



Ray Smith
CEO
Ampent

For over 20 years Smith has distinguished himself as a key leader and innovator. Most recently Smith served as CEO of Fritz Companies, a global distribution and integrated logistics company with over 10,000 employees and 400 offices, in 120 countries worldwide. As CEO, Smith spearheaded development of the company's global customer-response tracking system leading to revenues of over \$1.6 billion. Prior to Fritz, Smith served as

President of US Fleet Leasing, the nation's third-largest fleet management company. While there, overall customer satisfaction improved from fifth to best in the industry. Smith improved aggregate profitability by 27% and return on equity by 18%.

professional

What are top 3 principles for success in your industry?

One, the way we treat our customer. We have to be sensitive, making sure we deliver a good service and hopefully service better than our competitors. The other one is we have to make sure we're bringing value to the customer. We have to improve their back room and help make them more efficient, more profitable. So it's critical that we are being efficient for them and saving them time in turning around transactions for them in the leasing area. And the third thing is we have to make money. If we're not profitable, our shareholders aren't going to be happy. We have to make sure we're pricing our services to make a good return.

What character qualities do you look for when hiring?

I think the most successful characteristics I could find are people that have integrity themselves. They are honest. They know when to say they don't know. If people can tell me when they don't know something, I can be pretty successful with them. It's people that try to make you think they know everything that are going to fail a lot of times in business. I look for self-confidence because it takes self-confidence to say you don't know. And that's when you begin to learn and when you can be really trusted. Energy level, looking for people with energy and enthusiasm. Somebody that can get enthused about what they're doing and it can be contagious. So they share that with other people.

What makes a great leader?

One thing that has made me successful is having a vision. You hear this term a lot, it probably gets overused, but you know where you want to go and you can explain it to the employees. For example, when I was President of U.S. Fleet Leasing, we had a vision to be best in industry in customer satisfaction. We rallied our team around that and that was our vision. But you have to then define it for the employees. What is best in industry, you have to know what your industry is and so you have to measure satisfaction in your industry and be able to show the gaps in your company's level of service or different attributes of their service levels to show what you have to do to be better. It's bridging that vision to the reality of every day work environment that I think is an attribute of good leadership and people need to see that.

Who are your heroes and why?

Having spent 15 years at GE Capital and been under the umbrella of GE, I'd have to say that Jack Welch is one of the people I have the most respect for in the business community. He was able to take very simple concepts and get his entire company rallied around it. For example, in the '80s it was to be number one or two. And you can understand that. If you were number three in your industry, you knew you weren't going to be long-lived or you had to find a way to get to one or two. In the early '90s the concept was taking work out of the bureaucracy and getting more agile and fast and quick. Simple concept, good leadership. And today, promoting the whole concept of getting quality out and

raising the bar and being invested in the world and quality. Pretty simple concepts, but ones that people could understand every day in their work environment. I think that's one of the reasons GE has been so successful.

What are the 2-3 most valuable lessons you learned in your career?

Try to win every battle. When I started my career out, I wanted to win every time, be right on every issue, especially when I knew I was right. I would go to battle in every one of them. I've had people I've respected tell me along the way my career path it's not important to always be right. Pick your battles, pick the ones that are most important, win those and back away from the ones that aren't going to really matter at the end. And the other thing is in business it's very competitive. You always have someone that's after your job or you're competing with for the next level. If they're playing unfair, trust that somebody's going to see it. Believe in yourself and be confident that you can be in your spot and play fair with integrity. Trust that if somebody's not, that it will be recognized. Believe in the truth getting through in the end. Those are two things I've learned in my career.

What was your worst career decision or mistake?

I went to work as a CEO of a large public company and found a lot of corruption and fraud in the company. I completely underestimated the power of this kind of evil force in the company. As I began to try to clean it up and bring back the rules of integrity and trust and honesty, I underestimated the power of this fraud and corruption. It turned out to be a very tough situation for me.

Success has its cost: The biggest one is your "time" that can be stolen from your loved ones. How does one pay that back or balance that? Do you have to lose something to win something or can you have it all and how?

Some people I look at are doing things that they truly love. I look at sports and maybe some of the golf professionals and think that boy, those guys have got it all. They're doing what they love to do, getting paid to do it and they're having fun. But if you're not able to be doing that ... and I'm not ...the trade off is how much time you're investing in your career versus your family and personal life. And I don't think you ever get it back. And if you're going to be a workaholic and you're going to spend the time in your job while your kids are growing and your family, you're going to lose that. You've got to find some balance. I think it's critical as business leaders and people early in their careers that they make those sacrifices to spend the time with their family early on and for the rest of their lives and not feel that they're going to make it up because I don't think you ever get to go back and make up those moments that you've lost.

p e r s o n a l

How do you define success? How has your definition evolved?

I'm constantly evaluating that every day, but I define success really as a function of my relationship with my family. I think that varies month-to-month, week-to-week, constantly assessing it. I think how I'm doing and how successful I am right now is a function of my relationship with my family. And ultimately I review that at the end of the day. When somebody says, "How successful are you?" I want it to be measured by the relationship that I have with my family. I think that's the only thing I would look at.

What is the difference between success and significance?

I think it's not material things. A lot of people look up at success saying it's what you have that makes you successful. But, for example, one of the things I enjoy the most in life is the outdoors and going back into the woods on a camping trip with nothing but your tent, your food and that's it. And that to me is successful. When you can enjoy the non-material things and enjoy the creation around us and draw energy from that. You're always going to have that, no matter where you are in your life and what phase of success you're in, however you measure it. Being able to enjoy that is a true element of success and content in one's life, so I draw on that.



What does balance mean to you? How important is balance to success?

If I didn't have to work, I would be involved in charitable organizations and helping community efforts. But we have to work. Most of us are not in that position so it's really trying to balance the time. For example, if I had a choice to fly back Friday night or stay over Saturday morning, I'm going to come back Friday night because I want to be at home Saturday. If I have a meeting on Monday, if I can leave early Monday morning and not leave Sunday night, I'm going to do that. So it's really trying to find the elements of time that will balance with the family and making the choices when you have those choices to make. Erring towards more time with the family. If it's a dinner engagement that you don't really have to be at and you can be at home, I'm going to be at home.

How do you prioritize your time/values? What are your priorities?

I don't want to sound like a broken record, but certainly look at ways to spend more time with the family and involvement in our community. For example, when we moved here to this town, we were meeting a lot of new people and we decided we can't be good friends, close friends with everybody. How are we going to choose which people? And we did choose to associate with people that shared similar faith and priorities. So one way we prioritized is being around other people I'd have the same goals and objectives to be close to their families.

How do you deal with stress? How did you used to deal with stress?

My favorite stress reducer is running or bike riding. I find that exercise, and I usually try to get out during lunchtime, is a good balance for me in the middle of the day. Stress is building up and I come back from my run and feel relaxed and energized. Staying healthy,, however you choose to do it is the best defense you have against stress. There are other things: meditating, praying. But daily the big piece for me is trying to stay in shape and exercising.

Have you ever had a wakeup call in your life?

I'd have to say probably when my father died. He died suddenly in an accident and it made me realize how vulnerable we all are. We've really got to treat each day as if it's our last day. If we're going to be measured on what we're doing this minute, let's make sure that we don't have an issue with it because we never know. My father's passing away really brought home to me the fragileness of my life, my family's life and my friends'. I try to live each day as if it's the last day.

How do you define yourself?

I would like to think that I'm somebody that can be trusted, has high integrity, intense when needed to be, likes to have fun, tries to balance that, very much a family person first and foremost, a religious person that believes in faith as an important element of my life. Those would be some of the dimensions that I would associate with myself.

What was your best investment?

The best investment, in the traditional sense of financial, wouldn't be ranked that high. I think they're more personal. The more time I'm able to invest in my family and relationships, the more I get out of it. So I'd have to rank, the time with the family, the talking, the ball games, the doing things on the weekend, the going bowling, just being there, being with each other, the vacation time, I'd have to rank that as the very best investment. Those are the things that I think about when I'm alone, and get a smile on my face the most.

s p i r i t u a l

Can you follow Christ and still have a successful career, family and such?

Without a doubt. In fact, I think you can relax assured that the things you're doing are right and you're confident that they're right. Christ really asked us to love our neighbor, and to forgive them. It's that simple. Every way, every day in business you have an opportunity to get mad at somebody. To be able to step back and say, "Just forgive them. We're only men, we're only women. Let's forgive them." They're just people like ourselves and let's love them from our heart. Let's love them with the things

we do. Love them in the way we talk to them. And not be hostile or negative. It's impossible to be that way all the time, that's why we need forgiveness, but I think it's a good principle in business. Everybody wants to be treated with love and respect. They want to be forgiven when they're wrong. It's just a good principle for the way we treat people.

How does your faith help you in your professional life?

I think it gives me a great amount of confidence to know that at the end of the day I'm being judged by somebody at a much higher order than anybody that I'm working with. I like that because I've worked with a lot of people that don't believe they're judged that way. They believe they can get by with it and it's okay. If you are truly a faithful person, you follow your faith in God, you know that He knows everything you're doing and so you're being judged no matter who's around you. I find that as a good principle. I'm not sure everybody is guided by that. But I think that's a good guideline for me.

What is the hardest thing about being a believer in your line of work?

Is faith critical to leadership or character?

Faith is a very important characteristic of leadership. For example, in the last two assignments I had as leader, President and CEO of companies, we took the element of being involved in our community, which is a faith based idea of getting our employees engaged in their communities. Not from a religious stand point, but just trying to help underprivileged people. We serve meals to elderly people in San Mateo here in the city. We had groups going down every Wednesday to serve meals to homeless. In that way my faith was transferred to community involvement. We try to act in a responsible, loving way to our neighbor, whoever they are.

When you talk about faith, do you mean faith in oneself or faith in an external power? How has God changed your perspective on fulfillment, significance and success?

I think faith is a little bit of both. But certainly a faith in an external power, believing that there is a God, that you have accountability to God and than you practice that accountability. I've benefited from a strong association to God since I was young and I think I'm lucky. I remember when I was five-years-old smoking a cigarette, of all things, and promising God that I would never do it again. When all my friends were messing around with cigarettes in their teenage years, I never touched it because I made a promise to God that I wouldn't do that. That's the same commitment that I've taken in my faith with God and business and everything else. I wouldn't violate my own integrity and honesty and principles. (END OF TAPE)

What are the costs of following Christ in your career and would you change anything?

Well, it's been a positive bank balance. I've been fortunate. I've had no down side at all. When we came back from serving meals to the elderly when I was President of U.S. Fleet Leasing, I would get people sending me quotes from the Scripture about how we should treat the elderly. I hadn't quoted them any Scriptures, but that's the interest that sparks in their mind and if that's the cost of my faith, great. I think it all seems to be really one-sided and just positive. Nourishment of the energy that I draw from life and it's a secret. We're trying to share this secret because if you haven't tapped into that energy source, you're just not fueling your life the way it needs to be fueled. I'm very blessed to know about it and we want other people to know about it because it's a great source of happiness and fulfillment in one's life.

What is the hardest thing about being a believer in your line of work?

First of all, we're fortunate to live in a country that's very open with all types of religions and beliefs. I think the thing that I get concerned about is the attitude people have about separation of business and religion. It's evolved out of the separation of church and state. We forget that it doesn't mean we have to separate our faith from our business. That frustrates me a little bit but when you bring it into the business in a sense that people know that you're faithful and you're a religious person, they actually relax and they're more warm. You'll find the conversations, even if there are other religions involved, they just like the fact that somebody's got faith. When you break that barrier, it gets easier.



It's before it's broken that it can be uncomfortable.

How do you balance workplace demands of 60 to 70-hour weeks, personal life, spiritual life--let alone leadership in ministry and church?

Today more than ever you've got to be organized. I keep looking for ways to get organized so I don't miss appointments, so I can attend prayer sessions with friends, so that I can make it to breakfasts prayer groups and I can still get to all my meetings in the work environment. You've got to be organized. I have a good calendar system. I use a palm organizer that I take with me so I can keep my schedules and calls. That helps because we're all getting busier and busier, so being organized certainly helps. But also making the decision, when you want to, that you can't do something. Being willing to say no to the things that don't count. If it's just an outing to have a drink with a couple of friends versus being at home helping one of my kids study, I'm going to be at home helping one of my kids study. If it's going out and golfing with some friends or being with my son who doesn't golf well and my wife who doesn't golf at all, I'm going to be with my wife and my son. And so you make little sacrifices. Because at the end of the day my son's going to remember that, he's always going to be my son. And my wife and our relationship is going to be enhanced. And we live together. And so investing the time in that is very important I think in balancing that effort.