

# Lou Malnati's

## Family-owned pizza chain offers right mix of ingredients to keep workers satisfied

By **Emily Bryson York**

Tribune staff reporter

*November 15, 2011*



Marc Malnati, owner of Lou Malnati's restaurant chain, has his own take on the business his father started 40 years ago. To Malnati, his employees and his customers are family too.

"It's not really a family business in relational sense," said Marc, whose father died in 1978. "There aren't a lot of (Malnati) family members running around here. There are a few, but the beauty of it is that from a customer's standpoint, we've been serving the same families for three generations."

Malnati's employees echoed their boss' sentiments in the Tribune's Top Workplaces Survey, conducted by Exton, Pa.-based consultancy WorkplaceDynamics. Employee responses resulted in Malnati's ranking No. 5 on the list of large companies and earning an award for direction, meaning that respondents feel the company is on the right track.

Specifically, Malnati's employees pointed to a collegial atmosphere, feeling valued and a focus on the customer. Some cited its charitable giving to causes including [cancer](#) research and poverty.

The business has been growing, even as other restaurants were posting significant declines or closing. Malnati's same-store sales have stayed positive, and the company continued to open full-service restaurants as well as several carryout locations. Malnati credits the chain's unwillingness to remove ingredients or automatically hike prices when ingredient costs rise.

"We've held prices whenever we could," he said, conceding that margins occasionally take a hit. Knowing that customers were going through tough times, he said, the chain also tried to "make it feel like they're going out to a steakhouse even though they're going out for pizza."

The Northbrook-based company has 33 Chicagoland locations and nearly 1,700 employees, about one quarter of whom have been with the company more than 10 years. Malnati said a number of families have four or five members working for the chain, and some have parents who preceded them at the pizza business.

Sally Glunz started at Lou Malnati's as a server in 1986. With two small children, she was looking for part-time work "in a family atmosphere." She was eventually moved to a job the corporate call center and became a manager. She's now director of the company's catering, mail-order and e-commerce businesses.

Did she plan on staying 25 years? "Heck no," Glunz said. "I have a college education." But at Malnati's, she said, "I feel really appreciated." She also enjoys the "fun environment," the teamwork, as well as her freedom to make decisions.

In addition to free work meals, employees are eligible for medical, dental and life insurance, domestic partner benefits and adoption assistance. There's paid vacation for full-time exempt employees and an annual vacation check for full-time non-exempt employees. In other words: It's not the average restaurant job.

Another perk seems to be an open line of communication. More than 12 years ago, the company instituted monthly group meetings for managers, at the behest of Marc's wife, Jeanne Malnati, a psychotherapist. Each meeting is led by a peer; managers are able to voice concerns that might otherwise fester and cause tension.

The meetings have been so helpful to the organization that the couple is writing a book on their approach, with the working title "It's More Than Pizza."

What would Malnati's father say if he could see the restaurants today?

"He'd say, 'I think you've got the tables too far spread out. We should be able to cram a few more people in,'" Malnati said.

[eyork@tribune.com](mailto:eyork@tribune.com)

**Twitter @emilyyork**