

Walden admits that the decision to let Ed go cost the company. It had happened at the beginning of the sales cycle, a critical time in the real estate business “when all the good sales managers were taken,” so Ed would be hard to replace. In addition, Ed’s wife, a sales manager at another Ridgewood property, promptly left (as Walden knew she would) when Ed was terminated. Ridgewood was out two key people at a critical time. “It’s hard to say how much, but I know we lost money from that situation,” Walden told me. “But you have to do what’s right.”

In the long run, however, Walden’s reputation for showing people respect turned out to be a winning business strategy. A few months later Walden paid a visit to the new sales manager hired to replace Ed’s wife. While the manager gave a tour to an elderly couple considering a move to the Ridgewood retirement community, Walden chatted with their son, who said that he and his parents had narrowed their decision down to two retirement homes—both Ridgewood properties. The man’s mother really liked the property they were currently looking at, but, he said, she felt badly that the sales manager at the other Ridgewood property had spent a lot of time with them and would lose the sale. Walden told the man not to worry about it, that Ridgewood had a fair compensation plan for its employees. “We look after our people,” he said.

The son replied, “I already know that” and proceeded to tell Walden how he had heard from a friend the story about Ed getting fired. “I decided then that Ridgewood was for us,” he said. “I figured a company that cared that much for a cleaning lady would probably care a lot about my parents.”