

# Pivot Perfect

*A Thought Leadership Q&A Series by The Brownstone Group*

## Howard Melnick: A Fly Wheel Career – Leading with Humanity “AND” Authenticity

Howard Melnick is the Executive Vice President, Global Chief Technology and Analytics Officer at Signet Jewelers, the parent company of several notable jewelry brands including Blue Nile, Kay, Jared, and Zales, among many others. He joined the company in 2017 to lead the company through a mission of digital transformation, bringing years of invaluable information technology expertise from Deloitte & Touche, PepsiCo International, Marriott International, and Ralph Lauren Corporation. Building a career working at high-profile companies, each within a completely different industry, has required Howard to make professional pivots with confidence and courage. Paired with a consumer-centric mindset and a strong belief in the power of storytelling, he now brings lessons from his earlier professional experiences to his team at Signet, empowering them to take risks, drive innovation, and fuel the evolution of the company.



Tim Boerkoel at The Brownstone Group is proud to share Howard’s inspiring career background, as well as his philanthropic endeavors, with our readers. We believe that this interview makes it abundantly clear that authenticity, compassion, and purpose are foundational elements for the leader he has become today.

**Timothy Boerkoel (TBB):** Your early aspirations began with an accounting education and your first jobs with accounting and consulting firms. You made a significant move to PepsiCo, taking on some different challenges and stretching your responsibilities – how did the foundation of accounting and finance create the solid foundation to launch you and broaden your perspective on where to next take your career?

**Howard Melnick (HM):** Let’s back up a bit and I will share some of my early storyline. It begins something like this: “Life is what happens when you

are making other plans,” which is actually a John Lennon quote. It seemed fitting for me and is in line with the *Pivot Perfect* theme. When I began college, I had no idea what I wanted to do, so I took various classes, including a mainframe computer course, to try to figure it out. In this particular class, we all had a stack of cards and a specific time slot to run them through the computer. One day, I fumbled and dropped all my cards; mind you, they were not numbered ... which resulted in a complete disaster. I knew I missed my timeslot, and I didn’t know how to put my cards back together, but I did know one

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thing for certain at that point – I was not going to study Information Technology.

As I then had to decide what to major in and how to proceed, I simply went through the alphabet, and accounting quickly came up in the “A”s. It made sense; math always came naturally to me, and soon accounting did as well, leading to an accounting degree, becoming a CPA, and beginning my career with Deloitte. Although I didn’t know it at the time, running a large audit was like running a computer project – you have multiple teams, dependencies, budgets, and deadlines. In time, I found that although auditing was interesting, I had no passion for it. I carried on and it didn’t take long to realize I really enjoyed building software, just not mainframe software (still a trigger from the dropping of the cards in college). This realization came to me in the middle of a big conference room with a bunch of auditors and IT consultants who were deep in problem-mode. I was able to jump in and assist in the solution. That pivotal moment actually launched my career in technology and IT consulting. I discovered that I clearly had a knack for this and a deep interest, particularly in mid-range, database computing. Ironically, my father was a General Contractor, who constructed buildings his whole life, so building was in my DNA.

Later, I began studying to complete my MBA at night while I was with PepsiCo. This provided me with tremendous perspective and a comfort level in reading financial statements and computer programs. My deep background in finance and accounting provided a sense of being multi-lingual. I could fluently speak the language of ROI, cashflow, OPEX, and CAPEX, and simultaneously speak and translate information technology. Looking back, I see how an adaptable mindset and the ability to embrace spontaneity allowed me to make the many shifts in my career. Also, I now appreciate the value of learning from past failures. With agility and openness, our choices will ultimately lead to growth and positive outcomes.

**TBB:** You have been described as having a fearless entrepreneurial mindset, which frankly sounds much more creative than what many envision for someone with IT in their title or profile. Technology is the most competitive advantage any business can drive in today’s AI, digital, and customer-centric world. How do you balance creativity and uncertainty in a turbulent market all while focusing on growth and stability?

**HM:** The key to success is the concept of “*and vs. either.*” Let me explain my thinking. There was a time when we thought you could either develop software quickly or securely; you could develop a minimum viable product, but it couldn’t scale. Today, by leveraging agile methodologies and product teams, we can innovate quickly and securely and then scale. It’s a creative approach where we embrace a DevSecOps Model (development, security, and operations) bringing together small teams all working in an agile fashion.

My gauge for successful team size is the “two pizza pie rule” – if two pizzas can’t feed your team, the team is probably too big. Large teams mean they will spend too much time communicating and coordinating and not enough time getting real work completed. The “and vs. either” concept plays out at any level and any discipline. You can even be a great company that delivers results and treats your people well; it doesn’t have to be an “either or” situation. This mentality establishes balance and growth in uncertain times.

At Signet Jewelers, we have developed a culture of agility, innovation, and performance that delivers results, but leads with humanity. This all sounds great in writing, but creativity involves generating new ideas and solving problems, and it doesn’t happen sporadically without a process - otherwise, it wouldn’t be sustainable. We have designed a deliberate effort and disciplined practice called “MVPs” or “minimum viable products” (actually, we call them MLPs, meaning “minimum lovable projects” to sync with our mission of “celebrate life

and express love"). We welcome new ideas and efficiently determine which ones will work that we can quickly scale and drive up.

We've implemented a formal program called "Leveraging Agility" which encourages our employees at all levels to execute small experiments and evaluate the gains. We've seen that these small experiments have produced some impressive productivity. The program also infuses a positive morale boost as it ties back to our company purpose. People are empowered to be creative with their experiments, creating a "flywheel effect" where small successes build upon each other, gain momentum, and spur exponential growth for the whole organization. *Leadership exists at every level*, regardless of where you sit, and everyone has great ideas.

As I reflect on my collective experiences, and by leveraging my finance background, we effectively fine tune which projects will yield the best financial results with key categories of thinking. First, the democratization of technology – which means the product teams need to be those closest to the customers and products because they are interacting directly and can innovate quickly. Second, in these uncertain times, CIOs must manage across leadership, creating a balance between business liability and strategic choices for the future. This requires consistent management, including ensuring digital and technology projects drive dividend returns. And lastly, as a CIO, you need to *think like a CEO* – approaching everything from a broader business perspective.

**TBB: You are a part of several organizations in a volunteer capacity, paying forward with your expertise, including the CIO Advisory Council, The Executive Forum Technology Committee, and the National Retail Federation. This lines up with talent development which has long been linked to your core values and accomplishments. You share a commitment to mentoring and continued**

### **learning – what do you learn in this capacity and how does it fuel you?**

**HM:** Continuous learning is important in life, but certainly, as technology is constantly changing, it remains critical in business. If we were having this conversation two years ago, we wouldn't be talking about large language models and the impact of Generative AI like Chat GPT, so remaining current is key. For me, being a continuous learner and a mentor are mutually beneficial – teaching and learning happens simultaneously (another example of the "and" concept). Many of the companies I have worked with have participated in formal mentoring programs, including Signet. People sometimes assume with a mentor/mentee relationship that all the value is channeled one way – from mentor to mentee. My personal experience has revealed that I have learned just as much from the mentee. It's a relationship and a knowledge exchange. I've also participated in some reverse mentor programs where younger employees who are highly knowledgeable in social selling are paired with more senior executives who are not as familiar. This interaction connects employees at all levels and doesn't stop at your company door – it overflows into the community.

I believe strongly in the need to make a positive impact in our local community, and we are currently involved with bringing innovation to Akron, Ohio as a sponsor of the Signet Academy of Technology and Business. This is a partnership with Akron North High School and the United Way of Summit and Medina, where Signet is donating 2000 hours of mentoring, job shadowing, job fairs, and mock interviews over the next three years. This particular high school has a student body that speaks over 20 languages and is one of the most economically disadvantaged in Ohio. We have already hosted many events, finding two-way transactions happening between the students and our team. The juniors and seniors are excited to witness the opportunities that a company like Signet offers. It's

simply fundamental that learning continues after you finish high school, college, or even graduate school. In the technology realm, some of the principles stay the same but everything else changes, and rapidly. Programs like this one allow students to visualize working in real-life work environments of technology, marketing, distribution, and more ... not just reading the description in a textbook. This starts to ignite students' dreams and offer them choices.

Also, I founded our Women in Technology Program and have remained a very passionate sponsor. With two daughters of my own, the concept of them ever hitting a glass ceiling is something I would never want to happen. This group approached me to support the Signet Academy of Technology and Business by offering mock interviews with the students. The experience and feedback have been amazing, both ways - showing a passion in the students and knowledge gained from each encounter. It creates another flywheel: the more people become involved, the more engaged they want to be. As I participate in these personally, I am inspired as well, witnessing a sense of empowerment for both parties.

**TBB: The pace of Information Technology has been “pedal to the metal” for decades and continues to accelerate, requiring a professional like you to be a visionary, in tune and interconnected to all the needs of the business, with the confidence to orchestrate in real-time amidst all the risk factors without skipping a beat. It appears to be like performing one of the great symphonies where every note is perfectly timed in synchronized harmony. What does it take to compose an arrangement like this?**

**HM:** My belief is that all good CIOs possess technical skills, leadership skills, and business acumen. However, the great ones are also authentic and lead with humanity. Authenticity means having a sense of purpose, building relationships, and engaging

self-discipline and compassion. *People want their roles connected to a greater purpose*, so creating the right culture is a key component for constant innovation with sustainable results. At Signet, we have a culture of agility, innovation, and performance – with leadership at every level. I motivate my team by helping connect their roles to the company mission – inspiring love and celebrating life. We are fortunate to be participating in some of the most meaningful events in people's lives and connecting to a purpose. Our jewelry consultants have been invited to weddings by couples they've closely worked with, building connectedness and providing expertise and inspiration in celebrating significant life moments – a great driver tying purpose back to the job.

I'm fortunate to work with a forward-thinking CEO (Gina Drosos), who understands the path to accomplish such a mission. She had me draft my job description for three years from today (as continuous learning and professional development). The exercise is fundamental and demonstrates the need for a future-back approach. It stages a vision of the future in order to consider prospects and upcoming trends. If you planned in three-month segments, your results would be small incremental changes and not necessarily the same end result three years from now. *When we dream big, we create that way.*

There are three core steps we define as necessary for success. First, *create a repeatable and sustainable technology innovation capability*, which is fostered by the culture. Second, *understand that this practice is not accomplished alone* – it is supported by our Chief Digital Officer, Chief Innovation Officer, and all our other leaders in identifying new digital technology capabilities. Third, *manage the risk* – identify where there is likelihood of a business occurrence, ensure data is secure, and all the safeguards are in place. Once again, this leads us right back to the “and vs. either” concept where you can be both innovative and manage risk.

There are two necessary components that make this successful in our culture – alignment and connectedness. Alignment indicates that *I know what the culture is, I believe it is right for us, and I demonstrate the cultural behaviors*. Connectedness says *I identify with the culture, I care about the culture, and I belong*. Together, working in harmony, innovation is fueled.

For an interesting example of driving innovation, I'm going to take us back to December 1903 and Samuel Pierpont Langley. This was at a time when the U.S. was trying to figure out how to create an airplane, and Samuel was given \$50,000 (about \$1.7 million today) from the war department, had a seat at Harvard, worked at the Smithsonian, and was incredibly well connected with all the big minds of the day. One might say he was perfectly positioned to create the first airplane. Yet, two gentlemen, Orville and Wilbur Wright, who didn't have a formal education or any funding, performed these agile iterations in a very scrappy way, and were the creators of the airplane. The Wrights were truly driven by purpose ... they believed that if they could create a plane, they could change the world. The rest is history. Everyone knows the Wright Brothers, and just a few know of Samuel. On paper, it should have been the other way around, which is a powerful example going as far back as the early 1900s of how passion and purpose drive innovation.

**TBB: Your career path has traveled to some truly notable brands that are known for their commitment to people and professional development, namely PepsiCo, Marriott International, Ralph Lauren, and Signet Jewelers – all diverse industries, yet each highly focused on their customers. What stands out at this stage in your career as pivotal or a time that changed the way you view business; and who was instrumental in guiding you?**

**HM:** A couple of pivotal moments and a few instrumental leaders have shaped the person I am

today. As I think about this, I realize that all the companies I have mentioned and their values connect back to my own core values – I just didn't know it at the time I joined them. The first significant pivot was joining PepsiCo International. This was in the middle of the cola wars, a time of intense rivalry between Coca-Cola and Pepsi, where they engaged in advertising battles, celebrity endorsements, and everything focused on driving one against the other. I worked there for six years and traveled the world. It was truly international as I literally was only home about three days in those six years. Pepsi was the underdog at this time, and working there taught me that you must be bold and act quickly. But it also gave me a great perspective of the international market and educated me on connecting global systems. Over time, the cola wars subsided and both companies shifted their offerings from simply cola to waters and sports drinks. Companies are always focused on some form of transformation, but there's often a broader play to be made in shifting an entire category and modernizing the rules.

From PepsiCo, I moved to Marriott Corporation, at a time when they were starting to expand internationally. During my tenure, one big acquisition was The Renaissance Group. What has remained with me from my time there was Mr. Marriott Sr.'s (founder of Marriott) well-known phrase that was, and still is, embedded into the culture - "take care of the associate and they will take care of the guest."

From my experience, Marriott believes that by prioritizing the well-being, training, and development of employees, they would in turn be satisfied, engaged, and motivated to deliver exceptional service to the guests. This instilled in me an understanding that by focusing on both the business aspects and on people's personal passions, the highest performing team is produced.

I've spent a lot of my time just listening to my employees over the years. At Signet, we have

developed “Bagel Bytes”, where we get together every month informally, not to talk about business but to talk about life – families, vacations, and whatever is meaningful to our people. This is also a time to interconnect, especially for hybrid or remote workers, allowing people to bond in person can be powerful. *Taking care of your people* became fundamental for me and is now rooted in my leadership style wherever I go.

At Marriott, I worked for Carl Wilson, who was the CIO from 1997 to 2011. He was a natural born leader and quickly became a mentor to me (he passed away last year and will be deeply missed). One of the ways Carl measured his own success was by the number of people that had worked for him who later became CIOs of other companies; I’ve lost count at this point. He was the epitome of an authentic and approachable leader who had an effortless ability to connect both personally and professionally, and empowered people to make decisions that were tied back to the company mission.

My next career pivot was with Ralph Lauren, a company known for timeless elegance and meticulous attention to detail. All companies know the importance of strategic vision, but you also must be able to execute. I had two takeaways from my time at Ralph Lauren. First, I learned the value of having a solid grasp of the details; it’s not enough to have framed an impressive strategy – you need to successfully implement it. Second, I learned the importance of mastering the art of branding and storytelling in business. Ralph Lauren represents a lifestyle and narrative, it’s not about clothing. Branding, attention to detail, telling a compelling story, and embracing philanthropy were all woven into the fabric of RL’s culture, and have remained a part of mine.

Today, at Signet, we’ve achieved the ultimate “**Pivot Perfect.**” When I joined the company, we were a traditional mall-based retailer. Now, we are a digital-first, innovative, data-driven company that delivers outstanding omni-channel results for our

customers. Over the past few years, we’ve grown from a \$6 billion company to over \$8 billion and have optimized our sales channel with 450 less stores than our prior footprint. We’ve increased our e-commerce business almost four-fold from where we started, simultaneously expanding from 8 to 11 brands. These evolutions were driven by our purpose and committed to strong ESG (Environmental, Social, Governance) principles. To achieve this, a company needs a motivational leader, who for us is our CEO, Gina Drosos. Under Gina’s leadership, Signet’s market capitalization has grown from less than \$1 billion at the start of the pandemic to ~\$3 billion today. She has been an amazing mentor to me and is truly an authentic leader who is driven by our purpose and understands the importance of making daily decisions to drive insights. Gina is focused and inspires, making sure everyone understands how their job fits into Signet’s mission.

Regardless of the industry, I have been drawn to companies and leaders that have a strong purpose, value their employees, love branding and storytelling, and make a difference in their community and the world.

**TBB: Your career has earned you some notable honors and awards, including the 2021 Future Edge 50 Award, 2021 CIO 100 Award, and the OhioCIO 2023 ORBIE Award most recently. All are a Public Relations Department’s dream and launch pads for professional growth. What honors have been deeply meaningful to you and how have they changed you?**

**HM:** Two awards that I was honored to accept on behalf of Signet represent the incredible work of my team and our company. The Future Edge 50 Award is one that reveres organizations and leaders who demonstrate innovative thinking and successful implementation of emerging technologies. Signet won this award for the invention of our patent-pending e-Tag, in partnership with our Chief Digital Innovation Officer, Oded Edelman, based out of Tel

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Aviv. The e-Tag is an electronic price tag that combines an electrophoretic display, bluetooth, and centa-technology in a unique way; our combination of the components is distinct. The e-Tag has an electronic screen which holds all the typical paper tag information of SKU, price, and description; it also has a QR code, allowing the customer to scan with their phone and gather even more information. With the e-Tag, Signet can near-instantaneously change the price or add any other valuable data. It is immediately linked through our computer systems, saving on labor and increasing accuracy. A motion sensor capability is also built in to measure product touches, movement, and adjacencies, delivering incredible information for in-store businesses. Online stores provide so much more data. The e-Tag flips that paradigm by tracking key data points up until the time of purchase. They're also re-usable, making them ESG-friendly and sustainable. We currently have 20,000 e-Tags deployed in 200 of our Jared stores in the United States, so we are well on our way. This renders data intelligence in real time and solves multiple issues concurrently, making it complex and innovative.

The other award that hit home for us was the ORBIE Award, which has been around for over 20 years, and

recognizes technology executives for leadership and innovation. To win, you have to achieve four criteria simultaneously – technology, innovation, demonstrated leadership, and management effectiveness. This award reflects the size and scope of responsibilities, industry engagement, and community contributions. It is profound recognition of our team's work and identification with our mission. We are improving the lives of our customers and employees which is consistent with the culture shift from project teams to product teams; prioritizing training for technology skills and leadership development; and focusing on innovation and learning, all increasing individual and team performance and engagement.

Often, I am reminded of the "and vs. either" concept when asked if being CIO is a hard job. My answer is, "Yes, it is hard, AND it is a very privileged role." I am able to help people reach their personal and professional goals, which is in line with my own personal passion – to help people grow as individuals. It's all in alignment. As I look back over my career, it has been both enlightening AND a deeply rewarding journey.

## About The Brownstone Group

*The Brownstone Group was launched in 2015 with a mission to offer the most effective executive search, strategic consulting, and leadership advisory services. We introduce exceptional talent to brands and their leaders, transforming businesses and careers. Founder Tim Boerkoel possesses more than 25 years of retail, consumer, hospitality, and luxury experience, advising and recruiting for startups and global corporations alike in their searches for CEOs, Presidents, Board Members and C-Suite talent. Brownstone, along with its global network of affiliate partners, operates as a true partner to clients ensuring swift yet long-lasting results.*

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