

Practicing Management Decisions

Case

Moving Up the Corporate Ladder

Luther and Lenora Cain left farm life to find more opportunity in the business world. Luther found a job as a porter and Lenora as a maid. In fact, to earn enough to rear a family, Luther took on three jobs, including one as a chauffeur at Coca-Cola. Soon he became the chauffeur and personal valet to the president of Coca-Cola.

Herman Cain is Luther and Lenora's son. He learned from his parents that hard work and dedication pay off in the long run. He finished high school second in his class and attended Morehouse College, working after school and summers to help pay his tuition. His father had saved enough money to buy a grocery store, and Herman worked in that store for a while. Inspired by Dr. Martin Luther King, Jr., Herman Cain went on to get a master's degree at Purdue University and landed a job at Coca-Cola as an analyst. Four years later, he and his supervisor moved to Pillsbury, where in another five years Cain was vice president for corporate systems and services. His goal was to become president of a firm.

The president of Pillsbury told Cain that he would most likely reach his goal by rising up through the ranks at Burger King, a division of the company at the time. But that meant starting from the bottom, flipping hamburgers and giving up his company car and nice office! Cain hoped it was the right thing to do—as it turned out, it was. He completed the usual two-year training program in nine months and was named Burger King's vice president of the Philadelphia region, in charge of 450 units. His region had been a slow-growing one, but Cain turned it into the company's best region for growth, sales, and profit.

Cain was so successful at Burger King that he was chosen to become president of Pillsbury's Godfather's Pizza. Having reached his goal, Cain began his work as president of Godfather's by

streamlining operations. Unprofitable units were closed, and others were made more efficient. Eventually

Cain and a partner bought Godfather's from Pillsbury for \$50 million. Since then, the value of the company has doubled. Cain says that service is the driving force behind his business and that his number one rule is "The customer is always right." He also says that if you love what you are doing, you will be successful. Following that philosophy, Cain became the first African American president of the National Restaurant Association.

Cain worked hard to support his community. He supported an outreach program for troubled teens and gave speeches about what it takes to be a success. Many young people think the fast-food industry offers only dead-end jobs. Herman Cain doesn't see it that way. He sees such jobs as a chance to eventually run something—to own something. He sees opportunity. The opportunity Cain is now seeking is to become a senator from Georgia.

Decision Questions

1. Why do many youths resist working for fast-food restaurants when such jobs can provide a path to long-term success as a manager and potential owner?
2. What are the risks and opportunities involved in changing your job to seek faster advancement as Herman Cain did?
3. What obligations do small-business owners have to give back to the community that made them a success?
4. Which career path has the most appeal to you: working your way up through a large corporation or working for yourself? Why?

Source: John Gizzi, "Conservative Black Pizza Magnate Seeks Senate," *Human Events*, January 23, 2003, p. 5.