

Carnegie Training turns 100

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Donald Schatz, president of Dale Carnegie Training of Long Island

When Joe Campolo, managing partner at Campolo, Middleton & McCormick, decided to train staff and lawyers in leadership, marketing and networking, he didn't just go to a corporate trainer. Campolo turned to a firm that helped invent the corporate training industry.

He turned to Dale Carnegie Training, founded in 1912 by the author of the business Bible, "How to Win Friends and Influence People."

"When I initially suggested we do it as a firm, my partners looked at me like I was crazy. It's an expense. What do you mean Dale Carnegie? That's that fluffy, fake sales stuff," said Campolo, who went through Dale Carnegie training years ago. "No, it's not."

Campolo, Middleton sends all newly hired attorneys to Dale Carnegie's Hauppauge headquarters for training, and Campolo attributes his firm's growth in part to the lessons learned there.

"It's in the dialogue internally in the office. People constantly refer to something they learned at Dale Carnegie," Campolo said. "It's now part of the firm culture."

A lot has changed since Carnegie, a salesman and actor turned public speaker, founded his firm a century ago almost to the day. He wrote his now-famous book, which espouses several dozen core principles, in 1936. To date, more than 30 million copies written in 35 languages have been sold.

Carnegie's company, which began in New York City, moved to Garden City in 1963 and Hauppauge in 1987, is one of the most successful Long Island businesses that almost no one knows is here.

"Some people are surprised that our world headquarters are here," said Donald Schatz, president of Dale Carnegie Training of Long Island. "It's just not on their radar."

The Wall Street Journal recently named Dale Carnegie one of the top-performing franchises in the nation with about 175 franchises.

The company in 2011 rolled out college credit programs at schools, including Dowling College; many colleges give credit for its courses.

As the firm marks its 100th anniversary this month, Simon & Schuster released an updated "How to Win Friends and Influence People in the Digital Age," rife with references to Armando Galaraga's almost perfect game and Richard Branson's use of Facebook and Twitter.

"It's consistent, durable," said Steven Goldman, chief operating officer at Stamford, Conn.-based Star Gas, with offices in Melville, which uses Carnegie for training. "If you understand how to train, motivate and communicate, that probably hasn't changed in hundreds of years."

Carnegie's almost biblical concepts – "If you're wrong, admit it," "Begin in a friendly way," "Avoid arguments," "Call out mistakes quietly," "Smile," "Listen longer" and "Take interest in others' interests" – haven't changed.

The firm offers more than 160 courses, from an hour to 14 weeks, on-site and online, using 8 million alumni as a referral engine. Despite competition from continuing education, seminar by firms like the American Management Association and CareerTrack, and trainers such as FranklinCovey and AchieveGlobal, the company is growing.

"One of the big issues in America today is engagement of employees. It's at very low levels," said Michael Crom, Dale Carnegie's chief learning officer. "Part of that is due to the recession. We've spent a lot of effort working on increasing levels of employee engagement."

Firms are turning to Carnegie for training in leadership and communication to boost productivity, customer and employee retention and service.

"I think our people saw it as a benefit. We're paying for that training," Goldman said of courses that can cost as much as \$2,000. "They felt they were personally enhanced."

Carnegie course alumni include Warren Buffet, who in a YouTube video says he has his Dale Carnegie course diploma in his office, Wal-Mart founder Sam Walton, supermarket executive Stu Leonard, auto executive Lee Iacocca and former Grumman CEO Jack Bierwirth.

"The instructors are the key," Campolo said. "They force everybody out of their comfort zone. They force you to talk off the cuff. They videotape you, guide you, instruct you. They give you mental checklists and visualizations."

Schatz said the secret to the firm's survival and success is a process where workers interact, rather than learn by rote.

"You get your own 'aha' moments. Your moment and someone else's are totally different," Schatz said. "It takes time to break through some of those habits."

Although Carnegie training is synonymous with business, Carnegie himself (he spelled his name Carnagey at first) is an unlikely business guru. He grew up on a farm, graduated from Missouri State Teachers College, worked in sales and traveled to New York City in 1912.

"He came to New York, thinking he would be an actor or a great writer," Crom said. "To make a living in the meantime, he did what he knew best: teach public speaking."

After Columbia University turned him down, Carnegie taught at the YMCA, where he received two-thirds of students' tuition. His business took off and Simon & Schuster encouraged him to write a book.

"It became a mega best-seller for Simon & Schuster and Dale," Crom said. "That's what forced him to develop an organization."

Schatz put it simply: "He was like a rock star," writing a column, attracting thousands to lectures, appearing in movies and helping create an industry based not only on positive thinking, but training.

Today, 170,000 people annually go through Carnegie's core course with more taking supplemental coursework.

Professionals are discovering Carnegie as they try to turn lawyers and accountants into rainmakers.

"You see marketing directors at CPA and law firms," Schatz said. "I think it becomes more and more a critical piece."

Despite its old-fashioned principles, Carnegie has embraced technology: Its "Secrets of Success" apps for personal and team leadership have been among the top-selling business apps in the iTunes store. And the firm has developed dozens of online courses.

"It costs us more to do technology well," Crom said. "I have to have a technician on duty and a customer service rep."

Crom downplayed Carnegie's role in the education industry; saying its business is building others' success.

"Our goal isn't to educate. It's to help companies and individuals be more successful," he said. "Ultimately, if we weren't getting results, people wouldn't continue to fund people going through the program."

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