

◀ previous page

were placed in accessible areas so employees had continual information on trends. Daily production meetings were held with the management team, and hourly employees were invited to attend on a rotating basis, involving them further in the day-to-day processes. Employees were asked to submit ideas for improvements, with a management team member following up personally with the employee to let them know the result of their suggestion. There were, however, stumbling blocks.

*The atmosphere within DeKALB is ever-evolving as the company makes changes to move forward in today's business world. Change is not always easy to accept and/or understand; therefore, even when change is for the betterment of the company, it is often met with resistance and frustration. As our company continues to grow, new ideas and procedures are being reviewed and implemented. The effect on the employees varies depending on their open mindedness and willingness to accept the changes. As a whole, there appears to be great excitement for the direction the company is moving and the new DeKALB that is emerging.*

**Now we make sure we're working within the company's value system, even if it means turning away business. I never would have thought about turning away business that didn't seem like a fit with our core values, but now it's one of the things we assess.**

As the new DeKALB began to emerge and the continuous improvement efforts made an impact internally, it was time to reassess the way the company presented itself to the world outside its doors. DeKALB, which had never had a marketing plan, began a marketing initiative led by Teresa Schell of SMP and a diverse group from within the organization. Following an internal assessment, phone interviews with customers were conducted to reveal the company's unique characteristics, strengths, and value proposition. A correlation existed between what the employees believed and what customers viewed - the supplier relationship was critical. DeKALB believed in establishing a personal, emotional connection that speaks integrity and genuine respect for the customer's needs, and the customer found value in that attitude. The marketing message - and the company's internal response to new opportunities - needed to reflect that core value.

*Integrity is the staple of our business. DeKALB, as well as the employees within the company, possesses strong morals and values that assist in making good business decisions for the company. Now we make sure we're working within*

*the company's value system, even if it means turning away a new customer. I never would have thought about turning away business that didn't seem like a fit with our core values, but now it's one of the things we assess.*

DeKalb has outlined a strategy to position itself as a unique structural foam manufacturer, including a revamped website, email newsletter communications, revised sales collateral, and exposure at targeted trade shows. The marketing team has begun to promote "Committed to Your Solutions" as DeKalb's tagline, representing the company's effort and dedication in addressing customers' challenges. A new logo will be unveiled as well. The company also rebuilt its Sales team, hiring Darryl Warren as its new business development lead and promoting Amy Aleshire to sales administrator. Walters moved his own focus from manufacturing to sales, serving as the sales manager and leading the sales team. With confidence in its own capabilities and a new focus, DeKALB is taking its internal changes to external customers in a big way.

**It looked to me like my strategy for success needed some adjustment, which meant I needed to adjust. It's not easy to change a personality. You've got to think about it every day.**

Walters doesn't try to take credit for all of the changes at DeKalb. CEO and co-owner Jeff Rodgers has been a cheerleader throughout the entire process, and the mentoring done by DeKALB's managers has been priceless. But Walters does believe that the time he spent assessing the difference between what "is" and what he wanted the company to "be" was a significant turning point.

*I'm driven to be great, and I wanted DeKALB to be great. When I looked at what needed to happen for greatness to be achieved, I saw that I was one of the roadblocks. It looked to me like my strategy for success needed some adjustment, which meant I needed to adjust. It's not easy to change a personality. You've got to think about it every day.*

*I speak like DeKALB and I are "one" and there might be some truth to that. But, the change in DeKALB's culture and our focus on continuous improvement can be tied back to real people. Through this process, I learned that surrounding yourself with great people isn't enough if you're so busy leading that you aren't listening. You have to recognize your own limits and build around them.*

*I have always been a leader. I am becoming a better leader by doing less and cheering more. If I can help make my employees successful, then DeKALB will be successful and I will be successful. Then we'll notch it up and do it again. ■*

# Plastics Business

Strategies for Today's Plastics Processors



**Culture Shift at DeKALB Molded Plastics**

**Plus: ERP System Trends**

**Tool Transfer Q&A**

**Stabilizing Health Care Costs**



Front row: Max Houser, maintenance manager; Sonya Cloyd, materials manager; Amy Aleshire, sales administrator; Kassy Davis, human resources manager; Chris Clear, product engineer. Back row: Darryl Warren, new business development lead; James Burn, quality manager; Art Mixis, operations manager; Mick Egly, molding manager; Rick Ludwig, controller.

## Changing the Mindset at DeKALB Molded Plastics

By Dianna Brodine

Creating a culture of continuous improvement requires commitment from every employee, at every level within a company. For Rick Walters, co-owner and president of DeKALB Molded Plastics, it also required a hard look at his own management style.

What follows here is a look inside the thought process of Walters as he worked to change not only the culture at DeKALB, but also his own leadership approach.

**In the months leading up to the leadership change, I spent a considerable amount of time thinking about DeKALB's performance, culture, successes, and challenges.**

DeKALB was founded in Butler, Ind. and began production on January 1, 1979. Originally a part of Michigan Plastics Products, a JSJ Corporation company from Grand Haven, Mich., DeKALB is a molder of structural foam products, with painting and assembly capabilities. Producing parts for many markets, including medical cabinetry, traffic safety, material handling, water filtration, and recreational, DeKALB is co-owned by Jeffrey W. Rodgers, CEO, and Rick Walters, who became president in 2007.

Walters had been with DeKALB for almost 30 years, managing the operations and working closely with the employees on the floor. Much of the day-to-day administrative decisions – including sales, quality, and finance – were left to Rodgers, while Walters concentrated on manufacturing. However, this division of labor created gaps and inefficiencies. In 2007, Walters decided it was time to change his role at DeKALB. Unbeknownst to him, Rodgers was having the same thoughts.

*In the months leading up to the leadership change, I spent a considerable amount of time thinking about DeKALB's performance, culture, successes, and challenges. I had to take a step back to look at what we really were – as a company and me personally.*

*DeKALB has always been a good company. Our reputation is excellent and we've had strong leaders to guide us down solid, conservative paths. We had experienced "ups and downs" in our 28 years of existence and it had been very rewarding to fight through the toughest times – and survive. Still, I felt we were only "good". I couldn't see a sustained growth, which meant*

*we weren't reaching our goals or our potential consistently. Then I turned the thoughts to myself. I was the one leading the operations. I was not achieving the results I wanted. I decided the adjustments I was contemplating had to start with me. I could not keep doing the same things and expect different results.*

Always a driven leader, Walters liked to have a personal hand in every activity within the company. He also acknowledged a tendency to be an emotional, intense, and sometimes inflexible person. That personality often put him at odds with other managers and, when he assumed the presidency, Walters knew those relationships would undergo significant changes. To make the company stronger, Walters was going to have to transform his approach.

**Change was starting to occur, but we needed to do it right. All of 2008 was spent becoming a team, merging our personalities, and understanding how everything we did affected the company.**

Walters' management style had always been aggressive, but his first priority after taking on the presidency was passive – he learned to listen. What he heard gave him a new perspective on the employees he'd been working with for so long. He began a conscious effort to present his ideas in a conversation, rather than as a directive. As his own style became less aggressive, the employees were speaking up, taking on more responsibilities, and volunteering their own expertise to solve problems. Walters turned control over to the department managers and let them do things with which he didn't necessarily agree.

Then, Walters listened to the community that supported DeKALB – its Board of Directors, trusted advisors, and service providers. This also included the company's attorney, accountants, bankers, and other business friends. Walters absorbed the comments and suggestions from the people who knew his business, knowing that they shared in the company's success. He continued to adopt a more passive leadership approach, making no big changes with his staff and giving department managers enhanced decision-making authority.

Mick Egly, molding manager, and Will Miller, molding supervisor, inspect a sample.

*I did not want my staff to defer the tough questions to me. I wanted them to run their departments. I wanted them to know I trusted them. We held frequent huddles, letting our managers share and communicate. I made it a point to be a facilitator during the early stages of our transition, letting them work together rather than directing their actions. I kept every department manager reporting directly to me, creating a flat organizational chart – a very minimum of layered management. Then, I took steps to build our team.*

*Change was starting to occur, but we needed to do it right. All of 2008 was spent becoming a team, merging our personalities, and understanding how everything we did affected the company. I recognized I needed coaching, as did the entire management team. We brought in Bruce Hodges from CMI Teambuilding Associates. He's a strong person and his style worked well with our strong personalities. We learned about each other and how to work together to focus on building success at DeKALB.*

In 2009, Walters and the team at DeKALB were ready for the next step. Walters realized he needed help in order to deliver his vision for the company. He wanted organization, control, and discipline – and he wanted those attributes to lead to an effort to be better every day. He hired Harbour Results to lead a Continuous Improvement initiative, focused on helping the engineering and manufacturing departments efficiently deliver the products and services expected by the company's customers. The next phase of DeKALB's culture change was underway.

DeKALB began holding monthly profit sharing meetings, where operating standards and metrics were reviewed. These metrics

next page ►

