Batesville Casket Company's Culture of Continuous Improvement

Innovation, creativity — and yes, listening to the voice of the customer — are alive and well here.

Lea A.P. Tonkin

There must be zillions of ways to build a casket. Fancy with all the trimmings, inscribed with the departed's favorite poem, lined with silky fabrics, decorated with original artwork, constructed of special materials (wood selections from walnut to poplar, pecan, etc. or metals such as bronze, stainless steel, and copper) — or perhaps more basic and unadorned. Whatever the request (although their final customers may not have much to say about it), Batesville Casket Company associates know just how to do it right and ship it on time, with as much creativity as the customer calls for.

Although customer satisfaction surveys reflect consistently high ratings, Batesville associates do not accept today's domestic marketplace leadership performance as their "final resting place." Thanks to their employee involvement and continuing performance improvements, they plan on even better customer satisfaction and market success. This article offers insights Batesville employees shared during a recent AME workshop, "Creating a Culture of Continuous Improvement," at the company's operation in Batesville, IN.

Creativity and Customization

"Innovation and creativity are alive and well at Batesville Casket Company," said Gary Lambert, director of manufacturing. "Finish and function are important to our customers," Lambert said. "We offer a customization service for special requests. For example, inside the lid, or the 'cap panel' as we call it, you can have these special panels embroidered with designs such as a picture, poem — anything you can imagine that can be imprinted with various colors and textures."

Themed corner hardware, optional drawers built into caskets to hold papers and other personal items, and many other custom options are available. In addition to 500+ casket styles, Batesville offers a wide variety of cremation urns and containers, with new product ideas continually in the works.

In Brief

Batesville Casket Company’s been listening to the “voice of the customer” for many years. The article describes their Daily Continuous Improvement culture, employee involvement, metrics, and lessons learned as they continue to progress.
About Batesville Casket Company

Batesville Casket Company, a Hillenbrand Industries subsidiary, is a top manufacturer of metal and hardwood caskets in the United States. The Batesville, IN-based operation also offers cremation urns and caskets. Employees pride themselves on the beauty and quality of their workmanship. Batesville Casket has five plants in five states and employs more than 3500 people including 900 at the Batesville, IN facility.

The company history goes back quite a ways. Batesville Coffin Company had been in business since 1884, a small-town operation where employees hand-made wooden coffins known for ornate engravings. In 1906, John A. Hillenbrand bought the insolvent company, renaming it Batesville Casket Company. Under his leadership, employees crafted high-quality hardwood coffins and caskets (caskets are rectangular boxes and coffins are six-sided with the top and bottom narrower than the middle). Demand increased as he invested in modern woodworking machinery and added a power plant for a larger operation. Reliable delivery and a broad line of products helped to build customer loyalty over the years.

Hillenbrand’s son, John W. Hillenbrand, later assumed leadership for business marketing and financial development. Another son, George C. Hillenbrand, further advanced automation in the factory and brought in engineering as well as R&D expertise from outside the company. In 1918, Batesville Casket retooled and began fabricating metal caskets, in turn decreasing wooden casket production. Changes in shell shape, interior options, and finishing were dramatic. Their emphasis on superior product and service quality continued.

Metal casket production ceased when World War II began. The company thrived during the war, turning out wood caskets for the military and other customers. They resumed metal casket production in 1948 and dropped wood caskets from their product lineup by 1953. Wood casket manufacturing again started up in 1973. Among the significant milestones cited by the company are: development of the first vacuum testing system in 1948 (all of their caskets must pass multiple vacuum tests); the 1954 introduction of the Memorial Record™ tube (an identification method without disturbing the casket interior); Cathodic Protection launched in 1958 (helps to prevent corrosion on the steel casket surface); warranty introduction in 1963, an industry first; the Living Memorial® program, which has grown to be the largest private U.S. reforestation program; and the company’s Failsafe® liner which protects hardwood caskets from damage caused by interior fluids.

Personalization within funeral services gained popularity in the 1990s, and Batesville Casket continued to evolve, paced by customer demand. Among their personalized offerings are interior panel designs (cap panels) reflecting different cultures, hobbies, faiths, etc.; MemorySafe® drawers built into selected wood and metal caskets, allowing families a personal memorial that can be opened privately; and the Life Symbols® interchangeable corner hardware for various metal and wood caskets. Cremation products and services are in the newest product line. More information about the company and its products, services, and history is available at its website (www.batesville.com).

Daily Continuous Improvement Culture

Batesville associates work together in what they describe as a “Daily Continuous Improvement culture,” or DCI (see Figure 1). It’s an effective way to connect shop floor operations — all operations — with corporate strategy. Asked how it works, Lambert said, "We believe that CI is based on need and without need, there can be no CI. Production expectations that are challenging (stretch targets), clear and visibly tracked, create this need."

Lambert continued, "The majority of our improvements come from DCI activities. Individuals or small groups who are trained in lean concepts and who work on very targeted issues such as specific safety, quality, cost, and service challenges, accomplish these."

Batesville employees use “Point Kaizens” when added resources are needed to resolve issues. "These involve small groups meeting for two to three days,” Lambert said. "When issues are still more complex or broader in scope, full kaizen week-long events are utilized." He noted that steps in
creating the culture include trainings in: lean manufacturing principles; problem-solving techniques; and group interaction skills.

**Voice of the Customer**

Internal customers include more than 80 distribution sites (service centers). External customers are licensed funeral homes; final customers are buyers of their caskets and other products/services.

A focus on the customer and long-term commitment to improvement are well known for Batesville Casket. After years of working on improvement activities, how do they keep this approach “fresh?” Lambert said, “As a manufacturing organization, we use numerous data streams to understand the voice of the customer, including routine surveys, written and phone comments. We also provide a feedback card (customer satisfaction survey) in the casket, and get a good response rate. The great majority of comments we receive are very favorable. We also provide regular customer visits by plant personnel, and customers offer feedback during regular visits to our plants.”

**Policy Deployment**

Translating customer requirements into better overall performance requires effective policy deployment and metrics — connecting the dots to the shop floor and other areas. Lambert explained, “The process starts at a corporate level with our vision, mission, and strategic initiatives. Cascading from those are supporting initiatives at each level of the organization that are linked to the strategic initiatives. Individual performance measurement and compensation are then linked to these more specific initiatives.

**Metrics**

All associates understand how their day-by-day performance supports the company’s overall performance. Their key metrics are focused on safety, quality, cost, and delivery. "As we define our goals and targets under each of these, we will address any gaps that appear," Lambert said. “For example, a cost problem may develop at the plant level, and in turn a DCI activity is created. If that doesn’t solve the problem, we may have a two to three-day event with people from various plants and functions evaluating the problem, as needed.” He added that specific individual and organizational development initiatives are enablers that support initiatives within the safety, quality, cost, and delivery categories.

"At the plant level, detailed measurements occur daily," Lambert said. "Weekly, we have combined one-hour net-meetings to review approximately ten standard measurements for each of the six plants. This provides a forum for sharing of information as well as identifying issues and corrective action in a timely manner."

All administrative as well as production personnel learn about Batesville Casket goals, metrics, and culture in an initial orientation at each location. It includes an eight-hour training class in the principles of lean manufacturing. A progressive simulation game is used to facilitate the learning.

**Lessons Learned**

Most every company has “lessons learned.” They are willing to share with others as they continue along the improvement path.
Lambert noted, “The list below is a partial list of critical success factors. Some we already knew and some we learned the hard way.”

- Educate “top-down” and then forever practice what has been learned
- Focus on the quality of events versus quantity
- Demonstrate conviction and “stay the course”
- Learn from mistakes and celebrate successes
- Measure the things that are important
- Consistently practice standard work. There can be no kaizen without it!
- Good training processes are critical. If the associate hasn’t learned, the instructor hasn’t taught!

- Stay focused on the “significant few” areas that matter most to your customers.

**Looking Ahead**

What’s next for Batesville Casket? “One of our biggest initiatives over the next couple of years is to ‘sharpen the saw,’ again from the top down, to reinforce our fundamental skills,” Lambert said. “We will be piloting a six-week, full-time development class that focuses on lean principles. This class has been condensed from a 12-week program. Good progress has been made to implement lean principles in non-manufacturing areas as well; however, this is still an area of opportunity.”

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