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HALL of FAME

RESTLESSLY UNSATISFIED

CSNews Hall of Fame inductee Dean Durling is a conductor of continuous improvement

By Linda Lisanti

hether it's a yellow legal pad sitting to the right of him on his desk or a stack of index cards in his shirt pocket, Dean Durling is never without an outlet for his thoughts. He's always thinking, observing and jotting down notes on how to make Quick Chek Corp., the company he's led for nine years, a great place to work, a great place to shop and a great place to invest.

There's even a phrase coined by this year's *Convenience Store News* Hall of Fame retailer inductee to describe this pursuit of continuous change and improvement: "Restless unsatisfaction."

"Some people give you a streaming thought process. I like to collect ideas as I travel through life, process them and figure out if there's something there. That is being restlessly unsatisfied," explained Durling, who is being inducted into the *CSNews* Hall of Fame this month along with supplier inductee Bob Sears of Altria Group Distribution Co. (See compan-



ion story on page 38.)

Durling has been leading a culture of restless unsatisfaction at Whitehouse Station, N.J.-based Quick Chek since 2003, when he became president and CEO of the now 131-store chain. He's been with the retailer far longer than that, though. As the great grandson of the company's founder, he essentially grew up in the family business, which got its start back in 1888 as Durling Farms dairy business.

When he was too young to drive, Durling would ride his bicycle to the milk company and catch a ride on a milk truck down to a store where he would stock shelves. The first Quick Chek store opened in 1967 in Dunellen, N.J., as a superette model that sold groceries and produce and had a delicatessen. The Durling family built that first store and the others that soon followed in areas where it had loyal door-to-door milk delivery customers.

During the summers, Durling and his brother Corey had their own milk route. In the 1970s, he moved up to working in the stores while attending school. Then in 1977, when he graduated from Cornell University with a bachelor's degree in applied economics, Durling joined Quick Chek full-time in the real estate department.

Over his 35-plus-year career with Quick Chek, Durling has served in a variety of roles from director of real estate and construction, to assistant director of human resources, to vice president of marketing, to executive vice president, and finally president, CEO and chairman.

When he started at Quick Chek, Durling never imagined he would eventually become the chief executive, succeeding longtime president Bob Page, who joined Quick Chek in 1968 and ran the company for 34 years. (During that time, Durling's father Carlton

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was chairman.)

In fact, in 2000, when the retailer's six-member independent board of directors asked Durling to create a succession plan for Page, the plan he proposed did not have him in it.

"The board conferenced for a while, and then at the next quarterly meeting, they conferenced some more and I wondered what they were talking about," he

REFLECTIONS OF A LEADER

Convenience Store News asked some of Quick Chek President, CEO and Chairman Dean Durling's closest colleagues what makes him a Hall of Famer. Here's what they had to say.

"I've worked with Dean 36 years, as long as I've been with Quick Chek. His leadership style is detailed and very focused. He has a clear vision of where he wants to see the company and his people go. What makes him a successful leader is his growing up in the business. He understands the different positions and the different people from all walks of life. As CEO, Dean has clarified the vision of the company and made it more of a single focus."

— Mike Murphy, Senior VP, Quick Chek

"I have known Dean for the 34 years I have been at Quick Chek, and have reported directly to him for the last eight years. Dean tends to seek everyone's input prior to making a decision. He lets us manage our areas and people, but does like to offer his insights as well. Typically, decisions are ours to make for our specific areas of control. What makes Dean a successful leader is his ability to slow things down and look at all areas that could be impacted, so that all bases are covered. With that style, he has helped create a much better cross-functional collaborative team. We are more process driven, less impulse driven, with a very strong commitment to short-term and long-term growth, which has resulted in record sales and profits."

John Schaninger, VP of Sales & Marketing, Quick Chek

"I've worked with Dean for nine years, and he's an inspirational leader. He has an inspired vision for where he wants to take this business and he's very passionate about it. He drives to [achieve] goals, striving for outcomes. He has very, very high standards not only in what he does, but how he does it, and I certainly admire that in him. He's also a great decision maker and problem solver."

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Maria Fidelibus, VP of Information Technology, Quick Chek

"I've known Dean for 15 years, the last 12 of which I have served on the Quick Chek board of directors. He is a resourceful, insightful and focused leader who sets high performance standards and walks the talk. Dean is a very dedicated, hardworking leader and a very caring and competent CEO. I'm inclined to describe Dean as having a good case of 'restless unsatisfaction,' always looking for better ways to serve Quick Chek customers."

 Bob Robertson, Quick Chek board member and 2001 CSNews Hall of Famer

"I have known Dean and been on his board since it was created in 1999 when he took over leadership of Quick Chek from Bob Page. I have seen Dean grow into being one of the best leaders in my experience across many companies and industries. He is passionate about the business, thoughtful with regard to strategic direction and very effective in building a culture of honest teamwork, customer-driven results orientation and openness to new ideas. Dean is an extremely balanced servant leader in every situation who provides a consistent, authentic leadership style that is the foundation for Quick Chek's success. His quality as an individual, contribution to the improvement of the industry and success at Quick Chek make it very fitting for Dean to be inducted as a member of the *Convenience Store News* Hall of Fame."

— Bruce Krysiak, Quick Chek board member

"I was first introduced to Dean when I was on the NACS Supplier Board, and I soon became familiar with Dean's deep knowledge of the convenience store industry and the issues it faced on a day-to-day basis. He and Jay Ricker took the time to explain the importance of knowing not only the issues convenience stores faced in my category, but in their overall business. Dean always spoke with candor. His straightforward approach to the business made me a better salesperson. Because of Dean, I was better able to represent the convenience industry internally to my company, which allowed Anheuser-Busch to lead the industry in many key areas that mattered to all of our c-store customers. I want to thank Dean for the many pieces of advice and knowledge shared with me, and all supplier representatives of the c-store industry over the years. You always managed, through difficulty or success, to show class in everything you achieved."

- William Laufer, 2006 CSNews Supplier Hall of Fame inductee





Since Durling took over the CEO role at Quick Chek, the retailer's focus on foodservice has intensified. Today, foodservice generates roughly 50 percent of the chain's in-store margin contribution.

recalled. "At that time, I was just finishing up my year as NACS chairman. The board came back to me and said if you'd consider it, we'd support you as the next president. I was honored and said I would give it my absolute best. I did not expect that, but they gave me the vote and I said sure, I'll do everything I can."

TURNING POINTS

When he assumed the top post, Durling didn't set any grand aspirations and he certainly didn't expect to have accomplished today what the company has over the last nine years. In 2003, Quick Chek was a roughly \$300 million company. On Oct. 31 of this year, the retailer closed out its fiscal year at more than three times that amount, and it won't be long until it hits \$1 billion in sales.

In 2003, the chain had two sites with fuel. Today, it has 37 fuel sites and all new stores are built with fuel. It's also expanded into a second state, now serving New Jersey and New York.

When asked about the achievements he's most proud of during his tenure, Durling pointed to several "turning points" that have propelled Quick Chek to this point. The first being in the spring of 2004 when

IN PRIORITY ORDER

Ten years ago, a life-changing event led Dean Durling to do an inventory of his life. What he found, in his own words, was that "I was up to my ears in it."

At the time, he was heavily involved in the industry's trade association, NACS, the Association for Convenience & Fuel Retailing, and served on a variety of other boards. He also was active in a number of hobbies, including horses.

Durling got out one of the yellow legal pads he always keeps close by and wrote down everything he was doing. When he was done, the list was quite long. Then, he circled the two items that were most important to him: his family and Quick Chek.

In the days and weeks that followed, he made it a point to keep that pad in front of him as he crossed everything else off that list. A decade later, those two items are still his priorities.

"No. 1 on my list is to be the best husband and father that I can be. And No. 2 is to be the best leader I can be for Quick Chek," he explained.

When not in the office, Durling can be found spending time with his family. He's been married to his wife Liz, a successful interior designer, for 18 years and has five children: Chapman, 30; Jonathan, 28; Ngaere, 26; Oliver, 16; and Posey, 10.

Two of his children have followed in his footsteps and joined the family business — his son Chapman works in Quick Chek's maintenance and construction department, while son Jonathan is a store leader. His other son Oliver works in the stores during school breaks.

the company consciously redefined its business model.

"At that time, we said let's redefine the business model as if we had zero profits from cigarettes. The model pointed to two things: we had to have a very strong foodservice offer and we had to have a great fuel offer. That was a significant turning point in the company," he said.

Given its roots as a superette with a delicatessen, foodservice was already something Quick Chek did well at the time. "We had a good foodservice offer, but we knew that we had to continue to challenge ourselves to make it even better," said Durling. It was then that the chain began emphasizing the fresh-baked bread in all of its stores, offering touchscreen ordering and changing how it went to market.

Another turning point happened three years later, in the fall of 2007, when Quick Chek unveiled a new logo and changed the look of its stores, moving to what it refers to as "fresh convenience." The company's vision is to be the best fresh convenience marketer for customers



on the go. And so, over the past five years, it's reimaged all of its stores and redefined convenience.

"For us, fresh convenience of course means fresh food, but also a fresh store — clean, well-lit, open front, modern — and also fresh people — a fresh attitude, fresh smile, energy," Durling explained. "The customers and market have really responded to it, and have told us it works."

Today, foodservice (including coffee) generates roughly 50 percent of Quick Chek's in-store margin contribution. Still, in his typical fashion, Durling is restlessly unsatisfied. "We're heading in the right direction. It's a journey and we continue to make improvements," he said.

The chief executive is quick to point out, though, that this journey

wouldn't be possible without Quick Chek's longstanding commitment to continuous development of its people.

"We've complicated the business with full-service gas and significantly improved foodservice. We have to make sure we have the right people on board and that we train them," said Durling. "If you want to be great at something, you can't do just one thing right. You have to do 100 things right in that formula. For us, we do that in coffee, foodservice and our people processes."

From the top down, there is a belief at Quick Chek that strong leadership will build a great company, and so it seeks to develop every "team member" from day one. For instance, all new hires spend a full day learn-



Quick Chek's mission is threefold: to be a great place to work, a great place to shop and a great place to invest. As Durling points out, each tenet is dependent on the others.



Durling and his executive team (pictured here) believe strong leadership will build a great company, so they seek to develop every Quick Chek team member from day one.

ing how to make Quick Chek a great place to work and a great place to shop. During each class, Durling makes it a point to meet all new hires face to face. This gives him the opportunity to see who's joining the Quick Chek family — now 3,400 strong — and talk to them about where the company has been and where it is going.

To cultivate leaders, the retailer has made the Play to Win! program created by Larry Wilson the cornerstone of its leadership development program. Play to Win! is about choosing growth over fear. At Quick Chek, the program is carried out in a three-day, lifechanging event.

Durling doesn't believe that people "just want a job." Instead, he said many are afraid or nervous to advance because it's uncomfortable stepping up to the next level.

"Playing to win is going as far as you can. We believe people need to step out of their comfort zone and once you do that, you start to recognize personal growth," he said. "People have opportunities for personal growth and success here. We give them the opportunity and then we're there to support them. Our culture is about giving ordinary people extraordinary opportunities — like me."

KNOW YOUR PEOPLE, KNOW YOUR BUSINESS

Over the course of his career, Durling has found that the two most important things you can do as a leader is know your people and know your business. Being an admittedly





The two most important things you can do as a leader is know your people and know your business, according to Durling.

"routine sort of person," he achieves this through various daily, weekly, monthly and annual efforts.

On Sundays from 8 a.m. to 10 a.m., you can find him sitting at his kitchen table going over that week's corporate and store reports, which are run on Saturday. True to form, he always has a yellow legal pad on one side, a "Way to Go" notepad on the other and a green felt pen in hand.

When he sees things that went well, he writes "Way

to Go" notes (could be 10 to 50 notes depending on the week); those notes are sent out to the stores on Monday morning. When he sees companywide trends — be them positive or negative — he makes notes in his legal pad. At 10 a.m. every Monday, Durling gets together with his executive team to talk about the past week — what went well, what didn't, etc. — and he shares his observations.

Even though Quick Chek is a private company, he believes in sharing information. Store leaders and up are paid depending on the profitability of their store or business unit. Roughly 30 percent of the company's profits each year are distributed as profit-sharing and variable compensation.

"We believe that when people know what our intent is, they can help us get there," Durling added.

The CEO visits stores unannounced on Thursdays through Saturdays. He also makes announced visits twice a year — once in December and once in June — to do hands-on store inspections. He joked that he could never be on the CBS show "Undercover Boss" because he would be instantly recognized. Being approachable is an integral part of his leadership style.

"Everyone in the company calls me Dean, not Mr. Durling. We're building a great business together," he said, noting these visits help him get to know his people.

On an annual basis, every February and March, the company undertakes a comprehensive process it calls LGAs, short for leadership growth assessment. Store leaders, district leaders and regional leaders come to the Support Center to meet individually

STANDING UP FOR THE INDUSTRY

For Dean Durling, his pursuit of continuous change and improvement doesn't only apply to his own company, Quick Chek Corp. He is also a well-known convenience industry leader, having worked many years with NACS, the Association for Convenience & Fuel Retailing.

For 14 years, from 1992 to 2005, Durling served on the NACS board of directors and the executive committee. During this time, he was also chairman of the education committee, research committee and the first-ever audit committee, which he started.

Durling took on the role of NACS chairman from 1999 to 2000, during which time he drove more longterm strategic planning initiatives for the industry trade association, specifically in the areas of tobacco regulation, technology standards, labor standards and metrics. "Everyone only has so much time, so you have to divide that up. When you join something, you engage for three reasons: what you can contribute, what you'll get from it and if you enjoy the people that are there. NACS hit homeruns in all three," Durling said.

The Hall of Famer added that NACS continues to serve him well because of the long-term friendships he and his wife Liz developed over the years with so many of their industry peers. Durling said he often draws upon these relationships when contemplating big changes.

"When we decided to change our model to sites with fuel, I reached out to everyone I knew on the retailer and supplier side. That was available to me, but it's also available to everybody," he said. "No industry — restaurant, drug, grocery — shares and works together like our industry does."





Always a good sport, Durling donned a lime green suit to celebrate the launch of a new logo and store design in the fall of 2007. He shared the stage with "Q," Quick Chek's mascot.

with the executive team and present their business and team on a nine-box grid that looks at performance and leadership.

Team members in the Q1 box are high performers

changing, you change to evolve. And Quick Chek is constantly evolving to deliver "Total Customer Dedication" or TCD.

"It's the evolution of delivering what the customer wants or even exceeding it," he said.

Durling sees his induction into the *CSNews* Hall of Fame as confirmation the company is on the right path in its journey, and he stressed that this is not a personal honor, but a Quick Chek honor. "I just happen to be the guy standing in to receive it," he commented. "It's ours, not mine."

Going forward, his plans are to keep leading Quick Chek to continuous improvement and good steady growth. That includes reinvesting the profits back into the business, enhancing programs and building new stores. Five locations are already under construction for next year.

"We're not there yet," Durling said. "Don't ask me when we're going to be there because I don't think we ever will. This is a company of continuous growth, continuous improvement, restlessly unsatisfied. We're on a journey that will probably be a never-ending journey."

"Some people have said I can be hard to read at times. I don't go way high or way low. I'm a bit more reserved. But if people are wondering what I'm thinking, they can be sure I'm thinking something. I am always thinking and studying things."

- Dean Durling, Quick Chek

and ready to be promoted, while those in the Q9 box are low performers, according to Durling. "At the end [of the LGAs], we know where our strength is, who's developing their people, who's delivering results and where we need to improve at all levels of the organization," he said.

A NEVER-ENDING JOURNEY

Just as he never stops thinking, the restlessly unsatisfied Durling is also always looking forward, being careful to balance continuous improvement and change with not disrupting the daily operation. As he explained, you don't change for the sake of Durling, too, is on his own never-ending journey to be the best leader he can be for Quick Chek. He plans to keep doing what he's doing as long as he's physically and mentally capable, and has the support of the company's board of directors. It's a job he's passionate about and loves to do.

"I've never run a billion-dollar business. Each and every day, I'm excited to get up out of bed and prove that I can," the Hall of Famer concluded. "And I'm going to continue to think and study and wonder, so I can make sure I'm worthy to do this job tomorrow. I want to earn my job, and I believe I need to earn it every day. Tomorrow is a new day."