

Culture club

The Gund Company and Webasto Americas adopt the Barry-Wehmiller people-centric leadership model

BY MARY RUDDER



As president of St. Louis-based The Gund Co., a leading manufacturer of electrical insulation components for power systems, Steve Gund travels among the company's eight locations for what he considers his most important job as a leader — listening.

At each location, Gund holds a town hall-like meeting with about 30 employees from all areas of the company. Positioned in front of a whiteboard, with dry erase marker in hand, Gund readies himself to listen to their heartfelt and often frank replies to three standard questions: What are we doing well? What can we do better? What does it mean to care for each other at work?

Their answers to the questions — especially the last one — are helping to “create the culture of our dreams,” Gund said. “For 60 years, we have built our business on the three pillars of taking care of the customer, taking care of the business and taking care of each other. To achieve that virtuous cycle of continuous improvement we’re aspiring to, we believe that creating a culture centered around taking care of each other is the critical next step for us. And listening to our employees’ ideas about the behaviors we expect of one another is paramount.”

Like many small manufacturers, Gund and his leadership team spent the company's early years of the late 1950s through the '80s focused intently on lis-

tening to customers' needs. The company was in that early survival mode stage, with only a dozen or so employees totally dependent on customer satisfaction. Employee needs were secondary to customer needs, to an extent, recalls Gund.

“We were so focused on customer listening that we may not have listened as well to each other. Back then, we viewed every order as a gift to our employees; we didn't have the luxury of thinking much about their needs other than our mutual dependence for success. We pushed each other hard to perform on quality, delivery and service to keep our customers satisfied and everyone employed so we could all take care of our families.”





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That focus on performance paid off, and the business grew from surviving to thriving. The leadership team then turned its attention to growth, allowing The Gund Co. to become one of the largest suppliers of electrical insulation materials in North America. During this period, they invested in the company's employees, offering good benefits, including an employee stock ownership plan, an innovative wellness program to keep insurance premiums down and continuous training to help them perform well for the customer.

"We believed that was very noble — holding people to high performance expectations, constantly pushing them to achieve. We thought it would help them realize their potential. To us, self-actualized employees indicated we had a 'good culture,'" Gund said.

Good culture is what every business leader wants these days. The topic continues to be a hot one in corporate boardrooms. There are countless articles, studies, books and more extolling the myriad areas of business that good culture positively affects: business growth, collaboration, engagement, fulfillment, increased output, innovation, profit, retention, talent

attraction, well-being and more.

But for all the discussion about the positive outcomes of a dynamic and rewarding company culture, there is still a great deal of work to be done. According to Gallup's latest Workplace Engagement Report, the percentage of U.S. workers in 2015 who Gallup considered engaged in their jobs — demonstrated by an enthusiastic involvement and commitment to their work and workplace — averaged a dismal 32 percent. The majority (50.8 percent) of employees were "not engaged," while another 17.5 percent were "actively disengaged." Unfortunately, these numbers reflect little improvement since 2000, when Gallup began charting workplace engagement. For the manufacturing industry, the scores are even worse. According to Gallup's 2014 statistics, employees in manufacturing or production jobs recorded the lowest levels of engagement, with an average of 23 percent.

The Gund family had been focused on building a good culture for a long time. They knew that creating an environment where employees were motivated and engaged was critical to fulfilling the company's "dream" of business success. Along with that, however, he wanted Gund employees



Participants in the BW Leadership Institute's Beyond Benchmarking course use exercises with LEGO® bricks to learn about the importance of company culture.

to feel satisfied through their work and be able to fulfill their dreams. He wanted them to become the best versions of themselves.

"We had commitment and lots of good ideas, but couldn't quite figure out how to get the culture piece right," Gund said. "Fortunately, I have always been a big benchmarker and, years ago, I began following Barry-Wehmiller to study its acquisition process."

A few years ago, Gund recalled, Barry-Wehmiller CEO Bob Chapman started talking



more and more about its people-centric leadership model and how it was transforming its culture and improving the lives of its people. When Steve Gund learned that Barry-Wehmiller had created an arm of its manufacturing firm to help other companies transform through these people-centric leadership practices, he reached out to the BW Leadership Institute for help.

From management to leadership

"We're practitioners, not consultants," explained Sara Hannah, BW Leadership Institute managing partner. "The training and coaching we offer to other compa-



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nies through the institute is the same model we use internally at Barry-Wehmiller to transform culture. We have a unique opportunity to develop, refine and test our process in every business we acquire. Through the Leadership Institute, we can serve as a partner to other businesses and organizations to share what we've learned and provide the 'how-to' behind building a flourishing people-first culture."

Barry-Wehmiller built its reputation as a leading capital equipment manufacturer for the packaging, paper converting, sheeting and corrugating industries. But in the early 2000s, Chapman began building something else inside its global businesses — caring, people-first environments that aspired toward meaningful work, commitment to shared purpose and fulfillment for its team members. In support of that effort, the company launched Barry-Wehmiller University to teach the concepts of continuous improvement, interpersonal communication, leadership, listening and service to its team members.

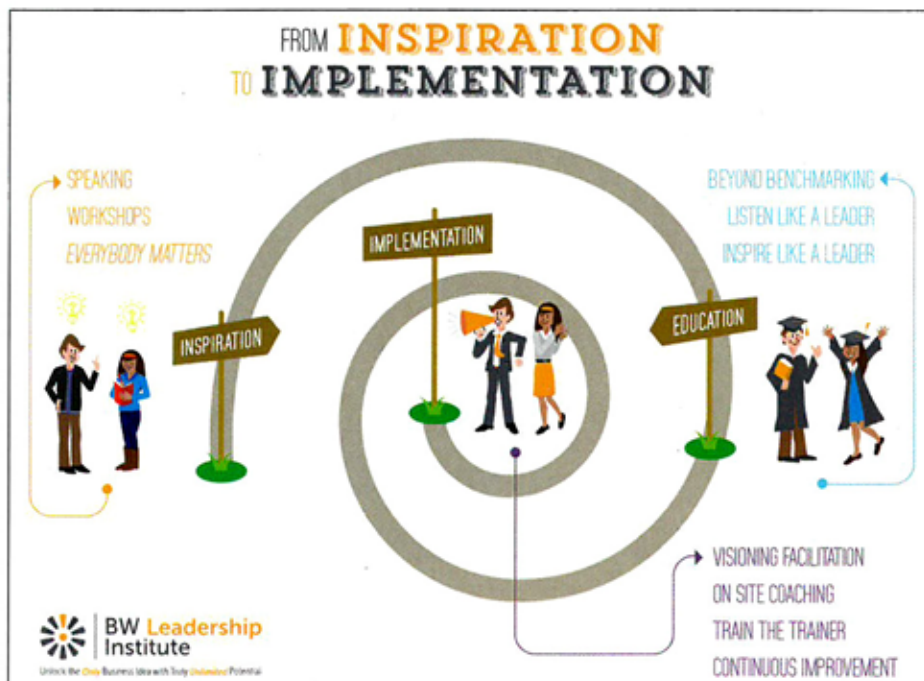
"The impact of our people-centric initiatives on our team members' lives was profound," said Chapman. "Our intention was to create meaningful and fulfilling

work for them. We never imagined the positive impact it would have on their personal relationships as well. How could we not share what we've learned about building great culture with other businesses and organizations?"

Launched in July 2015, the BW Leadership Institute provides training and resources to organizations looking to build people-centric cultures and unlock the potential that often goes untapped. The institute, said Hannah, is centered around this philosophy: Achieving a harmony between people, culture and operational excellence is the way to create a sustainable organization where both the business and the people within it thrive.

"Our objective is to connect with people who believe what we believe and share what we think about cultural implementation and its power to affect business," she said.

Leaders who want help bringing about positive change inside their own organizations first apply to the institute's overview course, Beyond Benchmarking, which provides a two-day intense look at how Barry-Wehmiller views culture and the critical measures they can take to transform their own organizations.



"The Beyond Benchmarking sessions really clarified for me the building blocks of good culture," said Gund. "It was two solid days of in-depth discussion about the principles that guided Barry-Wehmiller, the importance of leadership that is people-focused and the cultural implementation plan, or road map, that has worked for Barry-Wehmiller."

"The course made me see that we've been better managers than leaders," Gund said. "We're great at process and value streams and helping our people develop skills to complete tasks, but we've missed the leadership piece. What is our vision for our culture? How do we inspire behaviors that will help us live out our values at work? How do we let our people know they are valued and cared for? We're just getting started in many ways, but we have been trying for three generations to get it right. We could relate to Bob Chapman's journey, and we saw an opportunity to follow his path. The Leadership Institute has helped us articulate our passion for taking care of each other and helped us understand how to translate that passion into specific leadership behaviors."

The ROI on culture

The BW Leadership Institute model offers its clients a range of choices designed to meet the needs of leaders and organizations at various stages along a cultural change journey:

- Two- and three-day workshops focused on enhancing leadership skills and interpersonal relationships;
- Team member coaching to teach these same skills within an organization;
- Customized, on-site sessions to establish a company's vision or revamp continuous improvement practices; and
- Speakers whose stories and case studies help educate and inspire entire organizations.

A key differentiator of the BW Leadership Institute is that, unlike typical organizational consultants, the Leadership Institute offers the tools to impact real change within organizations by people who have developed it, applied it, refined it and tested it time and time again inside their own organization. Barry-Wehmiller applies this model inside every business it acquires. Since 1987, it has acquired more than 80 companies and has integrated its people-centric culture model globally. During that same

period, the \$2.4 billion, privately held firm has experienced more than 16 percent compound annual revenue growth that accelerated after the onset of its people-centric culture programs.

"I constantly get asked, 'What's the ROI of your cultural initiatives?'" said Chapman. "There's no doubt that our investment in building a people-centric organization has contributed to our business success. But Barry-Wehmiller's vision statement, our Guiding Principles of Leadership, articulates how we prefer to measure our success: by the way we touch the lives of people. Ninety percent of the feedback from our team members about the impact of our cultural initiatives is how it has improved the relationships in their personal lives. What they gain from their time at work helps them to be better spouses, better parents, better friends. That's a lot of lives touched by our leadership and, in my mind, the most important ROI of all."

It's that same way of thinking that drove Philipp Schramm, CFO and vice president of HR and IT of Webasto Roof Systems Americas, to seek help from the BW Leadership Institute.

"We influence the lives of 2,000 people every day at work," said Schramm. "We're very committed to having a positive impact on our colleagues' lives. We want Webasto to be a rewarding and fun place to work, as well as an environment that brings out the best work and problem-solving in each of us. The best way to strike that balance is to listen carefully to our colleagues and take action against what they tell us."

Listening at a higher level

Webasto Americas, with headquarters in Rochester Hills, Michigan, and additional locations throughout the U.S. and Mexico, is the leading supplier of roof and convertible systems for the automobile industry. Webasto employees live by the eight areas of DRIVE in the company's Compass. These areas of DRIVE unite employees in a culture that enables them to "Feel the Drive" of Webasto's business

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momentum. Schramm wants his colleagues to feel more “traction” on their journey to achieving the aggressive business goals Webasto is slated to achieve in the next couple of years.

That’s why he took the recommendation of a Harvard Business School professor and contacted Bob Chapman, CEO of Barry-Wehmiller. Schramm believes that if colleagues feel positive, committed and engaged, they will be more likely to meet their goals in a constantly changing industry and business environment.

Schramm and several senior leaders from Webasto attended BW Leadership Institute’s Beyond Benchmarking course. The company has since adopted the non-traditional, practitioner-based model, and listening now plays a critical role in Webasto’s culture and daily business practices.

“It’s a movement and mindset change for everyone,” remarked Schramm. “We listen for the big and small issues that matter to our colleagues. They want to know that what matters to them matters to us. And then, if we can take reasonable action and make changes based on their input, we do so in a timely manner, and report back to them on our actions.”

“You can gain a lot of very powerful insights from these sessions that you don’t get through traditional surveys,” said Matt Whiat, BW Leadership Institute partner. “The key is creating an environment where people feel safe to speak freely. So often, leaders think their job is to have all the answers and will get defensive about certain practices. When done properly, these listening sessions are a powerful

tool to help shape the culture an organization aspires to while building trust that has often broken down along the way.”

Schramm recalls a session where a colleague who worked the third shift shared her fears about walking to the parking lot each night after her shift ended. Some of the lights in the parking lot were burned out, which diminished her sense of security. The maintenance schedule at the time dictated a long-established protocol that lights be checked and repaired every six months. When the colleague spoke sincerely about her fear after work, Webasto changed the process immediately, and now the parking lot is always lit.

“Making our colleague feel safer is far more important than process and efficiency. And giving her an opportunity to be heard and then making a simple change on her behalf builds trust and lets her know that we care about her and her safety,” Schramm said.

To date, more than 900 Webasto colleagues in the U.S. and Mexico have participated in listening sessions, and 100 Webasto leaders have taken the Leadership Institute’s powerful “Listen Like a Leader” course, designed to enhance a person’s interpersonal communication and leadership ability. Webasto is now rolling out teams to complete action items from the listening sessions. In addition, the Institute will train Webasto employees as professors so they can teach the course to 300 others over the next year, and eventually to all of Webasto Americas.

“We are determined to build ‘champions’ who will carry culture change throughout Webasto,” remarked Schramm. “Culture is a major competitive advantage. It is

the driving force that determines how people behave when no one is looking. When employees want to do things right and want to do the right thing, companies have an enviable edge.”

Like Schramm, Steve Gund’s work with the Leadership Institute has given him a new perspective. For 25 years, he’s wondered what is motivating about making electrical insulation for power systems. “Our products and our business itself may not be motivating. But if you look at business as a conduit for people to accomplish their dreams, that’s a whole different way of looking at things.”

Webasto NA and The Gund Co. are not alone in their thinking. Other organizations that have come to the BW Leadership Institute include Accenture, Ariens, Cascade Engineering, Hyatt, MiTek, Peninsula Beverage, Rockwell Automation, Roquette, Walmart and many others.

“There are scores of leaders out there wanting to create workplaces that offer meaningful work, caring cultures and the chance to collaborate to achieve something great,” said Brian Wellinghoff, BW Leadership Institute partner. “They simply need help. When they’re ready to take those critical steps forward, we’re happy to share what we’ve learned.”

Mary Rudder is global messaging leader for Barry-Wehmiller.

For more information about the BW Leadership Institute, visit bwleadershipinstitute.com.