**COMSATS University Islamabad, Virtual Campus**

**MGT 403 Entrepreneurship**

**Lecture 31 Handouts**

UNDER COVER BOSS (Case)

"The most important thing I learned is how critical it is that we must take care of our stores and their employees," DePinto said of his week-long experience. "This is our mission, and all of us have an important role."

President and CEO of 7-Eleven. Brand 7-Eleven is 82 years old and is a twenty four hour convenience store which is open 7 days a week and 365 days in a year.  
A graduate of West Point, DePinto said his time in the U.S. Army "was all about ensuring you properly led the people that were assigned to you and take care of them. That is the approach I take every day as CEO."  
With his wife Ingrid and four sons to support him, DePinto said the team at 7-Eleven was on a mission to make the company better.   
During his week undercover, DePinto wanted to find out how communication from the store support center in Dallas flowed down through the organization and ultimately to the stores, telling the chain's executives before going undercover that he wanted to spend time in the field, where the rubber meets the road, to "see what we're not doing well, which will make us better in the long run."  
"Danny's" back story: he was in real estate, out of work and looking for new opportunities. A documentary film crew was following him around as he tried out entry-level jobs in some of the largest companies in the country.

At a store in Shirley, N.Y., which sells 2,500 cups of [coffee](http://www.csnews.com/csn/search/search_results_taxo.jsp?startDate=12/23/2009&endDate=02/21/2010&cf=&ct=&cu=&rpp=10&sb=REFERENCE_DATE&so=DESC&ti=2&tp=vnuTaxoPool&numRet=200&src=&showAbs=true&srchMeta=true&shwTotal=true&metaSrchNum=250&numMeta=20&pi=&pubList=Convenience%20Store%20News|Progressive%20Grocer&kw=coffee&au=&mt=&mv=&esindct=false) a day, DePinto arrived at 5:30 a.m. to be trained by Dolores Bisangni, an 18-year veteran who undergoes dialysis twice a week and knows nearly every customer by name. One even called her "mom."  
Having trouble keeping up with the needed pace of coffee brewing, DePinto observed the job would be easier if there was a small sink at the coffee island. Bisangni responded, "Pipe dreams honey. Already he's coming up with all these ideas."  
At one point, DePinto mixed French vanilla with decaf hazelnut coffee; both were dumped. "You just goofed," Bisangni noted, adding "Danny is a little bit mushy mush, till he gets in the groove of things."  
  
A mother of five, Bisangni is the reason the store's coffee business is booming, DePinto said. "[It's] not because of the great coffee. It's because we have Dolores here."  
  
During his next assignment, at the company's largest bakery, in Baltimore, DePinto tried his hand at making pastries, which are delivered fresh each day to the stores. Again he had trouble keeping up with the pace.  
Working with Phil Shearin, a former U.S. Marine, eight-year 7-Eleven veteran and now head of the bakery's trainees, DePinto wanted to oversee quality control and how trainees were taught. Making fritters, DePinto was unable to keep up with the assembly line. As "Danny" he told Shearin, "When you left, all the wheels fell off, man."  
The trainer replied: "Just like in the Marine Corps or the Army, we always work together."  
Having Shearin in charge, DePinto said later, he was at ease, knowing the products coming out of the bakery hit a high standard.  
  
DePinto then returned to New York, to work an overnight shift at a franchised store in Medford, cleaning the bathroom, mopping the floor and stocking shelves. His goal was to find out why people chose to work the night shift and figure out how to keep them motivated.  
DePinto noted it was difficult for him to keep his energy level up. After being told by coworker Waqas, who showed him the ropes, to smile and greet every customer, Waqas noted: "Danny seems like a nice guy, but doesn't work very hard."  
After seeing the day's leftover doughnuts being thrown away, DePinto vowed to improve execution of corporate policy that calls for leftovers to be sent to local food banks.  
Waqas, originally from Pakistan, said he never would consider 7-Eleven as a career. In fact, the college student, who is working his way to a bachelor's degree in criminal justice, told DePinto that as sales associate, there were no other opportunities to grow and wouldn't recommend it as a job.  
"It absolutely hurt that ... he doesn't think he has opportunities at 7-Eleven," the CEO said later. "Great people make great companies, and we can't let them think their job is a dead end."  
  
At another store in Long Island, N.Y., one of the highest grossing stores in the system, DePinto kept windows clean. He handled floor duties, keeping food fresh and cleaning up, and made a maintenance call to the support center reporting lights out in the front of the store and in the back room -- a customer service and safety concern. The maintenance department gave it a low priority, saying they would be fixed during a standard monthly visit, which DePinto found unacceptable.   
  
Leaving the store, DePinto noted: "The place is just in bad shape" and made a call to 7-Eleven's COO and executive vice president, Darren Rebelez.  
  
He also spent time with Igor Finkler of Lewisville, Texas, an overnight delivery person for one of the chain's distribution centers. Delivering product to 7-Eleven stores overnight, De Pinto was impressed with the Russian immigrant's infectious enthusiasm and relationship with store employees.  
Finkler, who came to the country with $50 in his pocket, said he was living the American dream.   
"He's the type of guy we need to have working for us," the CEO noted.  
Visiting a store in DePinto's hometown of South Lake, Texas, he was worried he'd be recognized, especially by the franchisee he knows, and told Finkler he was going to use the restroom, so his cover was not blown.   
  
The CEO later told his executive team he learned management has more work to do. "We have these great programs, but they haven't reached the stores," he said.  
Spending time as "Danny" is influencing how DePinto will lead the company going forward. "We are placing even more focus on supporting our stores," he said. "We are ratcheting up response to maintenance need at the stores. We also are looking at ways to locally donate fresh bakery items rather than tossing at the end of the day."  
The experience opened his eyes to how hard work the frontline employees work, noting he learned, "Everyone needs recognition. Every employee I met was amazing. What we need to do is better support them."  
As he said on the show: "This will change the way I work every day for this company."  
  
Later revealing himself to his coworkers, he told Waqas he'd personally mentor him if he wanted to stay with 7-Eleven or help him go back to Pakistan, if that was his goal. He also offered Shearin, the ex-Marine, an opportunity to use his artistic ability on display in the bakery's back room in order to do some freelance artwork and build up his portfolio. For Finkler and his wife, who he sees only twice a week because they work opposite schedules, he offered a vacation at a resort so that they could spend time together, and also gave him a 7-Eleven franchise to be his own boss. DePinto also recognized Bisangni by setting up a donor awareness program across the United States and Canada.  
  
Earlier in the month, during a spot on the ["Oprah Winfrey Show," DePinto said](http://www.csnews.com/csn/search/article_display.jsp?vnu_content_id=1004064138) the experience took him back to when he worked at a KFC. "It taught me how hard our folks work, day in and day out. They work much harder than I do."

**Source:**

https://csnews.com/7-elevens-depinto-undercover-mission-cbs-reality-series

https://glennremoreras.com/2010/09/21/business-lessons-from-7-eleven/