

# REALIZING YOUR MOST VALUABLE ASSET

## Sur-Seal's biggest investment to date — its people

BY SUSAN FOTOVICH MCCABE

Self reflection at the executive level is rarely the impetus for a corporate lean journey. However, that's how it all began for Cincinnati, Ohio-based manufacturer Sur-Seal when company owners made a conscious decision to put their people first. Sur-Seal is the premier provider of sealing solutions, including custom-designed gaskets and other components. The company supplies leading OEMs in the lighting, HVAC and medical markets around the world.

Brothers Mick, Jim and Marty Wilz were given the opportunity to lead the business founded in 1965 by their father, Edward, as a simple gasket company servicing primarily the local market. With Jim serving as CEO and co-owner, and Mick as chairman of the board and co-owner, they have together spurred an effort to instill their family values in the DNA of Sur-Seal's growing business family. However, as any success story unfolds, the magic does not happen overnight, and is a journey of lifelong learnings of ups and downs. When Mick first led the manufacturing team, the approach to leadership was the traditional "do as I say" model, top-down approach, says Sur-Seal Chief Financial Officer Tony Wright.

"Mick, inherently, is a hands-on, people person. But he had to transform himself

to run the company in the fashion of that day," Wright said.

Eventually, Mick found himself at a crossroads between his personal and his company persona, Wright said. He did a lot of reflection and encouraged the leadership team to do the same. It became Jim and Mick's goal to teach their legacy to a new generation of leaders within the company through a people-centric approach — empowering the people to make decisions and unlocking the creativity and innovation from within.

"Mick had an epiphany. He decided the traditional hard-line approach didn't work anymore. It wasn't who he was. He started going to AME conferences, and he learned that if you connect with people on a personal level, you'll get a world in return," Wright said.

Jim, Mick and Tony attended conferences on ownership thinking that encourages open-book financials and empowers employees to think like owners. In other words, treat people like people. Such a simple concept, but often overlooked.

That personal transformation kick-started Sur-Seal's lean journey eight years ago. Today, Sur-Seal's culture of continuous improvement has become its strategy



Company events, training, engagement and recognition programs are key to Sur-Seal's winning, people-centric culture and continuous improvement journey.

for success, directly contributing to the company's rapid business growth. Sur-Seal is a proud recipient of the 2012 AME Excellence Award and is actively involved in the AME Champions Club and the local consortium.

Sur-Seal's lean culture focuses on communication and business results at all levels. Prior to the start of lean, Sur-Seal had between 220 and 230 employees and the company was in constant "firefighting" mode, according to Wright. After immersing themselves in lean education, Jim and Mick focused on two goals for Sur-Seal's journey: employee engagement and continuous improvement at all levels of the organization.

Sur-Seal's focus on employee engagement began with a book club in 2009. The first book, "Engagement is Not Enough" by Keith Ayers, became the vehicle for educating leaders about the importance of employee appreciation, respect and treating everybody like insiders. Wright recalls being part of that first book club, and the others that followed. More recently, book clubs started to explore the ideas in Bob Chapman's "Everybody Matters" and "The Dream Manager" by Matthew Kelly. These book clubs encouraged leaders to reflect inward first on themselves to be better people, and then

outward to lead through trust and exhibiting the company's core values through actions. These are the soft skills they don't teach you in school but are critical, Wright said.

While tackling employee engagement, Sur-Seal faced some challenges along the way. According to Wright, employees at all levels didn't know (and weren't living) company values. Those values included a can-do mindset, customer care, understanding the importance of teamwork, respect and appreciation, growth and innovation. Getting leadership buy-in on the new culture was a struggle. There was misunderstanding on why certain decisions were made, Wright said. Employees were not engaged or taking ownership of their work. And more importantly, everyone was just too busy to focus on the human element.

To teach employees the Sur-Seal core values, the company made them very



Christmas comes to Sur-Seal with Santa Hat Day.



### SUR-SEAL COMPANY VALUES:

- A can-do mindset
- Customer care
- Understanding the importance of teamwork
- Respect and appreciation
- Growth and innovation

visible, posting them around the facility (especially in high-traffic areas) and created Living the Values, a peer recognition program.

“Values mean nothing unless you put them into action,” Wright said. “It’s important to remember to recognize people when they exhibit a core value and a job well done.”

The company chipped away at buy-in with additional leadership and life coaching, and held an essay contest for a winning shot at attending the 2016 AME conference in Dallas. Employees representing all jobs and levels were invited to submit an essay expressing their interest in attending. Today, the contest continues to be popular and submissions are at an all-time high.

“There was powerful stuff in those essays. What people wrote about was a testament to the cultural change at Sur-Seal,” said Sur-Seal Director

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TONY WRIGHT

of Manufacturing Brandon Mello. “It went beyond basic. They talked about themselves as people and about the company investing in them. We only budgeted for five employees to go to the AME conference, but ended up bringing eight.”

According to Mello, some of the employees who normally applied to attend the AME conference made the sacrifice not to apply this year. The reason, he said, was to give other employees an opportunity to attend.

Sur-Seal’s winning culture is no accident. It had to be accepted by stakeholders and top management as the key driver of the organization’s success. Building a culture of engagement and continuous improvement was a purposeful piece of the company’s strategy, nurtured and invested in to see its true ROI. Of course, its most important asset, according to Wright, is its people, ideas and problem-solving they share as a team, pulling in the same direction toward improvement. This is not a traditional ROI as measured with an accounting formula, but rather measured in the extra discretionary effort a team gives

to go the extra mile for the customer and their colleagues.

Sur-Seal took other measures to address its challenges for employee engagement. According to Mello, sharing decision-making information became a focus with daily huddles. Leadership now engages in gemba walks, talking with everyone on the floor. Job titles changed, as well. Supervisors are now area leads.

Everyone in the company is expected to understand company metrics, Mello says. A red/green visual system on the plant floor provides everyone with an at-a-glance production update. If they hit green for several, consecutive months, the company increases its goals, Mello said, always pushing to improve and get a little better every day.

Additionally, Sur-Seal wants all employees to be knowledgeable about the company — customer-ready at all times, Wright said.

“We want every employee to be able to give a customer tour,” Wright said. “Cross-training was critical to that. When we focused on this, people really came out



An assembly team shows off their Fitbits during a companywide step challenge.



The Sur-Seal team participates in Cincinnati's Heart Mini Marathon, one of many company wellness events.

of their shells. It doesn't matter whether it's press operators, maintenance, accounting or marketing. All are confident and take personal pride in talking to groups walking through the facility."

At both the manufacturing and office level, Sur-Seal leveraged several lean tools, including value stream mapping, SIPOCs and one-piece flow. Previously, materials were all at one end of the production line. Mick's vision was critical to a new plant layout. He illustrated his concept with a simple model — a model plant built of LEGO® BRICKS. Mick is a very visual learner and teacher, so this became an interactive tool still used today to envision changes in space and addressing constraints.

Other people-centric moves made a difference with Sur-Seal's employees. For example, there was a time when the facility didn't have air conditioning, as it was not economically feasible to do so. On hot, summer days, the company invested in water balloons, snow cone machines, water sprinklers and outdoor dunking booths for employees to cool off. Eventually, the company applied for a grant from the state to pay for half of the air conditioning. It was a very large investment for the company at the time, but absolutely the right thing to do.

"People would ask me what our ROI was for adding the air conditioning," Wright



Junior high school students learn about the plant layout through a LEGO® BRICK model on National Manufacturing Day.

said. "I'd say that when you see people's faces at the end of a hot day, that's your ROI. I don't blink an eye at investing in all company events, training, engagement and recognition. It's worth every penny."

Sur-Seal is confident that its renewed focus in its people will continue to take them to new heights not yet reached. Since investing in its lean and people-centric journey over the past decade,

the company has experienced significant growth, creating many opportunities for its most valuable resource — its people.

"When investing real dollars and, most importantly, time and patience in the development of your company's culture, the results will speak for themselves," Wright said. "The cost of not investing in your people is too costly a mistake to make." ●