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# Checkers CEO will highlight Mobile-inspired corporate changes Friday on 'Undercover Boss'

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Rick Silva, president and CEO of Checkers/Rally's will return to CBS's "Undercover Boss" Friday, May

17, 2013, to discuss initiatives implemented companywide since infiltrating several of his restaurants, including Mobile's Airport Boulevard location. (Photo courtesy of Checkers)

**MOBILE, Alabama** – If you think one person can't make a difference, ask Rick Silva to tell you about a Mobilian named Johanna.

Silva infiltrated a few of his 800 Checkers and Rally's restaurants for an episode of CBS reality show "Undercover Boss," and two years later the company's president and chief executive officer is still singing her praises.

"Johanna is a rock star. She's just such a straightforward, honest young lady," Silva said of the longtime employee he worked alongside while visiting the chain's very first location on Airport Boulevard at the Loop.

But don't take Silva's word for it.

Ask the roughly 1,500 employees – or about one-third of the company's total payroll – who now take home monthly performance bonuses because of Johanna's conversations with a man she believed to be just another co-worker.

Silva said the company already had an incentive program in place and actually considered it quite proactive because it included both manager and assistant managers.

"Johanna said, 'Yeah, that's really good, but it makes me feel left out,' and that just took the air right out of my balloon. Here I thought we were really hot stuff and so far ahead of the curve, but we got so caught up extending it to management, we missed what was right in front of us," Silva said.

The result?

Since 2012, every single Checkers and Rally's employee is eligible to earn a bonus every single month for hitting a target derived from a balanced score card that includes everything from guest satisfaction and speed of service to sales, profits and team member turnover, he said.

"If an employee misses (the bonus) one month, the clock resets. It seems like a simple change, but it's really helped the culture – that was already strong – in our restaurants because now the employees realize that they personally can have an impact," he said.

## **Empowering employees**

The incentive program is one of three companywide changes Silva will detail tonight when he appears in the reality show's "Epic Bosses" episode airing at 7 p.m.

Now in its fourth season, "Undercover Boss" takes corporate executives and puts them alongside unsuspecting employees to see how things operate outside the board room.



Checkers President and CEO Rick Silva works alongside Mobile employee Johanna, whose suggestions have prompted several changes throughout the chain since his "Undercover Boss" appearance in 2012. (Photo courtesy of CBS)

“This is a story about all the opportunities that exist across all businesses when we give employees the power to improve their lives,” said Silva, who took the company’s helm in 2007, and has since overseen the comprehensive restructuring of the Checkers/Rally’s brand.

His stint on “Undercover Boss” – and specifically his interactions with Johanna whom he now mentors personally – has been a large component of that transformation.

In addition to the bonus program, Silva said the experience also launched a concerted effort from the top down to identify strong talent within the company’s rank-and-file employees and find ways to help those team members progress in their careers.

He asked Johanna, for instance, why she had never pursued management. Reasons were thrown out, he said, but the bottom line was she lacked the confidence to take that step.

In his telephone interview with the Press-Register this week from Tampa, Fla., however, Silva said he learned that Johanna has performed so well as a shift manager she will complete training as an assistant manager within the next 60 days.

In turn, several steps have been taken to help locate “Johannas across the system,” he said, including a streamlined online application process, improved evaluations and a formal mentorship program.

“I think if Johanna had had someone in the restaurant who was her mentor to help her feel less apprehensive, she would have gotten here faster,” Silva said. “I realize we can do a better job helping them advance, and the more successful they are, the more successful we are.”

## **Cultivating talent**

In addition, an unfiltered general managers' council has been created to keep the lines of communication open and innovation flowing from all levels.

Silva said a lot of executives give lip service to their employees being their greatest assets, but the sentiment rings hollow when it doesn't translate to an improved customer experience.

By investing directly in programs that identify and cultivate talent while giving those employees a sense of ownership in the decision-making process, Silva said his restaurants are proof the return is there.

"First, don't assume that because you're in charge, you're getting all the great ideas. You have to find ways to engage with your front-line employees in a way that's comfortable for them, and then you have to really listen to what they're saying," he said, likening the experience to an "unfiltered peep hole."

Ideas without action, however, are only words on paper, Silva said.

"You have to have the courage to make the changes. There will always be reasons why some things won't work, like when our operators pitched fits saying there was absolutely no way we could afford to implement the bonus program across the board," he said.

"You have to have the courage to say, 'Find a way,' and break some of those barriers," Silva said.

Checkers was actually founded in Mobile in 1986, with its first store built at 2213 Airport Blvd. Of the 800 restaurants included in the now Tampa, Fla.-based chain, 500 are owned by franchisees, and Silva said the exposure from "Undercover Boss" has helped attract potential operators who share the company's core values.

In fact, with 16 new franchisees year-to-date, Checkers is on track to double the 23 franchisees brought on in 2012.

The remaining 300 locations, including those in the Mobile area, are owned directly by the company.