

Penguins, reckless ballerinas and Janet Jackson

Dov's Third Annual Report to the Board – September 2017

Dear Board members,

Let's take a commercial break. Ready?

There's a series of terrific commercials for a massive department store – John Lewis – one of the largest retailers in England. I love their commercials and I think that you will too. Take a look at [the reckless ballerina](#), the [stages of a woman's life](#), [penguins falling in love](#). Even [jealous dogs on trampolines](#)ⁱ (click on the link and use the password *Federation*).

The commercials are great – they use wonderful graphics and great brand-association. The store chain has built a compelling reputation for heart-warming commercials and people look forward to seeing them. They tightly coordinated their entire effort as well: the commercial, their website, their cuddly toys, downloads, images, cufflinks, cushions and socks, you name it.

What fascinates me, though, is the vast number of times where people react on social media and say how much these commercials really speak to them. These aren't just commercials selling something, they say. This speaks to something deeper.

For quite a few years, survey after survey showed that the John Lewis department store was 'trusted but not loved.' We know that that loyalty to department stores is driven most strongly by emotional affinity. Price is usually far less critical. But John Lewis, for many years, was a store that wasn't loved, wasn't popular, and wasn't valued. They had to target people's hearts as well as their minds.

At the core of what this department store chain did to tackle this challenge was really one word – satisfaction. Like most other stores they rolled out a loyalty card scheme. Loyalty cards are really popular – they work for brands and they work for consumers. You get points for shopping more.

But John Lewis didn't do it that way. They didn't want to do a "points and discount" system because they tested it and they saw quite poor results. They wanted to offer rewards based on what their customers told them they really wanted. So they offered prizes. And tea and cookies.ⁱⁱ

It may seem a little hokey over here in the States, but this approach speaks a different kind of language. It's a different type of relationship. It's been a wildly successful program for them, because it focused on a unique niche: free tea and cake, invitations to special events, exclusive access to summer clearance sales.

I read a fascinating interview with John Lewis's head of customer marketing, Chris Bates, who said that the whole loyalty scheme was launched with a very clear aim in mind.ⁱⁱⁱ They had basically found themselves "pigeon-holed." People saw John Lewis as an old dinosaur. Still important, but only used only for specific and special things, like holiday shopping or big purchases like a new sofa.

Even if people sometimes felt a vague sense of "warmth" towards the brand, they didn't reflect this in how often they actually shopped there. So their task was to shift all those preconceptions. They had to convince people to visit the store more often. To shift from the very infrequent big-purchase trip to the more frequent hang out, welcoming place, with no set purchase necessarily in mind.

The free cup of tea and piece of cake, by the way, has a 40% redemption rate. The industry average is around 15%. They had 40%. That's pretty huge.

So they weren't successful just because of their clever marketing and their terrific commercials. They were successful because of their customer service, which came from a focus on their customers' desires.

I've been fascinated by John Lewis for some time now. Not just for the quality of their advertising, but also because of their business model. In particular how they inspire people, and what that does for their overall sales and productivity. There's a whole load of information that looks at what this store has that others don't. And three elements come up in the literature as the keys to their success:

First, they have ***a really clear strategy***. They have three basic objectives – partners (employees), customers and profit. Everyone in there understands what the company's core values are, and it's a philosophy that their staff accepts and upholds. Everything is aligned. If you're doing something that gets in the way of this alignment, then you need to get out of the way.

Second, they have *good inspiring leaders*. Their leadership is front and center. They talk passionately about their objectives and beliefs. They care about their work.

And third, they *treat their people really well*. They treat them disproportionately well, in a competitive market. Really awesome perks and benefits – discounts, tickets, fun stuff, clubs, educational opportunities, courses, classes, mentoring. They're not micro-managed, and they get tight-loose-tight supervision guidelines.^{iv} So they're more likely to think for themselves and take responsibility. They're encouraged to find ways to work together and they get credit for what we call “assists.”^v And their morale is high. 91% of their employees would recommend the job to a friend! That’s pretty amazing.

There’s a lot we can learn from this case study. But I’m not sharing it so much to say “here are the lessons and here’s what we have to do from now on.” Rather, I'm using it to spark some ideas. I’m going to come back to John Lewis later, but right now let me share with you where I think we are, where we're heading, and what it all means. Remember that my role here is the Chief Executive Officer, responsible for the professional implementation and direction. There are overall strategic directions, Board summaries and policies that are brought to you in other reports and frameworks. This report is my personal summary for you as the professional manager.

We’ve worked on four key areas these past few years.

- (1) We stabilized and converged our professional structure.
- (2) We brought stability and thoughtfulness to our development efforts.
- (3) We worked hard to restore relations with the wider community.
- (4) And we finished the implementation of the Strategic Plan.

Let’s look at each of these for a few minutes ...

First, on *stabilizing and converging the professional structure*.

I know that we get lost in the day-to-day too often. But we regularly hear about our reputation from others. In how we’ve emphasized hiring, promoting and retaining top-quality professionals. You should be aware of the fact that this creates a tension: shifting to a culture that promotes excellence is hard. It’s not easy. And cultural shift isn’t a linear process.^{vi}

At the same time, we've worked even harder this year to create an atmosphere that enhances a family-friendly work environment and Jewish communal values. In the last two years we've taken annual evaluations seriously. All of our senior management team have now had 360s and coaching sessions.^{vii} Most of our assistants and mid-level managers have had training and professional development opportunities. We've also invested in employee morale in other ways, with appreciation awards, Bring Your Kids to Work Day, Chanukah Appreciation Day, Employee Summer Appreciation Day, and other initiatives.

This year we launched the Sarabeth Margolis Wizen Women's Professional Development Fund, a fund that will exist in perpetuity at Federation to create and fund development opportunities for professional women at Federation.^{viii} Our Campaign Director Rebecca Pollack just returned from JFNA's "Fundraising University." And last month we sent three women professionals to I-Lead, the Jewish Federations of North America Annual Professional Development Seminar. I've worked intensely with Leading Edge and a private coach on processes and procedures to increase the Jewish values and collaborative workplaces patterns that we need and deserve.

The HR Advisory Committee, chaired by Lori Klinghoffer and staffed by Bonnie Sterling, has also guided us in this direction: the new parental leave policy, some more thoughtfulness on improvising solutions. For the first time in several years, employees have received a 3% cost-of-living increase. This is a major boost to morale, and we're grateful to be able to make this statement.

Second, we've worked to *stabilize and rationalize our development efforts*. NextDor, chaired by Lisa Buber and Seth Cohen, and directed by Rena Abrams, has been creating amazing new platforms that are engaging hundreds of new participants. I also hope that you've seen the renewed energy coming from Missions, Campaign parlor meetings, and Women's Philanthropy. I'm grateful to my colleagues Sarabeth Margolis Wizen, our former Women's Philanthropy Director and our new Interim Director Diane Bakst, as well as our former Women's Philanthropy President Joan Schiffer Levinson and our new President Rebecca Gold.

I know that many of you have seen and remarked on the renewed energy and drive from the fundraisers, under the professional direction of Campaign Director Rebecca Pollack and Chief Development Officer Danny Staffenberg, and Chaired by Ira Steinberg. And we've loved the success and the message of full participation in the professionals' UJA Campaign - \$67,000 with 100% full participation!^{ix} That's an amazing show of support.

We've had more emphasis than ever before on storytelling, public speaking, parlor meetings and skills-training. We didn't succeed in everything. But even when things didn't work, as happens in business and life, we learn from it and analyze the mistakes and lessons learned.

Our Jewish Community Foundation continues to grow. Last year the Foundation stood at \$360 million. As of this report the Foundation has assets under management of \$395 million. "Create a Jewish Legacy" (CJL) has successfully helped our partner agencies and synagogues think about long term financial planning. Nineteen organizations are now part of this program – they've secured 700 commitments valued at \$22 million for their organizations! This program is another example of how Federation and Foundation work in collaboration with our agencies and synagogues to help secure their financial future. Gary Botwinick as Chair, along with his CJF professional Karen Secular, are embarking on their third cohort during the coming year.

The Foundation agreed to invest a million dollars from its managed pool fund through Blue Star Indexes in Israel. That makes us one of only a handful of Jewish community foundations to make this important investment! And in order to encourage younger philanthropists, the JCF Board reduced the minimum amount to open a Donor Advised Fund (DAF) from \$10,000 to \$5,000. My thanks to Foundation President Robert Kuchner, Executive Director Stanley Stone, and the entire JCF Board for their oversight and commitment to the future of our community.

Unifying the management structure of Campaign, Events, Missions, Foundation, and Outreach and Engagement into a single Development team under Daniel Staffenberg is a big step forward. Leslie Dannin Rosenthal will be the Chair of this unified FRD (Financial Resource Development) effort, and this will help us create new synergies and better collaborations.

Third, *restoring outreach relations with the external community*. We have an increasingly active and reliable Synagogue Liaison platform under Mariella Dybner, and previously chaired by Jamie Ramsfelder and professionally staffed by Sarah Segal. We're working hard to restore relations with community rabbis, some of which were challenging in the past. We've come a really long way with them, with our synagogues and with our partner agencies. We're much more rooted in convening and collaborating.

I'm grateful for the leadership of past Outreach Chair Mindy Goldberger and her successor, Sheryl Pearlstein, and my colleague Amy Biloon, for all their work in developing our outreach and engagement programs and initiatives.

The whole redesign of Planning and Allocations, with good staffing, clearer responsibilities and trackable reporting really pushed us forward. I'm grateful to Steve Levy and Don Rosenthal, and my colleague Jessica Mehlman. We're looking forward to great things under Maxine Murnick's leadership of the Unified Allocations Council in the year to come.

We've solidified the OVCO principles – obligation, vibrancy, connection and outcomes – for allocations priorities.^x And we finally have a clean and useable online application system for our beneficiary agencies.

We've worked hard on good agency relations, good relations with agency execs, and – interestingly – really good relations with non-Federation beneficiary agency execs. I met with the heads of AIPAC, ADL, AJC, Hadassah, JNF, FIDF, Bonds, NCJW last month, and we discussed the role of Federation in the community, and how we collaborate.

We've had some major successes in our Global Connections Platform, and it's a tribute to the amazing work of Paula Saginaw, Amir Shacham, Sandy Green and Michal Zur. The restructuring of our *mishlachot* (and thank you, one more time, Moshe Levi, for all your awesomeness these past four years!) will further professionalize our Israel outreach and education. Have you met our terrific new Shlichim and Rishonim? We'll introduce them at one of our first Board meetings. And have you signed up for [the once-in-a-lifetime Community Mission](#)? It's going to be an incredible experience, October 14-22, 2018, chaired by Jane Wilf, with fantastic vice chairs: Debbie and Allan Janoff, Beena and Steve Levy, and Erica and Steve Needle. In Scott Krieger's words, "this isn't just a mission. It's the mission of a lifetime!" He's right. Sign up quick!

These last few months we worked hard to make you proud on showcasing our values supporting religious pluralism, diversity and tolerance in Israel.^{xi} And on emphasizing that hate, bigotry and intolerance here at home are unacceptable and must be resisted.^{xii} We also proudly showed the values of a Jewish Federation in our fundraising efforts just these past weeks over Hurricane Harvey and the relief effort for Houston.

Our merger with The Partnership for Jewish Learning and Life has not only expanded our capacity as a Federation, not only enhanced the ability for this new department to advance its mission, but has added an important new dynamic to our professional and organizational culture, thanks to the efforts of Chair Jody Caplan and our Chief Jewish Learning Officer Bob Lichtman.

Finally, *supporting the implementation of the Strategic Plan.*

We've worked really hard to implement the Strategic Plan under Leslie Dannin Rosenthal's leadership: Governance, FRD, Allocations, Institutions, Infrastructure, and Marketing. My colleagues Stanley Stone and Jessica Mehlman worked hard with our leadership on all aspects of this. And overall it was a real success story.

The pension transition for communal employees not only reflects our values, it also protects the financial stability of our communal resources. Many many other place simply canceled their pensions but we made good on our commitment.^{xiii} A small team of lay and professional leaders worked for over a year to arrange for a bank loan, purchase annuities, and liquidate assets in order to protect our organizations – and to keep our promise to those who have worked for our community. I'm grateful to Arthur Schechner, Sam Pepper, Peter Langerman, Eric Harvitt, Neil Goldstein, Michael Elchoness, Howard Rabner, Bonnie Sterling, Connie Rosenberg, Barry Milchman, and all those who worked so hard to show our values so clearly.

We had other successes here too:

- We sold off the JVS property and improved relations with them.
- We began discussions with JCHC on Campus land-use.
- Recalibrating our role with the New Jersey Jewish News will save us significant sums in the future.
- We're building a viable security infrastructure for the entire community, including a community-wide emergency alert system, which went online in August.

I want to express my gratitude and deep appreciation for my professional colleagues. These past three years our professionals have consistently demonstrated expertise and value for the Federation in communication, inspiration and management.

We've hired more talented, engaging, smart and dedicated professionals than we've ever had before. They bring us innovative and passionate outreach and programming on a daily basis. We equip them better than we've ever done before to get out into the community and share our story. I hope that we've made you, our leadership, proud.

Because we're about to face a major challenge.

People in our community will increasingly have very little loyalty to our cause and our organization. To use the analogy from the John Lewis example earlier: even if people feel warmth towards our 'brand,' this doesn't necessarily reflect in how often and how meaningfully they *actually* connect with us.

For lack of a better term I call this the Janet Jackson theory of engagement. In other words: you've done a lot of good things for me in various areas in which, at one point, I may or may not have shown some level of interest, maybe, but ***what have you done for me lately?*** That's the attitude we're hearing increasingly across the community.

But it's not as simple as saying that people don't like what we offer.

The categories we've been using to define communal leadership and engagement don't really work in the same ways anymore. The connections and emotional ties to Israel, to Jewish history, to community, aren't the stable underpinning fabric of Jewish identity that we used to take for granted. It doesn't matter where you live, or where you're from. It's the same story all over the Jewish world today.

Living in the most free and open society in history, we face a daily barrage of options and choices. Do we connect or do we withdraw?

Do we give in to the alienation of the culture around us? Or do we think through who we are, why we are, to become counter-cultural? To stand up for something? I'm not sharing anything here that you don't know. The way we deal with these areas, I believe, will form the essence of how we succeed – or don't – in the next three years. This isn't the place for that discussion, but I know it's one we've been having in various structures in our Federation.

So here are my goals as CEO for our professional direction as we look ahead.

They're based on discussions with colleagues both inside and outside our leadership circles: senior managers and professionals, Board members, rabbis, communal leaders, thought-leaders and more. They're not policy directives (those come from you, our Board) and they're not the formal action plans for each department (those come from the committees and departments themselves).

Rather, these are the professional directions that I'm looking at, as your CEO.

They divide up into four key areas:

- (1) Campaign and FRD
- (2) Supporting the Board
- (3) One Federation
- (4) Strengthen the Base

First, support a significant expansion of our base (Campaign/Outreach) and a substantial increase in the Annual UJA Campaign.

There are two emphases to this effort:

- (1) I'm going to focus resources on to connect to all those, first and foremost, who have already done something with us: PJ Library, Partnership programs, Global Connections, CRC. This helps us focus our buck on where we can get a more effective bang this year while also raising community consciousness – and that's an important message and value. If we had more (limitless) funds, would we spend it automatically on outreach to completely new populations? Not necessarily. We'd test the market, do more research, and build better models of understanding and measuring success first.

You'll see me push for a major emphasis on the following components connected to this emphasis:

- i. Integrating program participants from the Partnership into Outreach and Campaign, along a pathway of matterness and stewardship.
- ii. Integrating program participants from Global Connections into Outreach and Campaign, along a pathway of matterness and stewardship
- iii. Deepening connections with Synagogue Boards and Agency Boards.

- iv. Expanding parlor meetings in the community including localized initiatives. If you don't belong to a synagogue or another Jewish organization, you're not going to take your first step into the community by coming to something at our Whippany Campus. It's too big and alienating. We need to keep expanding our geographical dispersion.
- v. Supporting organization-wide efforts to build measurement and evaluation tools.
- vi. Creating a growth strategy for CRC in the community under the leadership of Rabbi Elliot Matthias and the professional direction of Linda Scherzer. We're making sure that the great work that CRC does in the community is aligned with Federation in terms of leadership roles and agenda-setting.

(2) We have some flat-tiers of giving at various levels for the UJA Annual Campaign - \$5k, \$10k, \$25k, \$100k. These are our most generous donors. They love us and we love them. Many of these gifts have remained the same for some years, even in the face of inflation and growing need. We're going to target a significant number of these gifts specifically in a focused-request campaign.

This is going to mean the following emphases:

- vii. The professional fundraisers (and all those who receive assignments from the professional team, including me) are moving to full rollout of Moves Management and the Relationship Manager models in Campaign.
- viii. Tightening the Federation's brand and collaboration with Foundation and its programs
- ix. Assist in the creation of lay-solicitor groups and mobilizations.

Second, support our Board. Help the Board and the President implement the community vision, support their leadership, help their conversations with the community. And help the President personally solicit gifts.

This also means:

- i. Deepening the role of Pipeline (our Leadership development program), which now maps out hundreds of lay positions and opportunities. Under the leadership of Sheryl Pearlstein and the direction of Stacey Brown, our Board engagement and leadership development efforts have grown significantly this past year.
- ii. Supporting the rollout of the new Board member mentoring program.
- iii. Finding new ways for Board engagement and development.

Third, deepen the alignment and the brand of “One Federation.” You’ve seen our emphasis here this past year – we’ll continue to place the brand and name of Federation front and center for everything we do: Birthright, PJ Library, One Happy Camper, Peoplehood, CRC, Holocaust Council, Global Connections. They are here because of Federation.

This also means further promoting the use of #IamGMW, Greater MetroWest (not MetroWest), Jewish Federation (and not JFed) and so on.

I’m grateful for the work here of past Marketing Chair Pam Brewster, and my colleague Mark Gordon.

Fourth, further strengthen our base. We’ll deepen the culture of excellence and dedicated communal service that we have focused on these past few years. I am continually impressed by the caliber of our people, their energy and their work. I hope that you are too.

So. Four main areas of strategic focus. But what do we need to fulfill these? What are the ***tactical*** goals? Glad you asked ...

First, continue to encourage really good *metrics of evaluation and assessment of our impact*. You, our Board, asked for this and we’re working hard to bring these pieces together. My colleague Lauren Silverstein has already begun putting together success equations for many of our departments and programs. In the coming months you’ll see the results from our first year of Impact Assessment data collection for much of our work.

You can click to see [Lauren’s first \(interactive\) annual report here](#), with links to our impact dashboard (real-time statistics on how Federation programs are moving the needle, links to impact briefs (quarterly reports from departments) and program-specific reports.

Second, to deepen our commitment to *talent acquisition, talent retention and talent management*. This includes thinking even further about how we motivate and inspire our colleagues, and how they’re able to comprehend and articulate our priorities and programs. We’ve done a lot here. But there’s more to do, including a continued and unending look at how we reduce internal expenses where appropriate.

We have a continuing commitment to create a good Jewish place to work. Arthur Schechner reminded us during the pension termination discussions that Federation no longer pays for retirement benefits for our employees. You might say, using the current political terminology, that we did the ‘repeal’ without the ‘replace.’ In other words, we did the right thing, but it wasn’t the only right thing we need to do. In the coming year I want to come back to you with ideas on how to create long-term protection for our retiring employees.

Third, a stronger focus on *Federation’s brand and message*, with a shrinking disconnect between “Federation” and the community. An astonishing 94 percent of Jews in the U.S. say that they’re proud to be Jewish. Three-quarters of us have a strong sense of belonging to the Jewish People. We know that many people in our community love what our Federation offers ... the challenge is how we show them what we do, why we do it, and that it’s Federation that’s providing it. A lot of what we do is hard to tell but easy to show. So you’ll see me emphasizing more ‘showing’ — more missions, more storytelling, more face-to-face parlor meetings and events.

And finally, to support the rollout of our *‘Moves Management’ and Relationship Management* to align, record and track our efforts with major donors and bring them to solicitation points. Campaign and FRD have put together our plans for this and it’s a major step forward for us. The collaborative effort between our lay leadership and our talented professional team will position us well to lift the Campaign.

I believe that we can do even more. In ways that will inspire, connect and engage our leadership, our professionals, and our donors.

Let me make one final point.

The other day I was reading an interview with Andy Street, formerly the managing director of John Lewis, and now the mayor of the city of West Midlands.

And in this interview, he summed up why he thought John Lewis was doing so well. He talked about their brand and how much it was trusted. But he also focused on two main areas that he said were the keys to their success.^{xiv}

First, he said, is their ownership model. When you walk into their shop you’re being served by an owner. That’s the key to your whole interaction right there. The staff and leadership own the business. It’s theirs. They love it. They believe in it. I love that message.

Second, he said, they work really hard at anticipating just how their customers are changing. Specifically how their customers change their shopping habits. Their customers, he said, are fickle. They are unreliable. They change their minds. Sometimes they contradict themselves. In short, their customers are human.

So the store representatives regularly stop and think, and plan. They try to continually think ahead for different scenarios to reinforce their empathy.

Remember those commercials? The penguins and the reckless ballerinas and the trampolining animals? That was their empathy.

They made people fall in love with them. Just like we can – and frequently do – make people fall in love with our work and our values and our mission.

Every day, the lives of hundreds of thousands of people – you read that right – are improved, saved, touched and uplifted because of our Jewish Federation.

Because of you.

No one else does so much, for so many, around our local community, in Israel, and around the Jewish world. The awe-inspiring work of caring for those in need, building Jewish life, and saving the world, continues because of our love and empathy.

And we'll see much more in the year ahead.

Thank you.

ENDNOTES

ⁱ If your hyperlinks don't work, or you're not reading this online, go to www.dovbenshimon.com and click on "Board updates," using the password "Federation". You'll see the four videos grouped together at the top of the feed.

ⁱⁱ Technically "biscuits." But let's not get into all that right now. If you're really interested, however ... <http://blog.oxforddictionaries.com/2014/05/biscuit-vs-cookie/>

ⁱⁱⁱ You can read it here: <https://www.marketingweek.com/2015/10/02/three-things-brands-can-learn-from-john-lewiss-loyalty-success/>

^{iv} Tight-loose-tight approaches of management theory drive accountability while reducing burnout. It's a concept that gives people control, builds community among teams, and aligns values. You can read a little about it here: <http://www.pauldechantmd.com/tight-loose-tight-leadership-a3-thinking/>

^v In business terms: if you're responsible for the relationship with a client, but you handover the sale to a colleague, you'll get credit for the 'assist,' and your colleague gets credit for the close. But the assist is the critical play in a team.

^{vi} For more on cultural shifts in the workplace, how they occur and how we plan for them, check out Ronald Heifetz and Marty Linsky, The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World, (2009).

^{vii} See, for example, http://www.dovbenshimon.com/uploads/9/1/5/4/91541230/360s_december_2015_.pdf

^{viii} Did you see the lovely honor for Sarabeth?

http://www.dovbenshimon.com/uploads/9/1/5/4/91541230/each_one_of_us_has_a_name.pdf

^{ix} <https://www.jfedgmw.org/the-corridor/do-things-you-can-be-proud-of>

^x Here's the original explanation: <https://www.jfedgmw.org/the-corridor/ovco>

^{xi} See, for example: <https://www.jfedgmw.org/the-corridor/standing-up-and-speaking-out>

^{xii} In late August we put out the following statement across social media and our site: "Jewish Federation of Greater MetroWest NJ is appalled and saddened by the violence in Charlottesville, Virginia last weekend. This display of hate, bigotry, racism, and xenophobia by white supremacists and neo-Nazis, including anti-Semitic chants and flags bearing swastikas, is a chilling reminder of historical events we hoped were long past and have no place in our American democratic society. We are particularly sickened by the deaths and injuries sustained, and by the torment and intimidation congregants of the historic Beth Israel synagogue had to endure during their Shabbat morning services. As a community, we continue our commitment to standing up for our Jewish values of tolerance, respect, and equality for all people." We also coordinated with JFNA, SCAN and other bodies on our response and additional actions.

^{xiii} See <https://www.jfedgmw.org/the-corridor/protecting-our-people> for more details.

^{xiv} <http://www.walesonline.co.uk/business/business-news/five-reasons-john-lewis-boss-9743072> And also <https://www.mycustomer.com/experience/loyalty/john-lewis-how-a-150-year-old-retailer-became-an-omnichannel-champion>