The Founder of Panera Bread: 'I Wish I'd Fired More People'

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By Ron Shaich

I was the CEO of a public company for more than 26 years -- that's longer than Cal Ripken, Jr., played baseball. And I wasn't the only one who stuck around Panera for a long time. Many of my colleagues did, too. In one case, a senior executive grew up with me there for more than 20 years. His job eventually outgrew him, and he totally checked out. He knew it, too, but he couldn't bring himself to tell me. He just kept showing up to work. I pushed him and waited for him to step up. For *years*. But I didn't fire him.

Looking back, I understand why: I was too obsessed with being a caring leader. What I should have done was let him go sooner, and many others like him.

CEOs like me come from a model called servant leadership. The idea is that we're there trying to serve our teams and focus on their well--being. I thought of my team as a family, and the folks who worked with us as we built the organization were phenomenal. There's a lot to be said for servant leadership, but there's also a downside that took me years to recognize. As the complexities and challenges of our business got bigger and bigger, some team members weren't able to keep up. But instead of confronting them, I'd find ways to cover for them. I was willing to do their work. Time and time again, that hurt the organization.

Why did it take me so long to let these people go? Experience comes from banging your head against a wall, and if I'm being honest, I didn't come fully into my own as a leader until the past 10 years of my career. Now I see my mistake. I didn't understand that a leader can't put up with employees' baloney. If someone isn't producing, a leader has a right and an obligation to fire them.

Eventually I learned that servant leadership isn't about being nice at all costs. It's about being helpful at all costs. A leader should be as brutally honest as possible -- and you *can* do this in a kind and loving way. Let the chips fall where they may, and remember: Honesty is helpful. When you tell someone *why* they're doing a bad job, you're transferring the responsibility. Maybe they improve. Maybe they leave. Whatever the outcome, they own it.

And let's be clear. You'll lose people this way -- and that's *fine*. You can't teach a pig to sing. Some leaders think*, Oh, I'm going to train the employee to become this; we're going to develop them into that*. It just doesn't happen. People are who they are. A leader's responsibility is not to make a person succeed. A leader's responsibility is to create a direction for the organization and share with their team the opportunity of what they all can be. A leader provides the space to perform. After that, each employee owns their career and chooses their path.

So, about that longtime executive whose job had outgrown him: After two years of bad performance, I finally confronted him. We mutually agreed he should leave the company. As I matured as a leader, I had many more experiences like that -- the honest conversation that leads to a departure. Employees have actually come back to thank me. People who have been fired or were asked to leave have later told me that they learned more about themselves and their capabilities during that process than at any other time in their career. And that makes me feel good. It means I succeeded in being a servant leader.