

**EP: 067 Gerry Imhoff, Senior Vice President and CIO at Maritz Holdings**

Lisa Nichols: I'm excited to have Gerry Imhoff on the show today. Gerry is CIO and Senior VP of IT services at Maritz. I am so excited to have you on the show today, thank you so much for making the time.

Gerry Imhoff: Oh, thanks for having me, I'm really looking forward to it.

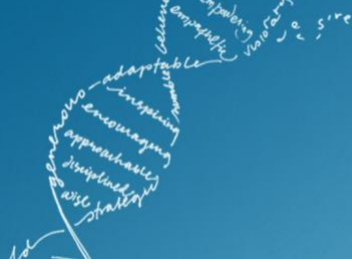
Nichols: It's gotta be fun. So, growing up for you, what was going up like?

Imhoff: Well, I'm a born and raised St. Louisan. And I think stereotypical middle-class grew up in South County, I've never lived anywhere other than St. Louis although I've traveled quite a bit. Went to Catholic schools, had some of the last nuns that were around and I went to St. John Vianney High School, and actually interestingly, enough, that's where I really fostered my love of technology or was first introduced to technology. Dating myself a bit, but I think it was my junior year, I took a class in basic programming. The storage, was on these giant floppies. I don't even know what size they were I wanna say eight inch or whatever, but the giant floppies. I didn't initially pursue that in college, I went to the University of Missouri St. Louis for both undergraduate and graduate school. But I didn't lose that bug when I went to college, I switched probably my second semester from accounting to IT and never looked back. It worked out very well.

Nichols: That's wonderful. Well good, I'm so glad to know that they had those offerings even then.

Imhoff: Even then? Are you referring to my age? This would have been 1978 actually when I took that class. So yeah.

Nichols: That's great, that's great. So you graduated from the University of Missouri St Louis with a degree in?



Imhoff: My undergraduate was in MIS. Management Information Systems and my graduate was in general business.

Nichols: Okay, and then did you go right into US Bank? I think US Bank was probably one of your first.

Imhoff: Out of undergraduate, I went to Mercantile bank, which was a pre-cursor to US bank through acquisition and actually they paid for my MBA frankly.

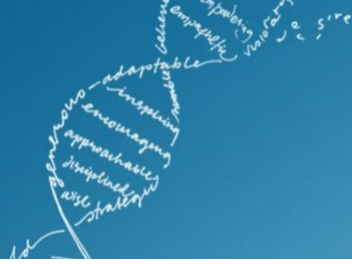
Nichols: Wow, that's wonderful. So did you start as a programmer?

Imhoff: I did, I started as a junior COBOL programmer.

Nichols: There's still companies using COBOL, today, we still get requests for COBOL Programming.

Imhoff: Actually I learned a lot. I still to this day tell people the most. You will learn it in IT career is when you make a mistake, and after you recover from it. 'cause one of the first things I was assigned to as myself and a junior analyst who was an art major in college and she was in the Management Development Program, and we got assigned to implement some tax law changes in the pension system, and frankly, didn't test well. And the former Chairman of Southwestern Bell, when he got his pension check that month it was like nine cents or some ridiculously low amount instead of in thousands of dollars. Not only did I learn a lot about it, then I also learned a lot about leadership in that experience because obviously the president of the bank knew about this in a long line of management could have come down on myself and this other individual and they basically said, Okay, we all make mistakes, figure it out and fix it. It was a great experience.

Nichols: That it's a great experience. And if you had got reprimanded you may be afraid to take that next risk or that is so important. You've gotta have a culture where people have the liberty to try things. And make it a safe place. So you were there for a while, and then I think you migrated



over to Citi.

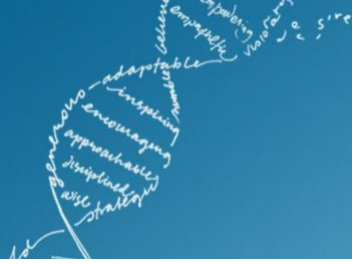
Imhoff: First with an organization called City Corp acceptance, which financed automobile dealer floor plans and then, I moved after a year and a half or two years at City Corp acceptance, I moved to City Court mortgage and I spent another nine or so years there again, actually, I would say, in the 84 time frame I really stopped doing anything that was programming or mainframe-based and moved on to with the timely called a distributed technology server-based PCs, things like that, and that's what I did most of my career at city corp.

Nichols: So then what was the precipice for you moving to where you are today?

Imhoff: Well, I suppose in keeping with the theme of this discussion, it was a leadership-oriented decision in the situation was City Corp for my first 10 years, there was a very mid-western value-based company, and you can just feel that in the last year or so I was there New York took over and came in and basically said, This is how we're gonna run it and you're expected to work 12 hours a day and after the 12 hour shift, you need to go to the bar and drink a Brandy with us or what have you? And that I could tell really quickly that that wasn't gonna be compatible with my style, and I just pursued other opportunities.

Nichols: So you went to Maritz. People in St. Louis. Definitely know Maritz. But for anybody that's listening, that does not know what Maritz does. Can you talk a little bit, because it's still privately held?

Imhoff: And interestingly enough, along those lines when I started at Maritz that frankly was before the internet, so it was really tough to research companies, I suppose it would have been easier if it was a public company but it was a private company, so all I really knew about it, it was this large company that span two sides of a highway in Fenton Missouri with a lot of brick. Didn't know much about it. But what I can tell you now after having been there for 24 years, it's probably best served by example. We're a research company we do custom research we are a travel company meetings, events, and incentives, and a motivation company. And a couple of examples I will give you is, if listeners go to technology conferences, are really frankly any conferences, a lot of the logistics both from registration through the event itself and all the on-site on ground logistics there are many times Maritz people behind the scenes. They wear a badge in the name of their customer, our client, another one would be if you stay at a major hotel



chain, buy an automobile, whether it be domestic or not, and get a survey about the sales experience or a service experience. The vast majority of those come from us. And then from a motivation company perspective, things like sales, Presidents Clubs or employee reward programs or different things like that, those were some of the things that Maritz does. Essentially, it's anything around people or partners and motivating them and getting them to perform better.

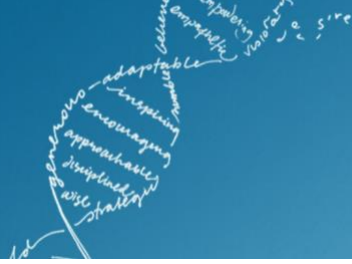
Nichols: You have been at Maritz now 24 years and you've done a lot of different things, right? So what does that leadership journey look like for you, and how has your role changed over the years?

Imhoff: That's a great question, I would have answered it very differently five years ago, because if I would summarize that I would say up until about five years ago, I've managed IT and led an IT organization from day one at Maritz. I was brought in as a manager of a group, but for the first, let's say, 19 years, I thought it was really all about technology and frankly, if I just think about the hiring process of people in my organization until about five years ago, I just look for the absolute best technical talent. And frankly, they could even be a jerk, but if they were really good technically, that's what I valued. And therefore that's what the organization value didn't acknowledge employees. What I have come to understand in the last five years is while technology prowess is certainly important, one's approach and the judgment they use and the relationships they form and all those types of things, cultural-based things, I'd almost say, infinitely more important than the technology side. There's certainly a balance which is one of the adjustments we've made recently but just the culture and a person's approach and judgment and frankly, their behavior matters a ton.

Nichols: Let's talk about that journey a little bit. How did you come to figure out that it needed to be people first? Was there a pivot point somewhere?

Imhoff: Yeah, very much so it certainly wasn't a day, but it was a, it was over a couple of month period. A frankly I think another leadership lesson is you have to humble yourself to understand that you don't always have all the answers, in as matter of fact. I mean, I tell people all the time, "If I'm 51% right, I'm doing pretty good 'cause the trend is in the right direction. I would say that again about five years ago, we were faced with a massive 35% cost reduction mandate. And of course the moment you get that you're like, How the heck are we gonna do that, right? And we started down that journey, and that's another part of the story we can get into, But concurrent with that if I look at the real reason we were hit with that expense reduction mandate, a lot of it was because our internal customers, the Maritz business units, we're really getting frustrated with



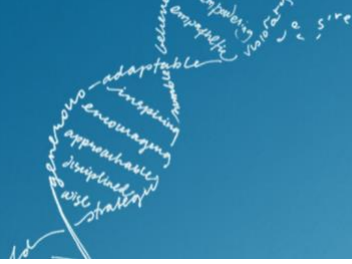


thing for me to do it was to understand the critical importance of honest and transparent feedback. Again, I keep referring to five years ago, but if you would go back five years ago and read the performance appraisals that were done around people in my organization and not just the ones performance appraisal I wrote, but everybody in the organization. You would think every single person in the organization walked on water, because nobody... It is really, really uncomfortable for any human being to give honest and transparent feedback. Again, we coached our managers to do that, but in the first time you have a conversation with an employee or really anyone and you're trying to point out things in their behavior in their approach that you feel needs to improve. Number one, you're gonna soft-pedal it 'cause it's the first time you've discussed it so you're not gonna do a great job doing it, but even then, the recipient of that message, will be really irritated. They'll get mad when they receive that type of feedback because they've never received it before, they perform, "Wait a minute, my performance appraisal said, I walk on water. What are you telling me?" The second conversation gets a little bit easier. The third, the fourth, the fifth. And when it gets to a point and you can just feel it in a relationship with the person you're coaching you can feel it when they start to turn it from being a victim to being a consumer of what you're telling them because they realize what you're telling them, they need to hear it and it will let them change their approach and improve, and ultimately all you're doing is giving them concepts to improve, its magical after that.

Nichols: It's really caring about the person, it's so much easier, right? To just gloss over those things and so... Yeah, you walk on water, it's so much easier to do that, but you're really showing them that you care. Yesterday, I was in a meeting, and there was a CIO that was talking about how he had been looked over one time. And he felt like he was ready for the job, the feedback that he got was... No, you're not ready. And here's what you need to do. And he said exactly what you just said, he said "Yeah I could have had this victim mentality and I could have been all upset about that because I just took it as an opportunity instead of a problem, it's an opportunity for me to take what was said and to put that into my how I approach things and how I showed up. And this person is the CIO now for this organization. But we're gonna take a quick break and we'll be back with Gerry Imhoff.

Welcome back, so Gerry, I wanna talk about more on the performance management system that you guys put in. And so typically, in times past, companies have used like in the annual review, did you guys, when you were looking to shift this did you change the cadence of those and if you did, what did that look like and how did you do that?

Imhoff: There was a corporate HR expectation that performance reads would be annually, I would say there was a... Let's say 50% compliance with that, it was frankly probably lower. And that's just not good enough, even if you had one. Human nature is such you're only gonna



remember what happened recently, so you might discuss something that happened over the last month, and you forget about the prior 11 months. The expectation we laid out with our management team and I think one of the keys is we had to hold ourselves accountable for doing the same thing is there would be real-time feedback situational feedback that again, honest and transparent. And so, one thing I remember in particular and we spoke earlier about how I was an initial kind of resistor, and saying, "Hey we're a technical organization. One of the things that really set the light bulb for me as in a meeting, we were with an internal customer and there were a number of people in my organization there and they're essentially I'll just call it a mini argument started between two of my folks over a particular product and I use the appropriate methods to kinda shut it down and say, "Hey let's take this offline or whatever else. And I think in the past I would have just let it go and that would have been it, but after the meeting I gathered my team together, and I said, "Hey let's just review what happened in this meeting. And I raised the point they made, and I said, "How do you think our customer perceive that? And I could see everybody in the room got all that. They really didn't think too much of that, did they... And it was just one of those real-time coaching moments where the light bulb went off for me saying, "Boy if I would have either not covered that or covered like a month later when people would have forgotten are an annual or worse in an annual performance review, we would've lost it. And when you do that frequently enough, you see behavior changes. It just raises the bar.

Nichols: There's some things packed in there that I really like. The approach that you use, you could have easily called the team together, say we were in front of the client that was not at all appropriate.

Imhoff: Again, this is something I learned from my direct reports.

Nichols: I remember you saying that. Your direct reports really kind of pushed you to that level.

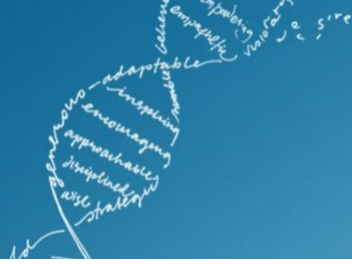
Imhoff: While HR was engaged, we really rewrote the Performance Management Manual, that my department used ourselves and one of the things that we focused on in there, we defined the values that we had in an organization, but we talked about, especially the coaching manual for managers, is there's task behavior and perception and I think many performance appraisal approaches focus on the task, way too much, and the task is really somewhat irrelevant. It's the behavior that you use to carry out that task and then the perception of the recipient or the peer or the partner or the manager or the client or whoever. And once we started focusing our coaching on that, and as you said, you start with perception, how do you think the other person perceived the behavior you use there, it's really not complex. I believe. I said in one of my blog series











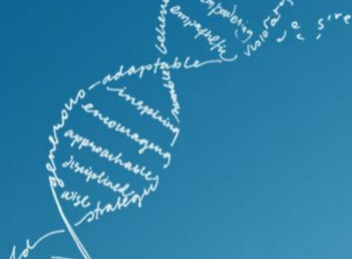
brought in was really, really good and they started to move off on their own using different cloud technologies. You know, we had... It's a bit of the... I'm jokingly saying it's a bit of an old school thing but we worked really well with the prior organization to establish a very secure and flexible and nimble cloud environment, in a particular Cloud provider. I won't give them a plug. And when the new group came in, they preferred a different cloud provider, and they started to use them and we didn't see it, we didn't know they were doing it, they were off on their own. And some things happen down the road that made us aware that they were doing that and then we started to engage and again, it was we had some significant stumbles getting them to trust us, we were pointing them back to the standard cloud provider they had good reason their new one, and so we had to educate ourselves on that and re-engage. There was actually another misstep that I would say my leadership team and I realized about a year ago, and that is in our initial messaging to the team when we talked about the culture change... We wanted to make all we talked about was culture, culture, culture, culture approach approach approach behavior, behavior, behavior, and while those things as I said, are really, really important. The message they heard was that technology wasn't important anymore and while they did an awesome job focusing on culture and relationships at tinkering, things like that, frankly, let some of those things because while I kinda jokingly said we were all about standards, standards are important, and having process is important than things like that, but we talk so much about empowerment and judgment. It really kinda went to the other extreme and I think a lot of that was around our communication and messaging, and again, if I had a do-over, I would change that a bit, and talk about it being much more of a blend than an opposite extreme. So we a 180 from this control and standards, to culture. So right now we're dialing that back. And one of the things that my boss is the CFO of Maritz has added to our lexicon is confident expertise 'cause I think we were so focused on providing our customers options and whatever the customer wanted even if they wanted something that the technologist in us knew probably wasn't the best thing, we went with it anyway, just because that's what the customer wanted right? Now, we've added this confident expertise to make sure "hey I can see where you may think that is valuable, but let me tell you, based on my experience, what we've seen".

Nichols: And that's where the trusted advisor comes in, out very month consulting. Because, like I said, sometimes they don't know what they don't know, right?

Imhoff: And if you're gonna run it like a business if you let the customer will have whatever they want that's not very scalable, right? And you're not gonna be in business for very long.

Nichols: Well, what do you believe is this something extra that every leader needs?





Imhoff: Absolutely. You can find me on LinkedIn.

Nichols: Very good, very good. Well, thank you so much for being here, it's just been my pleasure to have you.

Imhoff: You make it easy. Thank you so much.