



Leadership and Alignment

Creating a Culture of Engagement and Accountability

Alan Gross, vice president of operations at Currier Plastics in Auburn, NY offers “lessons learned” about building leadership/employee buy-in, understanding, and performance gains.

Interviewed by Lea A.P. Tonkin

Q: *How is Currier Plastics progressing in organization-wide alignment with key objectives, starting with the mission, vision, and core values?*

We accomplish this in many ways. First is the Strategic Framework itself. On one sheet of paper, all the relevant elements important to our success such as our mission and vision flow in an interrelated and strongly-linked way. “Keep it simple” is the lesson there; make it actionable so that it is clear at the end of the process what has been done and what has been achieved. We also keep clear metrics and goals in front of employees. Each department has its own one-page plan. These plans detail the department’s related vision, mission, objectives, strategies, and action plans. The documents are formally reviewed each quarter, but, more important, the key results (both leading and lagging) that indicate success are visible to all, on every shift. As an outcome of our lean accounting approach, they are reviewed by cross-functional teams on the floor (and office) twice a day. Employees need to see the vital few goals and measures, where accurate and timely feedback and information is available. Some measures are updated every minute, some every shift, and others weekly, monthly, or even quarterly. Actions and results are fairly tightly connected, with results right in front of you. As in any learning cycle, you need a PDCA (Plan, Do, Check, Act) way of thinking without necessarily calling it out as such. With real-time information, you can make improvements in real time, seeing a clear cause and effect. This enables true continu-



ous improvement. This nimble approach contrasts with a traditional business planning approach that yields a rather complex and detailed notebook of strategic thinking that collects dust, isn't actionable, and is updated each year as a part of a budgeting cycle (best case) or corporate obligation (worst case).

Q: Explain some of the ways in which key result areas — talent management, Velocity times Value or V², and Innovative Growth — and related objectives/strategies/measures help to engage employees at all levels in critical improvement activities.

Talent management is a foundation-building effort for us. It starts with getting the right people in the right places, focused first in leadership and technical areas. For molding skills, as an example, we have relationships with various schools — high schools, vocational two-year schools, and colleges. However, few schools offer the programs we need. We need to keep up this effort as we update our equipment and related skills requirements. What we've come to is increasingly "growing our own" through an internally-developed apprenticeship. This program combines general technical school training with in-house training specific to our jobs/machines, rotational assignments, and on-the-job mentoring. In the long run, this approach is most effective, because apprentices either are from the area or high-potential employees who turn out to be more loyal to the company. They are paid for their skills, and they spend time with quality, tooling, process engineers, etc. After completion of the program, we match their interests and strengths with company needs in the position they best fit.

We engage employees by focusing on the company's strategic framework related to action plans and improvement projects. Everyone in the company is directly working on or is a part of various improvement initiatives. We have no one dedicated 100 percent to continuous improvement; it's a part of everyone's job and regular expectations (and included in their job descriptions). The "rubber meets the road" on projects/activities that improve day-to-day operations. Examples might include a time-saving fixture for setups, quality improvements, workstation layout, or time-saving efficiencies. Other examples of participation include department or corporate initiatives (such as new machine evaluations and replacements, work flow improvements, automation, IT projects, and the like). These improvement activities are tied to profit sharing, a company-wide program paid monthly. Our performance appraisal process covers both team and individual goals related to these.

Q: What strategies are most successful in creating/building a culture of engagement and accountability, with related training and standardization activities?

Among our strategies are:

- Getting the right people in the right places (from top down)
- Developing fully self sufficient and empowered value stream-based organizations
- Providing good information (timely, meaningful, accurate)
- Providing the right tools and other support
- Applying TWI-JI (Training Within Industry-Job Instruction) company-wide
- Profit sharing

- Improved Human Resources (HR) practices (selection, de-selection, merit raises, appraisals, etc.).

Standardization is a necessary evil for control and predictability. But you also need a more formal change control process to effectively evaluate new potential changes/improvements. Although we have a ways to go in this area, we are using TWI-JI as our vehicle to standardization and have organized consensus kaizens to review and upgrade work instructions. In effect, this became our system for systematic learning/improvement. Naturally some areas are more successful than others. Successful adoption ultimately comes down to leadership.

Although we are still learning to apply lean more effectively in office functions, we have three years' experience in lean accounting. It makes sense to involve accounting up front and to create broader understanding about financial levers and results. Support and involvement from the senior level is needed to support our progressive thinking about lean — how it applies in plastics, and in our company enterprise-wide — is needed, since we are believers in its long-term benefits to the organization. There is tension all the time, as we balance the need to focus on dollars and cents (cost containment) with the need to invest for the future (in capital, people, lean, etc.).

We have applied process flow mapping and held kaizens to move us further along in lean application in all (transactional/office) areas. Our supply chain development is another natural fit for lean office processes. We have engaged both customers and suppliers in kanban training events and kaizens. Since we are a make-to-order company, JIT (Just In Time) and improved warehouse flow/elimination is a natural fit.

Q: In turn, how is your organization improving its ability to "grow" and nurture leadership as well as technical talent needed to accommodate new growth?

As mentioned, two main thrusts of "talent management" are leadership and technical talent development. Although it may not be apparent, that involves everyone in our organization. Our "true north" is that everyone at Currier is capable of doing everything. In the leadership arena, we work with a leadership coach who helps with personal and strategy development. Employees take responsibility for their own personal growth. Exposure to AME and other professional organizations is encouraged. We founded an AME Champions-type consortium in central New York State to facilitate benchmarking and help us find new ways to improve and to learn other strategies for lean development and leadership. Also, our recruitment strategy complements a "grow our own" strategy. Recruiting and retaining technical talent is our biggest challenge to growth. There are limited numbers of schools to draw from. We have built relationships with these schools, offer apprenticeships and an internal training program, as well as co-ops and internships. We learn from "outsiders" we bring on board and also as we get involved with new customers and suppliers. For example, we are adding new processes such in blow molding: injection stretch blow — a new method to make a bottle, combining blow molding and injection molding. Decorating is another area of extension, where we decorate the bottle in-line after our injection blow molding process.



Q: *How satisfied are you with progress in cultural change and related performance improvement? Where there are gaps, how are they being addressed?*

I'm a patient person. Patience, along with persistence and consistency, will work in the long run. As long as we improve day to day, we are moving in the right direction. Moving to more of a performance-based culture is tough on people. Although I am satisfied with our progress so far, the leadership, employee development, and technical challenges will continue. The percentage of sales going into training and coaching is increasing, and our people will continue to get more people involved in various committees, teams, leadership, and other improvement activities that will build skills and commitment through engagement.

The change from a "soft" or family-oriented culture to a performance-oriented one is huge — it takes many years. We need to recognize that challenge right up front. Right now I'm feeling pretty good about our progress, but it takes consistent and persistent nurturing (there are those words again). The first gap identified was our talent level. As an example: Some long-time employees left as they felt pressure due to the more performance-oriented (seen as competitive) environment. Many were long-term, valued employees. Our president needed to get comfortable with that, made easier as he perceived that we were not making our goals or moving fast enough. Our challenge is that we are making so many changes simultaneously: updating equipment, adding capabilities, personnel changes, and culture changes — which creates a premium on effective communications. To address the need to do more/faster, we needed talent with more "bandwidth." So we redesigned HR to help recruit and train in a dramatically different way.

Addressing the second gap — creating a "sense of ownership/commitment" at all levels in the company — we developed a profit sharing plan, improved communications/information sharing using our lean accounting data, improved our information systems (so employees had more accurate, meaningful, and real-time data on performance), increased our level of empowerment, and continue to systematically increase engagement in problem-solving and improvement initiatives.

Q: *What's next on the company's lean/improvement journey, and how is Currier Plastics learning to be more effective in involving customers, suppliers, and other stakeholders in this quest?*

We've focused on internal improvements first, our customers and those relationships second, and then on suppliers. We still need a fair amount of attention internally and we need to be careful not to overextend ourselves. For example, there are non-manufacturing areas that have not moved as quickly as others in adopting lean strategies. There's one value stream that is still working on developing their team, and they have not progressed as much on the key improvement initiatives.

Having said that, we recognized that our target customer base is those that fully utilize our core competencies of design, injection, and blow molding. When done right, this is seen as an extension of their organization — both technically and from a supply perspective. Also, we value customers who are leaders in their mar-

kets and think like we do about lean improvements, are responsive, value technical challenges, and recognize the need to decrease complexity.

We continue to diversify our offerings, working with new customers who value that combination, so we have trimmed our customer base. This has been gutsy to do with the difficult economy, but we continue to look regularly at customer rationalization. Our projection for sales in 2010 is up 25 percent, seeing 2009 down 10 percent from the previous year.

Improving supply includes offering lower cost (and/or more manufacturable) designs, reducing their leadtimes, linking closer to their demand using pull signals (including kanban arrangements), and eliminating redundancies. Responsiveness (after all, the second "V" in V² stands for Velocity) is the bottom line for a lean relationship with our customers. As a result, we tend to understand their customers' demand better than they do. We have led the development of kanban systems with some (unfortunately and ironically this has been more of a "push" than "pull") and are working on others.

We've already had success in working with many of our major suppliers. They have become leaner, can react more quickly, and this leads directly to better performance for our customers. Two examples include our packaging and logistics providers. We will continue to work with other key suppliers in the years to come. Other targeted supplier linkages we plan to work on include major resin suppliers, our power provider, and those who can help finance our growth.

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About Currier Plastics Inc. and Alan Gross

Currier Plastics Inc., based in Auburn, NY manufactures blow-molded and injection-molded products such as bottles, canisters, caps, and enclosures for amenity, consumer, industrial, packaging, and medical markets. With 110 employees, the company operates from a single 75,000 sq. ft. facility on a 24/7 basis. The company reported 2009 sales of \$19 million and recently received the AME Manufacturing Excellence Award for the Mid-Atlantic Region. The company's website is www.currierplastics.com.

Alan Gross, vice president of operations at Currier Plastics, served more than 28 years in industry, most in applying elements of lean thinking to large-scale change challenges in manufacturing as well as in R&D, sales, and education. His previous experience before joining Currier Plastics included behavior changes and creation of self-directed work teams at Kodak and leadership in the Webster Plastics transformation to unprecedented profitability. He received a BS in industrial engineering from the University at Buffalo and has taught in the Masters of Manufacturing Leadership program at the Rochester Institute of Technology (RIT).
