

David Makarsky

The People behind the Profit

“I’m not going to take no for an answer,” came the voice over the phone.

David Makarsky wasn’t convinced, but his interest was piqued. The recent graduate and valedictorian of the Cornell Hotel School had received a number of exceptional job offers from many diverse walks of the industry, but he had decided to accept a position with Sheraton Hotels and Resorts. The company promised a very traditional experience, and David saw great value in beginning his post-graduate professional career with a firm foundation in formal training. Thus, he had to break the news to Rick Stottler, owner of a 300-seat restaurant on a pier in Cocoa Beach, Florida, that he wasn’t interested in running the enterprise.

“At least come down and see it for yourself,” Mr. Stottler urged.

David made the trek from upstate New York down to Cocoa Beach and again declined the offer, despite the charm and allure of the incredible waterfront asset. Insisting that he was giving up the opportunity of a lifetime, Mr. Stottler sweetened his offer one more time and then left the decision in David’s hands. The young man considered the rarity of this unique dilemma, struck by the restaurant owner’s words and persistence.

“You know what?” he said to himself. “Stop being so structured and inflexible. You’re a young guy; you’re twenty-one years old. Sheraton will always be there. You can fall flat on your face and still rebound.”

David now considers his unconventional choice to accept the position of manager of the restaurant on Cocoa Beach Pier to be among the best decisions of his life. In the three and a half years he spent there, he developed a strong entrepreneurial spirit and a true sense of pride and ownership in his work that lent him an extraordinary and persistent inner drive. Even the most humbling of days – times in the early months

of his employment when financial pressures were stifling and he wondered if he ever should have accepted the position—proved to be valuable learning experiences. He came to understand not only the value of offering an exceptional product through exceptional service, but also the value of developing solid and genuine relationships with staff, clients, vendors, and the surrounding community. David expanded upon the pier’s original reputation as a tourist destination by transforming it into a community landmark, addressing the locals by name and celebrating their birthdays and anniversaries right along with them. With revenues increasing from \$1 million during David’s first year of management to \$3.5 million at the time of his departure, it was truly a transformational time, both for the restaurant and for David himself.



Once he had accomplished what he could at the pier, he was approached by one of his regulars about working at Prime Hospitality, one of the larger hotel and management companies. At that time, Prime was building a new hotel in Cocoa Beach and courted him to become the opening Food and Beverage Director for the property. After working this job for a year, he also assumed management of a beachside diner that Prime had been struggling to implement successfully. “I would go to work in the morning at the hotel, work breakfast, get the banquets underway, and then I would be like Superman and change into a bowling shirt, black slacks, white socks, and penny loafers to run the diner,” he remembers. Once his efforts paid off and the diner was successfully turned around, he was made Regional Director over fifteen hotels at the notable age of twenty-six.

During the seven years he worked at Prime and the subsequent six years he served at Servico Hotels and Resorts, he found himself traveling extensively. He and his wife had been

forced to move their daughter, Danielle, five times within the first five years of her life, and with David traveling forty weeks a year, the young girl had begun to refer to the family telephone as “Daddy.” Resolving to strike a healthier balance between the personal and professional spheres and to give his daughter an atmosphere of stability, he and his wife made one final move to the D.C. metropolitan area so he could assume a position with the B.F. Saul Company.

The roots of B.F. Saul can be traced back to 1851, when a renowned horticulturist by the name of John Saul was asked to relocate from his native Ireland to Washington, DC. Saul assumed the role of planning out the national parks on the Mall and its surrounding vicinity, and he purchased land in Montgomery County, Maryland, to grow the various shrubs and plants used in his work. His son, B. Francis Saul, took over after John’s death, and in 1892 B.F. Saul began selling off parcels of the family land. He set up a mortgage company to finance the deals, and in the intervening years the business has evolved and diversified to become what it is today. The company currently focuses on a wide range of real estate considerations, including commercial property ownership, development, construction, management, leasing, and insurance.

The hotel division of B.F. Saul wasn’t established until 1976, but it quickly flourished, currently owning and operating nineteen hotels in the D.C. metropolitan area. Eighteen of these are mid-market business class hotels like Marriotts, Holiday Inns, and Hampton Inns. The nineteenth hotel, The Hay-Adams, is a luxury hotel located just down the street from the White House and has grown acclaim as the site where Barack Obama resided for the week preceding his inauguration.

David began his time at B.F. Saul as a Regional Director of Operations, supervising five hotels and focusing on the tandem conversion of two hotels in Crystal City. The experience allowed him the balance he had been dreaming of, but he couldn’t help but feel a sense of concern about some of his observations regarding the company’s culture. One of the big draws of B.F. Saul had been its commitment to a set of core values that was referred to as Our Big Three. The company’s mantra entailed a strong commitment to quality, both in its properties and in its team members, and David was instantly struck by the lighthearted yet genuine values embedded in its quality pledge.

After actually working at B.F. Saul, however, he found that the words were inconsistently lent life through practice. Consequently, when the position of Vice President of Human Resources opened up, he immediately set his sights on the opportunity. “If we can succeed in developing a robust workplace culture,” he explained to his manager, “it will pay big dividends in quality, in revenue, and in market share performance by developing repeat and referral business and by driving down turnover.” His vision was inspiring, and he continued serving as Regional Director while also assuming the duties of Vice President of Human Resources. In this capacity he was able to instigate a structural reorganization that eventually resulted in a new position of Vice President of Operations, which he assumed and has been doing now for almost four years. The position has allowed him to maintain his first love of hotel operations while also pursuing his commitment to service and quality through the ultimate duty of fulfilling the company’s mission statement—a role he refers to as “the greatest job in the world.”

While David’s current situation is inspiring in itself, it is lent even more potency in the context of his early life. Indeed, in choosing a career path, one oftentimes strives to emulate one’s inner drive. The will to serve is a constant theme throughout David’s life, first apparent at a very early age when he would lend a helping hand with siblings and other neighborhood children. Growing up in a very Leave-It-To-Beaver town, he recognized at an early age that his life was replete with blessings, and he always sought to give back to the community in thanks for his good fortune. He got very involved in his church and served as president of the youth group for two years, always supplementing his duties with community service work. David then pursued his will to serve through academics by focusing his studies on American Government throughout high school, envisioning a future career path in politics, public service, or law.

After he was accepted to the Arts and Sciences program at Cornell to major in Government, he knew he would have to contribute financially towards his education and assumed a work study position with Cornell Dining. What began as a job to fund his education and future career path instead became a new passion and a new vehicle through which David could exercise this inner drive to serve the community, and he

found himself changing gears. By the end of his sophomore year, he had switched to Cornell's Hotel School and assumed a heavy workload that still enabled him to graduate within four years, setting him on the path that would eventually lead to the perfect job he now holds today.

His experience in school working for Cornell Dining was perhaps the best opportunity he could have hoped for, as it thoroughly immersed him in both the theory and the real world experience of the field. As a junior in college, he served as the Director of Catering and Special Events for the largest dining unit on campus, working forty to fifty hours per week on top of his course load. He maintained this backbreaking schedule throughout his senior year as well, assuming the position of Student Coordinator and managing all four hundred student workers. With fifteen supervisors and three managers reporting to him, the experience proved a valuable lesson in management and delegation and gave him much of the industry experience that warranted such high-powered job offers upon graduation.

"As I have grown and matured in my career, I have come to understand the power of people and just how important leadership is," says David. "As much as the technical side of business matters, success is ultimately defined by attracting talent to the organization and then engaging and retaining it." It is perhaps for this reason that he advises young people today to embrace the process of paying their dues as they enter the business world. In his industry, as with most, countless transactions take place in a day. Money, directions, and ideas are constantly exchanged from team members to guests, vendors, and other team members. A thorough understanding of these processes and how people are ultimately at the root of each transaction is the surest way to success and advancement. One must comprehend the varying dimensions at work in order to understand how to inspire the best in people, compelling them to put forth their optimal performance day in and day out.

Beyond understanding the mechanics of these transactions, however, David's success can ultimately be traced back to an unrelenting and genuine passion for service and people. It is evident in the personalized notes in the birthday and employment anniversary cards he sends to each of the 180 managers in the hotel division each

year. It is evident in the periodic events and projects he plans to promote team member pride and unity, and it is evident in the steady decline of the division's turnover rate from 77% to 28% since his involvement with HR. "It's the glue that binds a thousand team members across eighteen hotels regardless of the brand they're affiliated with," he says of B.F. Saul's quality pledge. Perhaps this "glue" really is the statement, or perhaps it's David himself.

– **By Gordon J. Bernhardt, CPA, PFS, CFP®, AIF®**

About Gordon J. Bernhardt

President and founder of Bernhardt Wealth Management and author of Profiles in Success: Inspiration from Executive Leaders in the Washington D.C. Area, Gordon provides financial planning and wealth management services to affluent individuals, families and business-owners throughout the Washington, DC area. Since establishing his firm in 1994, he and his team have been focused on providing high-quality service and independent financial advice to help clients make informed decisions about their money. For more information, visit www.BernhardtWealth.com and [Gordon's Blog](#).