willing to bet you've used some of their products. Lancaster Colony makes baked goods, sauces, dips, salad dressings and a variety of other products available in some of the restaurants you probably visit. In fact, some of those products may even be inside your fridge.

And while food is front and center for today's story, the nourishment we're discussing isn't about what comes out of the oven or on your plate. It's about the nourishment that comes from a satisfying job, a job that creates purpose. It's about the moment when a company asks itself, "Why are we here?" And it's about what the answer to that question means to customers, to employees and to shareholders.

Dave Ciesinski: My name is Dave Ciesinski and I'm the president and CEO of Lancaster Colony. We're a specialty food company based in Columbus, Ohio.

Kurt Greenbaum: Tell us more about what you do at Lancaster Colony.

Dave Ciesinski: The company does about a billion four in revenue. We're about a \$5 billion market cap. So of that one point four billion, it's more or less evenly split between products that we sell into retail channels. So grocery stores or Walmart or Target and then the other half of the business includes products that we sell to the foodservice channel. And within that channel, we're selling to large national accounts, predominantly—Chick-fil-A, Taco Bell—19 of the top 25 companies within the United States. And then if you kind of step back and you say, "What categories are you in?" We're in dressings, we're in dips, we're in sauces. So liquid products. And then we have another side of the business that's in essence a big bakery where we make rolls and garlic toast and wraps and ciabatta and all sorts of really interesting baked items.

Kurt Greenbaum: Yeah, I have to tell you, we have some of your ... your heat-and-eat Sister Schubert's rolls in my freezer right now. So, they're a favorite in my household, just so you know.

Dave Ciesinski: Oh, I love to hear that.

Kurt Greenbaum: Yeah.

Dave Ciesinski: And they're ... they're amazing products. And I will tell you, one of the things that I've really come to love about our company is that maybe the only thing more amazing than our products are some of the people. And Sister Schubert or Patricia Barnes—Barnes is her married name—is ... she was the inventor of the product. She took her grandmother's recipe and started to sell that product at church fundraisers. The product just took south Alabama by storm, started to sell it in grocery stores. Long story short, built it and built it and built it until it got to a point where she and her husband felt like they would benefit from a strategic partner. They sold the business to Lancaster Colony. Now, this all predates me.

But ... but really, what makes her and her husband George so amazing is that they actually took the proceeds and set up a series of orphanages in the Ukraine. And she and her husband, George, actually adopted a young boy from one of those orphanages. I mean, it really just speaks to this idea of doing well by doing good. And Sister Schubert or Patricia Barnes really, really embodies that. So trust me, as great as those products are, Sister Schubert's even more amazing, believe it or not.

Kurt Greenbaum: In our conversation, Dave referred to himself as a dedicated long-term food industry person. True, his civilian career started at Scott Paper Company, but soon after earning his MBA, he pivoted into the packaged food industry, spending time at companies like Heinz and Kraft Foods. As you'll hear, however, Dave's most significant career experiences may have come as a result of attending West Point and serving in the US Army.

Dave Ciesinski: It truly, if I look back across the arc of my life, it has to be one of the most formative experiences of my entire life at so many levels. You know, lessons about leadership, lessons about teamwork, lessons about confronting fear. You know, just watching other people role model examples of courage and selflessness. I think somewhere along that experience, I came to appreciate that, that really, you know, we're all in the people business and life in the Army is the ultimate people business. There's nothing that the Army does that isn't by, with and through people. Right? And it's the amazing leaders that inspire and teach and coach that ... that make that whole people business work. And I think many of those lessons I took from the Army, I carried with me into other various parts of my professional life and to the point where I am today, where if you were to say, "Hey, what business are you in?" I would say, Kurt, we're in the people business. We just so happen to make food.

Kurt Greenbaum: At this point, I wanted to know more about how Dave made the transition from the military into a civilian career and what he took with him from the army in that transition.

Dave Ciesinski: I would say, as with any transition, it sort of starts with where you are and figuring out what is it about that place where you are that makes you happy and maybe some of the things that were lacking. And I think in that particular case, what I realized as much as I loved soldiers and that dimension of the Army, I didn't love soldiering—some of the more technical dimensions of just being an Army officer. And I decided it was ... it was time to move on.

In a metaphorical sense that I am in the food industry, it would be like arriving at the point where I love the people, but I don't love the food industry. And if you're going to be in the food industry, you're going to be probably more effective if you actually love being in the food industry. So, that's really what drove the desire to move. And then I landed at Scott Paper Company, where I quickly tried to leverage all of my experiences as a leader and a team builder and somebody that could set goals and go after them.

But obviously, I had a steep learning curve to figure out, you know, how do you sell? How do you market? How does a P&L in an organization work? What needs to be true to make money? How did the various dimensions of the supply chain work? So, really sort of committed myself. And I think along the way, what I realized was that my experiences around team building and leading were perfectly applicable in a business sense.

Kurt Greenbaum: I mean, I can imagine that the military, as you said, is a team sport, but you also have a different dynamic. You know, you have rank over some people and other people have rank over you. And order means something different in the military than it may mean in ... in a corporate environment. Is that about right?

Dave Ciesinski: Well, yes and no. I would tell you that, you know, obviously in the military, everybody has rank and the difference is that they wear the ... the rank on their sleeve. If you go into an organization, people have rank, too. They just don't necessarily wear the rank. What I saw in the Army is very true and consistent with what I've seen outside of the Army. The very best leaders don't rely on the rank that's on their sleeve. And the very best teams don't get focused on rank, but instead sort of focus on—a term that I've coined once in a while—which is this idea of the "meritocracy of the idea." Not who has the highest rank, but who is it that has the highest idea? And how do you get an organization to check the rank at the door, and when they're sitting around a table, make sure that the table is a round table so there's nobody at the head? Maybe there's a facilitator, but get the organization comfortable enough that everybody feels comfortable speaking up and offering the ideas. So, the degree to which you can break down those barriers around rank and really encourage people to bring their entire self to work and their ideas and their passions, I think you stand the best chance of winning.

Kurt Greenbaum: So, can we talk a little bit about what ... what drew you to Lancaster Colony and how did you ... how do you contrast that company and that experience with what you experienced at previous employers?

Dave Ciesinski: You know, what I would tell you from 2001 to 2013, that run that I had at Heinz and then subsequently that short run that I had at Kraft, what I experienced were two companies obviously very focused on their brands, but equally focused on developing their people, right? At Heinz, it was embodied in this ethos that the founder, H.J. Heinz, used to talk about, which was the ... the "good food company." It was a double entendre, right? Good food and good food people that were out there doing good deeds. Right? And you know, what I found subsequent to those two transactions is that by virtue of the transaction and it happens oftentimes, the culture was evolving and it was evolving at the same time that I would say as I was tracking what was happening in the industry, instead of moving towards purpose and things like that, it was probably more narrowly focused on just economic benefits. And I just didn't feel like that model was necessarily a fit.

It was a hugely successful model for those principles, but it wasn't necessarily a fit for me and my personality. So, on very amicable terms, I left, but I stepped away and I told myself, I believe that if you can build a business around purpose, you can ... you can enroll the hearts and the minds of individuals and you can tap into discretionary effort and you can help people grow and you can help the business grow. So, I stepped back and I went through a period of discerning and I said, "I'm either going to find a company that does that or I'm going to try to build a company that ... where you can do that."

Kurt Greenbaum: So, that sounds like something of an a-ha moment on your part. You ... you came to this epiphany about yourself. Can you talk a little bit about what ... what it is that brought you to that epiphany? Like, what were some of the experiences that persuaded you that this is not my ... the way I want to run a business?

Dave Ciesinski: The most impactful leaders that I watched weren't just focused on accomplishing the task. They were focused on helping build up the people. My a-ha was, hey, if you want to put together a winning company in the future, you're going to need the very best people. And if you want, as our workforce was going to gentrify, if you wanted the very best people, you needed to be able to speak to, not just their mind, but their heart. Right? They, you know, to put a relevant word on it, they want purpose. We want purpose. I think we all yearn for purpose in our work and meaning, right? Something more than just hitting a number.

Kurt Greenbaum: So I ... I know you referred earlier to that slogan from Heinz—the good food company.

Dave Ciesinski: Yes.

Kurt Greenbaum: How did that translate when you got to Lancaster Colony?

Dave Ciesinski: Well, it ... and this actually started during the transition phase when I started to work on some bigger questions: Where's the industry going in terms of the food consumers are going to want to eat? Where's the industry going in terms of what our retail partners are looking for? Where is the industry going in terms of what new employees or existing employees are going to expect from their employers? And I arrived at this idea of the "better food company."

And it was kind of a simple slogan that goes along these lines. The better food company—better people driven by purpose that make better products, that families feel good about eating, that work in a more collaborative environment, that work in unison to make the world around them a little bit better place every day. Right? And it was that same double entendre of better food and better people. But maybe with one additional overlay. One of the questions that would often come up is, "Why not best?" And what I had sort of landed on was this idea that better is tangible. In order to say it's better, you need to know where you started and where you finished. Right? You put the effort into it and you could measure it.

By contrast, "best" and, for that matter, "good" is an abstract. You know, if any one of us was to go home and be asked by our spouse or partner, "How was your day?" ... "Oh, I gave it my best. I did my best. Boy, I did this and this and this and did my best." And ... and true to form, we all do. But the hard part of that is it's hard to measure that—right?—in ways that are ... that are big or small. And in that sense, I gravitated around this idea of "better" because what better sort of locks you towards is this idea of growth. It's "Am I a better person today than I was yesterday? Are we a better company today than we were yesterday? Are we helping our customers perform better today than they did yesterday?"

Kurt Greenbaum: Now, the thing that's really important to understand here is that none of this is simply about charity. Yes, the idea of a better food company was about providing purpose for all the stakeholders—employees, customers, shareholders. But it was also about creating results. You remember the phrase Dave used, right? Discretionary effort? What is it that a better food company can do for its workers—and for itself?

Dave Ciesinski: You know, I feel like we've made lots of progress in lots of different areas. You know, within the first year, maybe we saved, I forget, exactly \$5 million or so, but by the second ... in the full year, we were saving \$20 million a year to this program. Right? And the beautiful thing was we were doing this with the help of our ... our employees by reducing waste, by improving yields in our factories. I can remember one factory in particular. It's a bakery. When ... when a product ends up being scrap, it ends up in totes and it literally ends up going to a farm and fed to ... to hogs. And let me tell you, there were months where we are feeding from this particular factory a lot of hogs. Thanks to the work of a number of folks and this

program, they were able to reduce that ... that waste and improve the profitability of that factory. And the only people that I think were disappointed were the hog farmers.

Kurt Greenbaum: All right, so you ... you ... you come to Lancaster Colony, you work with your team to instill this idea of the better food company, and ... and you're working on ways that you can create efficiency by bringing people on board and empowering them as, in some sense, owners of the company in that way. Were you satisfied with where things were at?

Dave Ciesinski: Yeah, I ... you know what, I ... you're never satisfied that you feel like you've done it all. So I, I think I was I was satisfied in the effort that the ... that the organization was put ... putting forth. I was satisfied with the growth that I saw both of the business and the people. But I also felt like there was more that could be done. Right? So, and I think satisfied is a good word. I wasn't disappointed, but what I would tell you is I felt like, ah, there's more room, that there ... there is more to this, right? There are more people to reach. We need to figure out a new way to go a little bit deeper.

Kurt Greenbaum: When it comes to going deeper, there's one more quick story I want us to hear. It was another data point for Dave early on as he was creating a culture around the better food company, a data point that suggested the company was on the right track, but that it could do more.

Dave Ciesinski: This was the early days of launching the better food company, and I was doing a factory tour with a ... he's an operations director here now, a gentleman by the name of Robert Smith. The guy's an amazing leader. He's humble, he's smart, has unbelievable experience, just a tremendous leader and motivator of people. In any event, we were walking through the factory together. He ... we went walking through the locker room and some of the other employee facilities. He pointed to the locker room ceiling and he said, "Is this really befitting of a better food company?" Right? And he points at the tile in the bathroom and he says, "Is this befitting of a better food company?" And this is ...

Kurt Greenbaum: Paint us a picture, Dave. What is he showing us, showing you?

Dave Ciesinski: Well, you know, this is, you know, to set the context, it's a great factory loaded with great people, but it's an old factory. It was the factory that was literally built by the Marzetti family and some of the ceiling tiles were aged. You could see stains in them. You know, the grout and the tiles on the ground was worn. And it was ... it was just a tired facility. And ... and what I loved about the question that Robert put forth was that it was a really straight-up question and an acid test.

And I think what he was reaching for is, hey, does this guy really believe what he says? Is this just B.S. or is there some substance to this? And I looked at Robert and I said, "No, honestly, this isn't." And I said, "And we should figure out what we need

to do to fix this up.” And it’s amazing. That’s one small piece of, I mean, just countless examples that this leader and others in the organization have done to invest in their people and that they’ve reciprocated and invested back in their leaders, and engagement has grown and trust, and I mean, it’s ... that’s all part of this journey of “better.”

Kurt Greenbaum: Now, at this point, I want to bring another name into the story. Rick Stuhr is the vice president of strategy for Lancaster Colony, and he also happens to be a 2005 graduate of WashU’s MBA program. And right around the time that Dave was thinking about these questions of discretionary effort and going deeper into a purpose-driven workplace, Rick left an article from the *Harvard Business Review* on his desk. In fact, it was the cover story in the July/August 2018 edition of the magazine.

Dave Ciesinski: The article that he shared with me was called “The Economics of Higher Purpose,” and it was written by a WashU professor, Anjan Thakor, and then a friend and colleague of his from Michigan, Robert Quinn, and also a professor. And this article explained sort of this idea that by integrating the traditional sort of focus of an organization, which is wealth maximization with purpose, you could sort of unlock even a greater level of discretionary effort and a greater level of performance. And in essence, what they had done was taken something that I had sort of felt intuitively through large portions of my career, but I’d never really been able to put my finger on, certainly couldn’t articulate it as clearly as they had, but recognize that, wow, I think these guys are really onto it. This describes sort of what I felt in my heart and intuitively for a long time. And they had taken it obviously way down the track and done studies to show that there was, in fact, a correlation that tied out to higher performance. Right? Doing well by doing good.

Kurt Greenbaum: What is it about having that article in front of you that made you think, oh, “There’s another level that we can go to here. We’re not where we need to be”?

Dave Ciesinski: I think I recognize once I read the article that when we developed our mission and we cascaded our mission, it answered the “what” that we do. The nature of the work and what it is that we ask of people and what it is that we aspire to do and aspire to be. But it didn’t get into the “why,” right? There was a question that sat above the “what”—this “why”—that really sort of, was targeted at something more personal, which is, “What is it that motivates us?” You know, there’s this idea of problem-solving in the five whys where you go deeper and deeper and deeper inside. What I found in their article is that it went beyond the “what.” It opened up this idea of “why.” And if you can create greater clarity around the “why,” you could penetrate that much farther into people’s hearts and minds. And that’s what I recognized was ... was really an unlock. That there was a chance, you know, for the organization, but also for me personally, if I could get more crisp around my “why,” maybe I could be a more effective leader and grow a little more as a person.

Anjan Thakor: By purpose, a higher purpose, we mean some kind of contribution goal that the organization has that transcends its usual business goals, like shareholder value or profit or revenue maximization, and yet it intersects with them. So all decisions are made at the intersection of business goals and this higher purpose contribution goal.

Kurt Greenbaum: By now, you've heard his name a couple of times in this episode. Anjan Thakor is the John E. Simon Professor of Finance at WashU Olin Business School. He started working on research around higher purpose in 2010 with the University of Michigan's Bob Quinn. But Anjan's research expertise extends into corporate finance, economics and banking. He's also worked as a consultant with some of the biggest companies in the world.

Anjan Thakor: Because we are focused on the intersection of the two, we're still making ... we're still talking about making decisions that make business sense, right? We're not talking about charity. We're not talking about doing foolish things that endanger the financial viability of the organization. We're talking about doing things that make business sense and yet serve this higher contribution goal that the firm has. The higher purpose ends up acting as the arbiter of every business decision that the firm makes. So, it's like a lens through which you see all your business decisions. And if you are faced with a business decision that is inconsistent with the purpose, you avoid it.

Kurt Greenbaum: So, knowing that Anjan and Bob Quinn had spent more than a decade researching these questions, I wanted to know: What were the big takeaways? What do business leaders need to know about creating a culture around higher purpose?

Anjan Thakor: Let me summarize two or three sort of high-level takeaways. One was that it's incredibly important for higher purpose to be authentic, and by authentic, we mean that the leader of the organization not only believes in it and ... and is genuine about it, but also has a deep passion for it, right? So it's about passion and fidelity to the truth. And I never understood until I went into this research how elusive that was. I thought it was just a given, right? But it's actually uncommon. And even for firms that ... that say that they have a purpose, even for organization leaders who say they have a purpose, finding authentic, higher purpose, where the leader feels passionately about the purpose and authentically believes in it—those instances are not, you know, as ... as many as you might think. So, they're less common than you might think. So, that was one takeaway.

The other was that purpose is discovered. It's not invented. And so in most organizations, purpose lies within the DNA of the organization, but it's deep within and it hasn't come to the surface and it doesn't ... it doesn't act as an arbiter of all the business decisions. So, it hasn't made it into the conscious decision making of the organization. OK.

And then the third one that really surprised me was that in many of these cases, the discovery of that authentic purpose occurred during a deep crisis, in many instances, what was an existential crisis. And that, you know, seemed very counterintuitive to me because in many instances the pursuit of this higher purpose required that at least in the short term, the firm had to sacrifice profits or revenue. And so you would think that during an existential crisis, the firm is least able to afford that investment, so to speak, in purpose. Right? And it's a lot easier to do it when you're doing well. And yet, for a lot of organizations, the discovery occurred during a time of deep crisis when it didn't look like they would be able to afford to do it.

Kurt Greenbaum: This authenticity is ... is so critical to what you're talking about. I mean, because you could see a situation in which executives might say, "OK, we just need to get our ... let's get our purpose statement going and then the lucre is going to start flowing." Right?

Anjan Thakor: What research has shown is that if the purpose is authentic and its credibility has been tested by these sorts of decisions that the firm had to make, then it actually has phenomenally positive economic effects. OK, the paradox is, though, that if you adopt a purpose because you just want to increase profits or get people to work harder or be more creative, it doesn't work. And it doesn't work because people in the organization can see through the lack of authenticity. Because they're on the ground where decisions are being made on a day-to-day basis. So, they can tell whether or not the stated purpose is being authentically embraced or it's just a PR gimmick. And if it's a PR gimmick, it either has no effect or actually may even have the opposite effect because it makes people cynical, saying, "OK, you know, one more, you know, one more of these banners or slogans, you know, who cares?" And so that's why authenticity is so important.

Kurt Greenbaum: As we saw earlier, Anjan and Bob's work came at a really good time for Dave in Lancaster Colony. After reading the article in the *Harvard Business Review*, Dave and Rick picked up the phone.

So, I ... I'd love to know about that. Those first conversations. I mean, what is it that you and Dave and Rick and Bob talked about in those first conversations? What is the problem that they were trying to solve?

Anjan Thakor: Yes, so that's interesting. So, you know, they read the article and I think for them it was kind of eye-opening because, you know, like a lot of organizations, they had a mission statement. And, you know, a lot of organizations think, well, if you have a mission statement, you're done, right? I mean, that's it. And they meant it. And, you know, people understood it. It was internalized. So, they'd already done all of that. And here comes along an article which says, no, that's not enough. Right? You need to think about your purpose. And they realized that they didn't have a purpose statement. They had a mission statement.

So, when we talked to them initially, basically the conversation was about, well, you know, "You talk about these eight steps in your ... in your article and so on and so forth. How do you actually do it? Right? I mean, how do we, if we wanted to do this in our organization, what would we do specifically?" And it is a process, right? It's because you have to ... you have to get the organization to collectively discover what the purpose is. And then, you know, our eight-step process also talks about, it's not just enough for top management to discover the purpose.

You then have to connect people in the organization to the purpose. You have to cascade it down the organization. You have to make people reflect on what the purpose means for them. So really, the initial conversation was about some of the things that we talked about: the difference between mission and purpose. Why do we need a purpose? What will it do for us? What is the process by which you do it? And then that led to, they said, "OK, fine, you know, we would really like you to work with us and help us." And so that's ... that's how we began.

Kurt Greenbaum: So, that, you know, that's interesting, I had the impression that they had done a lot of this work, that they felt like they had an organization where people really felt invested in the company. They felt like they were respected by leadership, that they had a voice ...

Anjan Thakor: ... Mm-hmm ...

Kurt Greenbaum: ... and I guess Dave at some point felt like, well, there was just another level that we could get to. Is that what he was expressing to you?

Anjan Thakor: Yes, it's really interesting because this was an organization where we didn't have a big sales job to do on the issue of, you know, why you need purpose. And also the discovery process was less difficult than it is in many other organizations because they had been through this process that Dave described to you, right? Because they'd done it to come up with their mission, right? And their mission was to be a better food company. And sort of our reaction was, OK, that's great. Why? When you ask them that, they're like, "Isn't that obvious, like we want to be better, right?" No. Why do you want to be a better food company?

And so the mission people had basically bought into and accepted and internalized, the missing step was this ... this purpose statement that would be linked to their mission, right? Not disconnected from it, but would then act as an arbiter of all our business, of all their business decisions. So the purpose, higher purpose statement that we eventually came up with was "to nourish growth in all we do." Right? That's the reason why we want to be a better food company. And "nourish," of course, has multiple meanings, you know, because there are food companies. So, there is the product-related meaning. But there's also the meaning in terms of, you know, helping your customers, your employees and everybody.

Rick, gave me an example of an employee who is really doing really well and, you know, came to him at some point and wanted to quit. It turned out that the reason why he wanted to quit is that because of all the, you know, the COVID-related stuff and other things, his workload, paradoxically, had gone up enormously. So, he was just running around trying to get his work done. And it's because, you know, there have been some organizational changes and so on. And Rick said, you know, he just leaned back and he thought, he says, "You know, is this consistent with nourishing growth in all we do? If somebody's so overworked, how are we nourishing the growth of this person?" And this is an example of where, you know, the organization needs to add an FTE in sort of trying to save money. "You know, we need ... we need to nourish not only the growth of our customers, but also the growth of our employees."

So this is, you know, just a small example. But, you know, we constantly run into these kinds of examples that you see in companies when once they adopt an authentic higher purpose, they run into these very practical challenges where they're actually pushed to make decisions that are not always easy, but where you have to ask yourself, "OK, if we make a decision A, it may save us some money or make us some more money, but decision ... but it's not consistent with a purpose. Decision B is." Right? And then what decision do you make?

Dave Ciesinski: The path to "better." Well, it's through nourishing growth. You nourish the growth of the people. They generate the ideas. Maybe it's an idea around innovation. Maybe it's the, you know, it's the idea around reducing cost. Maybe it's a new idea to reach a customer or help a customer reach a new marketplace, right? But it's this whole idea of ... of our life being a series of interactions with people in ways that are big and small, where we're looking to nourish their growth.

Kurt Greenbaum: Is there any way to quantify the ... the impact of all of this on the company?

Dave Ciesinski: You know, I think probably what I, if you wanted to look at it quantitatively at the end of the day, I would probably look at two metrics. I would look at, "How is our share price doing? If you add our share price and our dividends, what's our total return to shareholders, whether they're big institutional shareholders or small retail shareholders?" And I think you'd see our performance in that context has been really, really solid, if not in the top quartile, very, very close.

At the same time, I would point to, "So what are our engagement survey results like?" And there we've seen a marked improvement—enough so that in this past year we were recognized by the Great Place to Work Institute as a great place to work. So, I think we've seen progress across both dimensions: the financial performance of the business and the operational performance of the business, but also satisfaction and engagement by our teammates. But maybe I would come back to the measure, which is, you know, how many moments are we having where those

teammates come around the corner with good news to share, right? An accomplishment, a growth, a growth moment. Some sort of, you know ... performance at work that's resulted in a promotion that's allowed them to reach a point where they feel comfortable starting a family or adopting a child, and I can think of ... of a pretty large number of those circumstances where people have come to me, some of the most gratifying, saying ...

Kurt Greenbaum: When's the last time that happened?

Dave Ciesinski: Probably within the last two months. I had somebody reach out and just said, you know, "Thank you very much." At the beginning of the most recent calendar year, we put in place maternity and paternity leave. And the person said, "I just want to tell you, thank you. You don't understand what an impact this is having on our ability to start a family." And another person reached out. They ... she had adopted a child. And it was the same sort of just inbound note that came in. And those are sort of the metaphorical equivalent of the teammates coming around the corner with the big smile on their face, right? So, you think about, you know, sort of your ... your life and the arc of your life ... in the arc of the experiences in your life.

Those are the things that ... I'll remember some of the numbers maybe. I don't know if I'll remember a lot of the numbers, you know, by quarter, by month. But ... but I will most certainly, I never forget a smile and an accomplishment and ... and, you know, I think what I've come to appreciate is those are inextricably linked with performance. And I think that's what Bob and Anjan were able to tie together in an amazing article and their follow-on book and the consulting work that they've done. And that's the principle that we're trying to put in place here, right? And it's, you know, at the early days, it was a journey of faith and now we're seeing it play out in the results.

If I did sum up a lot of the lessons that I've had just in life: Independent of what area of business you're in, you're in the people business. If you are a food company like us, we're in the people business. We just so happen to make food. If you're a professor like Anjan or Bob, they're in the people business. They just so happen to, you know, educate students and educate the world through their research. But we're all in the people business because everything that we hope to do is by, with and through people. That would be number one: we're all in the people business.

I think the second thing would be that, OK, now, if you believe that you're in the people business, how do you unlock growth of those people? Because if you want to grow a business, yet, you have to grow the people. And I think the greater degree that you can connect the purpose of an organization with an individual's personal purpose and get those to align and live those, the greater the chances are that you're going to get the people to grow and then, by extension, whatever the business you're in to grow. And I think, honestly, there's just something magical and virtuous and incredibly rewarding about that.

Kurt Greenbaum: And that's all for this episode of *On Principle*. Thank you for listening and thank you to Dave Ciesinski for sharing his story. Thanks also to Anjan Thakor for his insights into this topic. If you'd like to know more, we'll link to Lancaster Colony's website, to the HBR article Anjan wrote with Bob Quinn, and to the website for their book, *The Economics of Higher Purpose*. Visit our website at onprinciplepodcast.com for those links, more notes about today's episode and for the chance to listen to previous episodes of *On Principle*. Even better, please consider pointing your phone at your favorite podcasting app and subscribing so you don't miss an episode of *On Principle*. And as always, I welcome your comments, questions and episode ideas. Please shoot an email to Olin podcast at W-U-S-T-L dot E-D-U. That's olinpodcast@wustl.edu.

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Once again, I'm Kurt Greenbaum, your host for *On Principle*. Thanks for listening.