Transcript — Episode 14: Why Is Everybody so nice?

Matt: Here's what's coming up on Inside Trader Joe's.

Dave: Hi, I'm Dave and I've worked for Trader Joe's for 51 years.

Dionne: And I ended up being in that store for four hours hearing story after story after story like that.

Tara: That makes me really emotional.

Dionne: Try being there.

Crew Member 4: I love the Soy Chorizo, actually. I'm not vegetarian, but I could be fooled easily.

Tara: So right now we're headed into a session of Trader Joe's University, or TJU as we call it.

Nakia: The podcast crew is here.

TJU Crew 4: We are encouraged to be ourselves.

TJU Crew 5: It still surprises me to this day how everybody's like, yeah, just keep being weird, Dylan.

[Crew members laughter.]

Colleen: Yeah. We can teach anybody how to put a can of corn on the shelf, but how to connect with somebody, um, and do that in a way that's being engaging and inspiring is different.

Tara: This episode is about our amazing, wonderful, fabulous crew members.

Matt: So should we let (one of) them do the honors?

Tara: Let's.
Emily: Hi, this is Emily from Royal Oak, Michigan.

Cindy: Hi, this is Cindy, crew member from Carmel Mountain, California. Are you ready? Let's go…

Emily: Inside Trader Joe's.

[Theme music and store bells ring two times.]

Tara: I'm Tara Miller, the director of words and phrases and clauses.

Matt: And I'm still Matt Sloan, the marketing product guy.

Tara: What's the question we get asked most here at Trader Joe's?

Matt: Why did we discontinue my all time favorite snack?

Tara: No, not that one.

Matt: I know what it is. I know we get this all the time. Why is everybody so nice?

Tara: Exactly. Why is everybody so nice?

Matt: So that's what this episode is about, and … We get that question or versions of that question all the time. It looks like everybody's having fun. Is it mandatory? Do you guys do special exercises before the shift starts? What is going on here? Well, it turns out having a happy crew makes for a happy workplace and people like to stick around in the happy place.

Tara: So how long have you worked here, Matt?

Matt: I'm in my 26th year here at Trader Joe's. I like to think I was hired to cut the cheese. Now truly we used to cut and wrapped cheese at each store when I started at trader Joe's and that was one of my main tasks when I was a crew member, a brand new crew member.

Tara: I'm going to be at 17 years in a couple of months and it does feel like it's gone by really fast.

Tara: I loved shopping at Trader Joe's. And when I was, I was making a career move, I sat down at my computer and I wrote a letter to our CEO, Dan Bane, saying I'd really love to come and work for this company.
Matt: That must've been a pretty good letter.

Tara: I guess that's why I'm the director of words and phrases and clauses, 'cause I figured out how to put all those together, and make a good letter.

Matt: Now admittedly being a Trader Joe's crew member isn't for everybody, but -- for many of us -- we just couldn't imagine working anywhere else.

Tara: We asked Trader Joe's President Bryan Palbaum, why is everyone so nice? And this was his answer.

Bryan: Because they are.

Bryan: I think that's one of the first things that we focus on when we're looking to hire people. Start with people that are outwardly nice.

Bryan: Very difficult to train someone to be nice. But if they come into the door to the interview and you can sense that these are just nice people while you're, you're all the way home as far as looking for good people to hire.

Tara: So Laurie and Colleen, how long have YOU worked for Trader Joe's?

Laurie: I still consider myself a newbie. I'll be here 15 years in July.

Colleen: It will actually be 13 years on the 10th!

Matt: The 13th anniversary gift... is that paper or linens? I always mix that up.

Colleen: I was hoping it was cookies, but... We'll see... (laugh)

Tara: Laurie is our vice president of human resources and Colleen is our director of recruitment and development.

Laurie: When I started 15 years ago, we were around 10,000 crew members and now we're at about 46,000 crew members.

Tara: Wow.

Matt: A little more than 20% of that group has tenure of 10 years or longer. Um, that's astounding. And then there are people with 40, 45, 50 years.
Matt: That just blows my mind that there's a business that has people with it today that were there on the first day of that business.

Tara: Of that almost 46,000 people, a couple of hundred are office people.

Matt: It's about 0.7% of our people working in the office because we often say that there are no cash registers in the office and customers don't shop here either. You know, it's the stores where it really matters.

Laurie: I'm really just support for the stores,

Laurie: …helping them, you know, get their timesheets right to process payroll, helping them with employee relations issues. We have training and development as part of HR and so we're, we're bringing people in all that time to give them leadership development.

Tara: I love that there's Trader Joe's University. I think that, I think that might be a surprise to a lot of people.

Colleen: Right. So we have a very, very strong promote from within process in our stores. And you mentioned all of our store managers, our captains, are promoted from the assistant manager mate ranks and what Trader Joe's University really serves to do is help to develop their leadership skills.

Colleen: We fly people into our office here in Monrovia or to Boston, or into Chicago to run these two day classes focused on leadership. And really the goal is not just to create great leaders at Trader Joe's, but to provide content and material that helps people just be the best version of themselves anywhere they are.

Matt: And I hear this from people all the time. "Oh my gosh, I use that with my kid's softball team," or "Oh my goodness, I had a really tricky discussion with my neighbor, and I was actually better prepared for it from that TJU, Trader Joe's University session."

Colleen: I'll tell you, we've had more than one mate come back to their second round of TJU training saying that it helped to save their marriage, uh, which is pretty powerful stuff to hear that the, the keys of listening to people and providing respect and sharing the way you're feeling and praising people, (um,) help to strengthen their, their marriages even.

Tara: And speaking of listening, we're going to be listening in on some classes at Trader Joe's University or TJU coming up a little bit later in this episode.

Tara: If you put Trader Joe's against other companies just in the wider American corporate atmosphere, how do we stack up?
Laurie: We pay very well. And, we like tenure. We want to keep people a long time so that they know our customers and they can talk about our products. One of the things that we do for crew is we give them raises twice a year. So every August and February crew are reviewed and have the opportunity for a salary increase. That comes out to about a 7% increase a year, so you can imagine as the years go by, it really starts to add up.

Tara: That's a lot.

Laurie: It is, yeah, it really is a lot. And we start people at a great wage. we start people at a really fair wage. We're looking for talent, we're looking for people who like to work as part of a team.

Matt: You think like, yeah, they're a real team player, but does everyone go about that team interaction the same way? No, there's lots of different styles, right?

Colleen: Lots of different styles. It doesn't just mean working at Trader Joe’s that you were, um, that you have a huge personality and you're shouting across all the customers and hosting a party. Uh, some of the best connections are those sort of understated, real personal, intimate connections that we make with our customers...

Colleen: It's a people business.

Colleen: Yeah. We can teach anybody how to put a can of corn on the shelf, but how to connect with somebody, um, and do that in a way that's being engaging and inspiring is different. If we all were the same, it'd be pretty boring.

Laurie: We also offer medical and dental and vision to anyone who works over 30 hours a week, averages over 30 hours a week. And it's a really great medical plan.

Laurie: The crew member premium is very small, uh, with, with Trader Joe’s picking up the large majority of it, almost all of it.

Tara: My premiums are very low

Laurie: In the marketplace, they started to rank plans by metals, right? They had platinum plans and gold plans and silver plans and bronze plans. And they differ depending on copays and deductibles, things like that. Well that's what's kind of interesting about the Trader Joe’s plans, we only offer gold and platinum level plans.

Laurie: We also have an amazing retirement plan. If you work 700 or more hours in a year and then you're there the next year, the first day of the next year, you get a contribution. The Trader Joe's contribution is 10% a year regardless of whether crew members contribute or not.
Tara: So that's like 13 hours a week-ish. Right? 10 and a half hours a week on average.

Laurie: People will, you know, retire from Trader Joe's and do quite well in retirement.

Tara: Yeah. I'm hoping.

Laurie: Yeah. Right? Me too!

Tara: (chuckle)

Laurie: You know, there were two of the things that I wanted to mention, um, that that are kind of quirky things we do, but they're, they're extras, which we have things like a disaster relief program. So when the hurricanes hit, we were able to help crew members in need, you know, substantially, especially with Harvey, we also last year opened up a scholarship fund. So, um, I have a great job.

Matt: Okay. I know what you might be thinking.

Tara: It's too good to be true, right? How can everybody possibly be that happy?

Matt: And this is just another recruitment shpiel, right? But you know, this is about business, and it turns out taking care of our crew is good business.

Tara: We feel appreciated. And because of that we like what we do. We like to talk about it.

Tara: Say you're a person out in the world who would really love to work for Trader Joe's and you know, how, how do you do that?

Colleen: You can walk into your neighborhood Trader Joe's store. You can go to our website, TraderJoes.com and check out the career section.

Colleen: There's a lot of software out there that companies can use to automatically sort who they should look at and who they shouldn't look at. We're a human business, so we use our, our eyes to review everybody who's interested in working for Trader Joe's. Actual people, actual people with actual eyeballs.

Tara: Colleen and Laurie, thanks so much for coming and talking to us.

Laurie: Great to be here.
Colleen: It's a great place to work. Everyone should be so lucky to work here. (chuckle)

[Sound of a jet taking off, followed by Chicago street noise.]

Dionne: HI! Good to see you, Tara. Welcome to Chicago.

Tara: We wanted to speak with, uh, one of our favorite Trader Joe's people who happens to call Chicago her home.

Dionne: My name is Dionne and I am the executive vice president of stores for the Midwest. And I came aboard in 99.

Tara: Dionne, this episode is...Why is everyone so nice?

Dionne: You know, our customers, they love their neighborhood store. They love the people that work in, in them, and they love our product so much so that some of them want to work there or they want someone they know to work there. And I think a lot of our crew members start that way. and then they get to work in an environment where (you know,) their contributions and their hard work is rewarded and appreciated in ways that they might not have experienced before. And so they're happy.

Tara: What kinds of qualities stand out for you when you're looking to hire people?

Dionne: People that are kind, who like and are interested in people and like working as part of a team do stand out to me. That sense of teamwork, that sense of wanting to be better, that sense of wanting to build up people. Those are the things that you just can't teach. We like to say, “Be yourself, be genuine and be nice. It's okay to be yourself. We want you to be yourself. Treat your customers like you would a guest in your home, but treat your fellow crew members the same way and then taste our products. That's where the magic happens.”

Tara: When you talk to crew members about their experiences working for Trader Joe's, what do you hear from those people?

Dionne: How much they enjoy the people that they work with, how much they appreciate being in an environment where they feel valued and where they're supported.

Dionne: I visited stores in Houston a few months after the floods in 2017. And I walked into a store and I got to the entryway and a crew member came up to me. They were almost in tears, not from being upset, but they were just overwhelmed with how supported they felt by the people they work with and the things that we did for them as a company that enabled them to be able to, you know, focus on their home and getting their home taken care of. And then the, the physical work that the crew did for each other to help get their homes back in order.
Dionne: And I ended up being in that store for four hours hearing story after story after story like that.

Tara: That makes me really emotional.

Dionne: Try being there.

Tara: I would have been a puddle.

Tara: Dionne, one of the other things we wanted to do while we were here in Chicago is visit a Trader Joe's and talk to some of those nice people and customers in the store. So we are going to the Trader Joe's on Diversey.

Dionne: That's a great choice. I think that you'll, you know, come into our, the parking garage, go down into the store. The elevator doors are gonna open and you're gonna say, "Wow."

Dionne: Their flowers are amazing. They play great music. The crew is smiling.

Tara: They're very excited about this.

Dionne: I bet they are.

Tara: Yeah.

Dionne: The whole Midwest, whenever we get a little attention, it feels pretty good. (laugh)

[sound of an elevator, doors opening]

Tara: Oh wow. OK. I'd say Dionne was right. This store is pretty impressive right off the bat. Let's head over to the demo station and talk with Lauren and Joann.

Joann: We have today our Havarti cheese with an Bite Size Everything Cracker, and we also have this fabulous opportunity-buy, fresh blueberries from the U S of A. Yeah, they're beautiful. How about that article that came out the other day, (um,) about Trader Joe's is the number one place to work?

Joann: It just popped up on my News and there was a picture of the Trader Joe's and it said that everybody's really happy.

Tara: Well how did you feel about that?
Joann: I said to myself, "Aren't I so lucky?"

Lauren: Actually, when I was being interviewed, they asked like, “Why do you want to work here?” And I was like, “I did my research. This company looks awesome.”

Tara: We hear a lot from customers about how all the crew members are so nice.

Joann: I think that along with happy employees comes happy customers, and we have really happy customers. Even when it's crazy on a Sunday.

Joann: They're really happy to be here. It's a fun time and the regulars are a pleasure and to have seen them over the years and to get to know people and chat with them and know what goes on in their lives. And they're interested in our lives too.

Tara: So you feel like you know people by name?

Lauren: Oh yeah. Even, even like the kids' names.

Lauren: It's really cute, and some of these customers have, yeah. Been very, very dear.

[Moving to different place in the store.]

Tara: Austin, how long have you worked for Trader Joe's?

Austin: A little over five years.

Tara: All right! What brought you here?

Austin: I just wanted a job that I knew I wouldn't have to take home with me so I could write and then it just kind of became home.

Tara: When you say it became home, was it, is it the work? Or is it the people?

Austin: It's that it doesn't feel like work. It's just hanging out with friends for eight hours and I could talk about food for free, so that helps.

Tara: (chuckle)

[Moving to different place in the store.]
Tara: Let's talk to Phil. He's the captain of the store. Phil, we've spent the last hour or more just walking around your store. Crew members have been coming up to us wanting to talk to us. You didn't send any of that up. You didn't send anybody to us. They just kept searching us out to talk about their Trader Joe's experience.

Phil: We just do what we do every single day. And one thing about our crew, and what I love about our crew, was that they're, they take so much pride and they have so much passion.

Tara: You feel it in the energy in the store and it's from the crew and it's from the customers and everybody's walking around with a smile on their face. Even you. You've got a big smile on your face right now. No one can see that but me. But...

Phil: Every day that I walk through the store, something's new, something is different, and they're bringing me over there to kind of show me kind of what they, what they tweaked, what they changed based upon, you know, sales trends are what a customer suggested or what their team came up with as far as an idea, as far as selling something new.

Phil: They just want to talk about it and share their ideas.

Tara: You don't tell them what to do.

Phil: Support is not telling your crew members what to do but empowering them to make those decisions.

Tara: Congratulations to you.

Phil: Thanks so much. I really appreciate that.

[Entering a room with sounds of people.]

Nakia: The podcast crew is here. They're really just going to try to listen. If you don't want them to hear your voice, just don't talk while they're in the room.

[Laughter in the room.]

Tara: So right now we're headed into a session of Trader Joe's University, or TJU as we call it, where Nakia is leading a session. We have crew in this room from all over the country, uh, here to share their experiences and learn a little bit more about how we do things.

Nakia: We talked a little bit about the unique things that you do in your store that might be different and special and really enhancing the customer experience in your store. I'd like you
to write down on this slip of paper... What's something that makes our customer experience different?

Nakia: And I'm going to pass the bag around. Take one without looking and pass the bag down. So we're looking for the things that make us different. We're going to go in this direction around the room one at a time. So what's on your paper?

TJU Crew 1: It says we're honest, welcoming, attentive, and aren't just some robot behind the check stand.

TJU Crew 2: Okay, so what makes us different, and this is just very simple and beautiful what this person wrote, thinking about the small things like bagging a customer gets home and unloads the bag and that is the last impression that they have of Trader Joe's. And I just thought that was so beautiful. And when I bag, I try to, I try to make every bag a masterpiece. (laughs) I want them to enjoy, enjoy, you know, unloading all these treasures that they've taken the time to pick out at our store. And I just want every bag to be beautiful, and I try to bag it like I was bagging it for my mother or my father or my sister.


Nakia: What about engagement with our crew? What about engagement with each other?

TJU Crew 3: Big point. Because we all know we've had a crew member walk in that's in a very bad funk and then, you know, just "hey, while you're here, let's do have some fun."

TJU Crew 4: Mine says authentic. We are encouraged to be ourselves.

TJU Crew 5: It still surprises me to this day how everybody's like, yeah, just keep being weird, Dylan.

[Laughter in the room.]

TJU Crew 6: Um, we are always friendly and with a smile.

TJU Crew 7: It's all all about a relationship.

TJU Crew 8: Mine is customer experience.

Nakia: Yesterday we were talking about how often customer experience in some other companies it's like how many scans per minute can you get? Like that's what's incentivized is how fast you can run things through a register.
TJU Crew 9: Mine says that we truly love our customers.

TJU Crew 10: We know them by name.

TJU Crew 11: Um, mine’s uh, we give customers the freedom to taste and sample items before buying them.

TJU Crew 12: We have the cleanest bathrooms in retail. That's a tough one to stay on top of.

[Laughter in the room.]

Nakia: Thank you for reading that.

TJU Crew 13: We walk our customers to the product. If a customer asks where something is, we don’t point in that direction. We don’t tell them which aisle it’s on. We stop what we’re doing, and we walk them to the product.

Crew Member (background): I always offer piggy back rides.

Nakia: All right, that takes us to 11:20, which is time for lunch.

Nakia: But what you came up with today and what you bring as individuals to the experience in your stores that makes that customer experience come alive for the customers in each neighborhood store.

Tara: You guys are awesome. Thank you very much.

[Applause in the room.]

Nakia: Enjoy your lunch. I’ll see you back at 12:15.

Matt: We're back from lunch and you're with us and I'm with Jon Basalone, president of stores, and I'm thinking about questions that come up at TJU, at Trader Joe's University. And oftentimes people will ask, well, what are you looking for and how do you know things are working? And Jon, what do you say to that?

Jon: We approach all of our store visits kind of the same way a customer would. We walk in and we really just look for a couple of things. Is this a place where I'd want to shop? And is this a place that I'd want to work? This is a very important question for us and this is probably even more important than the first one. Really have to get into the essence of... Are the crew members engaged and, and why? And are they being treated the way we hope they
would be by store leadership? Is there teamwork taking place? Do you see the interaction? Does it feel fun and does the fun involve the customers?

Jon: And we're not talking about like turkey bowling in the back room fun. We're talking about just the fun that comes from interacting with customers on a daily basis, talking with interesting people, both your customers and your crew members, but having the customers be a part of what's happening in the store, in the energy in the store. And that's kind of what we're looking for.

Matt: We're going to do a separate episode on turkey bowling later this season.

Jon: I am lookin' at over 200 average.

Matt: So we've been spending some time talking about our crew, about the people here at Trader Joe's, but we'd be remiss if we didn't spend just a couple minutes talking about product, the thing that is so dear to our hearts. Who better to do that than some of the crew?

Tara: And why not start with the crew member who's been with us the longest?

Dave: Ok, hi. I'm Dave and I've worked for Trader Joe's for 51 years. The peanut butter pretzels is one of my favorites.

Tara: Mmm.

Matt: Classic.

Dave: Yes. It is a classic

Matt: A delicious classic.

Tara: What's your favorite Trader Joe's product?

Crew Member 1: Oh my gosh, I like the sweet apple chicken sausage and (um) the Brownie, (uh,) Crisp Mocha ice cream sandwiches are really good.

Crew Member 2: It's the green dragon sauce... Cannot live without.

Crew Member 1: She has a whole cabinet at home full of, just, you open it up and it's just Green Dragon.

Crew Member 3: The Bacon ranch dip, I guess. Yeah, that's a good one.
Lauren: I got it. I’m ready. The cashew fiesta dip. It’s like a vegan cheese product and I put it on, mixed it with my broccoli, and I put it on potatoes. So to make like cheesy things without the cheese part, the dairy part and I absolutely love it and it is my new staple.

Crew Member 4: I love the Soy Chorizo, actually. I’m not vegetarian, but I could be fooled easily.

Tara: Yeah.

Austin: I’m still holding out hope that the hot and sweet chili jam we’ll come back. (Um,) I still have a jar, but it expired in February of 2017.

Crew Member 5: Right now it’s the sun butter cups. Like I bought like an entire case of them two weeks ago.

Crew Member 6: I would have to say the Sublimes, you know, the ice cream sandwiches? I usually have two on the way home.

[Crew member laughter.]

Matt: Okay. I think we’re almost wrapped up and looking at my notes, I feel like there’s everything covered. But Jon, is there anything else you’d like to add?

Jon: Now we’re closing in on almost 50,000 crew members and pretty soon we’ll have 500 stores, and we couldn’t do what we do every single day in every one of those stores without them. So, (uh, you know,) I’d just like to thank the crew for what they do every day.

Tara: And on our next episode, we’re going to be answering some of the questions that YOU have been sending us over the last few weeks. That’s going to be on our next episode coming up in June.

Matt: And thank you for those ratings and reviews on apple podcasts or wherever you get your podcasts.

Tara: Be sure to hit the free subscribe button.

Matt: It is free and worth every penny.

Tara: Until next time, thanks for listening.

Matt: And thanks for listening.