
PEOPLE, PURPOSE AND PERFORMANCE AT BARRY-WEHMILLER: BUSINESS AS A POWERFUL FORCE FOR GOOD

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EXECUTIVE SUMMARY

Bob Chapman, Chairman of the Board and CEO of Barry-Wehmiller, looked out over the Rocky Mountains from the deck of his home in Aspen, reflecting on all that he and his team members had accomplished over the past decades. By adopting a unique set of value-creating strategies over the past 30 years and, more recently, embracing a culture of ‘Truly Human Leadership,’ Barry-Wehmiller had created a robust organization that delivered value to all of its stakeholders—from its almost 12,000 global team members and their families, to their customers, shareholders, vendors and suppliers, and to the communities in which they conduct business. While proud of achieving more than 18% compound annual return for its shareholders since 1987, Chapman and his team had come to see that true success should be measured by the way they touch the lives of people.

Along their journey to create a sustainable business grounded in people-centric practices, Chapman and his team realized their profound responsibility for the lives entrusted to them as leaders and how their leadership significantly impacted not only the time people spent at work but also their health and family life as well. After testing and refining ground-breaking leadership practices on the 90 plus companies Barry-Wehmiller has acquired through the years, their challenge is to ensure that Truly Human Leadership becomes firmly integrated into the DNA of the Barry-Wehmiller global leadership practices. In addition, they wanted to inspire other organizations to adopt their approach—ensuring that business becomes a powerful force for good in the world by letting people know that who they are and what they do matters!

TRULY HUMAN LEADERSHIP



In 1969, Bob Chapman joined his father Bill Chapman, owner and CEO of Barry-Wehmiller, in an 84 year old company that produced machinery primarily for the beer industry. The company was in a precarious financial position, with \$20 million in revenues and a rapid decline in demand for its products. Prior to this, during Bob’s traditional business education, he had earned his degree in accounting at Indiana University, gained his CPA, received an MBA from Michigan, and then joined Price Waterhouse as an auditor. In other words, he studied typical business practices, as taught at most business schools, where they prepare students for a very traditional business journey focused on creating shareholder value.

After the unexpected death of his father in 1975, Bob became CEO of the 90 year old company and described the situation as: “I assumed the leadership of a company that was struggling to define and create its future. In reaction to my father’s death, I was deeply motivated to make something of the company for the sake of my father’s legacy.”

For the first 20 years in this role, Bob pursued the traditional management practices that he had learned from his business school education to address the challenges, resulting in an increase in organic revenues from \$20 million to \$70 million in a span of 5 years. This dramatic growth led to significant unexpected difficulties, resulting in a financial crisis in 1983. Then, following a tough refinancing of the business, a new strategy—to grow through acquisition despite the lack of financial resources or experience—was embraced in 1984. In 1987, an initial series of acquisitions was spun off on the London Stock Exchange. The offering was 31 times oversubscribed—overcoming the continued lack of financial resources that impeded the acquisition strategy and providing the solid funding and credibility to enhance the acquisition strategy going forward.

In 1988, starting again with its original base business of brewery equipment that was not part of the London IPO, the team created a vision of an ideal packaging equipment company, shaped by the experiences under his leadership. Barry-Wehmiller began acquiring companies that had experienced similar challenges to those that they had faced and overcome. After 10 years of pursuing this unique strategy, the company had grown from \$20 million to \$200 million. Around this time, Bob began to see and appreciate the profound impact he could have on the lives of the Barry-Wehmiller associates (the employees). He had never been taught, or heard, or been made aware, that the way we lead our businesses has a profound impact on the lives of our associates and their families. He had thought that professional lives and personal lives were totally separate. Therefore, his management practices were focused on creating value for the shareholders. He believed that his ultimate ‘success’ was defined by traditional measures of money, power and position.

But, Bob came to the realization that ‘leadership’ is quite different from ‘management’. Gradually, the difference became more and more apparent. Through careful observation and practice, posing serious questions, gathering teams to consider new ways of defining leadership, Bob developed an awareness of his responsibility for the people in his care. This discovery came parallel to his initiatives to embrace the profound responsibility of parenting his blended family of six children. These parallel learnings evolved over the late 80’s and 90’s when he realized that what he was learning about parenting was really about ‘leadership,’ or as he defined leadership – caring for those lives entrusted to him. These parallel experiences of how to genuinely care for others provided the foundation for Truly Human Leadership.

This new understanding of the role of leadership and the impact that leadership has on the lives of his company associates made him realize that what he had been taught – management – was the ‘manipulation of others for my success’ and that in businesses, people who were ‘managed’ this way were simply ‘functions’ for achieving traditional success. His thinking was evolving rapidly and he came to the realization that leadership is the stewardship of those whom we have the privilege of leading. He believes that leadership success is not defined by money, power, and position, but by ‘the impact we have on others’ lives for good.’ But Bob was clearly was not prepared by his traditional business education to be a good steward of those lives in the organization. The journey to master this new perspective was a deliberate, intense and ultimately transformative journey for Bob, his team and his company.

Generally all over the world in organizations today, most people go home from work stressed, enduring the grind of their job, feeling they are not cared for, but just seen as a number – not as a human being. The Barry-Wehmiller team learned that when people are treated this way in organizations for 40 hours a week, it impacts the way they treat their families when they get home. The health and societal costs of this are enormous. According to Gallup – a staggering 87% of employees worldwide are not engaged.¹ This means they are not happy, and there is a significant relationship between work, stress, health and family relationships. If people are in an ongoing work situation that is negative, they have a higher potential for negative health consequences. About 80% of people experience stress on the job and this is far and away the single major source of stress for

adults. Sadly, it has escalated progressively over the past few decades, as layoffs become more common in overcoming business strategy shortcomings and/or meeting short-term financial targets. It may not be a surprise that there is a 20% increase in heart attacks on Monday mornings as an 'outpouring' of stress hormones, such as cortisol and adrenaline, occurs within working people on Monday.ⁱⁱ Less than 50% of employees trust the company they work for, which is extremely demotivating and very costly for organizations.ⁱⁱⁱ Finally, the # 1 reason people quit their jobs is a bad boss or negative immediate supervisor.^{iv} Therefore according to the Mayo Clinic, "Your supervisor is more important to your health than your primary care physician".^v

Much of this stress is the result of the standard business practice of cutting costs to meet financial targets, with routine layoffs and frequent 'right sizing', 'restructurings', 'delaying', or 'digital transformation'—all euphemisms for eliminating jobs in a bid to survive. The outcome of these practices, graphically on view in the 'rust belt' of the United States include: communities hollowed out; factories failing; stores and restaurants boarded up; school registrations below capacity; and young people leaving in a search of opportunity and jobs – a race to the bottom. Chapman saw that conventional management practices were actually suppressing the creative gifts of people, and hindering the contributions they were both willing and able to make. Bob stated: "My business education ignored the question of how my leadership would impact the lives of other people; instead, it was mostly about how to use people to further my own financial success."^{vi}

An insightful comment is made by Simon Sinek (author of 'Leaders Eat Last'): "In the military, they give medals to those who are willing to sacrifice themselves, so that others might gain. In business, we give bonuses to those that are willing to sacrifice others so that they may gain." In addition, Rogers and Van Dam state that the new discoveries in cognitive neuroscience and positive psychology prove that the way we organize, manage, motivate and reward work in our traditional hierarchical organizations is diametrically opposed to the way the human brain works.^{vii} Thus, the results we see today – disengagement and ill-health caused by stress and discouragement at work.

Many companies espouse the value that: "Our people are our most important asset". However, most decisions in these organizations are made without truly considering the impact on people's lives, or on the communities and the businesses who serve them. This pretense creates a culture of self-interest, fear, cynicism and paranoia. That is why leadership matters, because leaders set and are the culture!

Many CEOs and leaders question how they might embrace a culture of People, Purpose and Performance:

- How can I change my profit-driven, product-focused, management-heavy, low-engagement business into one where everybody matters? One that sends people home fulfilled, knowing that what they do and who they are matters?
- What are the culture and practices of a business where:
 - Success is measured by the impact on the lives of people whose lives we touch.
 - Everyone's potential for leadership is recognized, and these leaders are actively embraced and developed.
 - People are inspired to discover their gifts, share their gifts, and be appreciated for doing so.
 - Leadership looks for the goodness in the organization every day and holds it up to encourage others.
 - Everybody comes in every day committed to continuous improvement and helping others realize their gifts!

THE JOURNEY TOWARD TRULY HUMAN LEADERSHIP AT BARRY-WEHMILLER

Bob Chapman's pattern was established early in his life, with a habit of asking probing questions of others, listening carefully to their response...and then quickly taking appropriate and positive action toward the newly understood goal. Another of Bob's resources has been his insightful observation of human activity and an ability to interpret what he sees into positive and inspiring real business practices that benefit his company's associates and ultimately have a positive impact on business performance. As a result, led by Bob Chapman and his team, Barry-Wehmiller has gone through a vibrant transformation, *from business as usual to business as a 'driver for human achievement and fulfillment'*.

With this combination of a curious mind, deep listening skills, and a series of epiphanies (or flashes of insight), Bob began a transformative journey from 'management to leadership' which created a new paradigm of leadership and ultimately led to new business models, especially related to global mergers and acquisitions.

Epiphany #1—It was 1997, and it was 'March Madness' in the United States...which is a playoff series of the best college basketball teams. Bob was observing the people of a new acquisition who would soon gather for his introductory remarks. Everyone was talking about the latest games, with lots of laughter, camaraderie and positive energy. As the time drew closer to 8:00 am when the work was to begin, he could see and hear the joy leave the room and their bodies.

Immediately, Bob asked himself the question "Why can't work be fun?" In the moment, simply in the spirit of fun, he proposed a game: Whoever sold the most parts in a week would win a small cash award, and if the team made its goal for the week, everybody on the team would get a monetary team award. Although there were many objections and potential problems expressed, Chapman had ready, thoughtful answers. The result—within the first quarter, sales were up more than 20%. Chapman states: "When people started having fun in their roles, we saw an enhancement in their customer service skills, and they went home each night knowing how they had done and how the team was doing they could see the score and know when they were winning!" Thus the journey began.

Soon thereafter, Chapman drove another innovation in sales, working with his team in the development of a new sales system. Of course, it began with another question: "What should our ideal approach to the market look like?" so Bob prepared a list of the ideal behaviors of a sales executive. Then in his standard approach, he brought together a diverse group of team members to refine this list. They came up with statements such as: "We will operate from a foundation of trust. Shared information and open communication create competitive advantage. Participate when you can add value." They then put in a whole system solution: reorganizing the sales organization; sharing through a new communication medium; putting in place an incentive structure to inspire/reward the right behavior; and developing a recognition and celebration program for those who embraced the change. The program was named E3 – *Efficient*-to serve the market, *Enhance*-the sales experience, *Empower*-the sales executives.

Epiphany #2—Chapman was in church listening in awe to his mentor, Ed Salmon. With sudden insight, he appreciated that he was inspired by someone who had only one hour a week with him. Then he thought about his business and recognized that his organization had people in its care for at least 40 hours a week. His realization was: "Business can be one of the most powerful forces for good in our society!" But this would be possible only if everyone in the organization accepted the profound responsibility they have as leaders for positively impacting the people whose lives they touch.

One early result was the development of the Guiding Principles of Leadership in 2002. The goal was to articulate ideal leadership behaviors so that, based on their experiences at work, Barry-Wehmiller team members could lead richer, and more fulfilling lives. To begin this journey, Chapman brought

together a team of thoughtful leaders. Prior to their discussion, they were sent materials to prepare their thinking about the true nature and role of leadership. The result of the collaborative gathering was a profound statement that stands as the cornerstone of Barry-Wehmiller's culture, its Guiding Principles of Leadership (GPL). Chapman stated, and the team leaders aligned with the touchstone, that "Everything we do in the future needs to be in harmony with these principles."


The Guiding Principles of Leadership
<p>We measure success by the way we touch the lives of people.</p> <p>A clear and compelling vision, embodied with a sustainable business model, which fosters personal growth.</p> <p>Leadership creates dynamic environment that:</p> <ul style="list-style-type: none"> ▪ Is based on trust ▪ Brings out and celebrates the best in each individual ▪ Allows for teams and individuals to have a meaningful role ▪ Inspires a sense of pride ▪ Challenges individuals and teams ▪ Liberates everyone to realize 'true success' <p>Positive, insightful communication empowers individuals and teams along the journey.</p> <p>Measurables allow individuals and teams to relate to their contribution to the realization of the vision.</p> <p>Treat people superbly and compensate them fairly.</p> <p>Leaders are called to be visionaries, coaches, mentors, teachers, and students. As your sphere of influence grows, so grows your responsibility for stewardship of the Guiding Principles.</p> <p>We are committed to our employees' personal growth.</p>
<p>Barry-Wehmiller</p>  <p>BUILDING A BETTER WORLD THROUGH BUSINESS</p>

Table 14.1: Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) pg. 53

Today, every decision that impacts peoples' lives is weighed against these principles.

In 2005, a next step was taken to ensure that this ideal culture was increasingly understood and embraced by all in the organization. A new reward and recognition program enabled all to begin to act on these principles. This was named GPL (Guiding Principles of Leadership) - SSR and it came again from Chapman's wish to embed this focus on goodness into the organizational culture and his desire to instill fun and appreciation into the associates' lives. In this process, colleagues were to nominate peers for the award, and a committee of their peers chose the winner, based on what their colleagues had written about their behavior and actions exemplifying the principles of the GPL. The winner received the opportunity to drive a bright yellow Chevrolet SSR for a week, a very public way of recognizing the associate for their goodness. Anyone nominated, whether they win or not, receives a document showing what their colleagues wrote about them...encouraging them to ever higher levels of engagement and performance.

Of course the impact on the culture was profound...all were now looking for the goodness in their co-workers, not what is wrong, failing, or disappointing. This let people know that the organization believes in them and that they are together going to build a better future. In fact, Rogers & van Dam note that a brain process has been uncovered, that demonstrates that whatever a person pays attention to builds new grey matter in the brain, at any age. This is termed 'attention density'. So if the entire organization is focused on the goodness in others, individually and collectively the people are growing new brain capacity to recognize goodness in more diverse and deeper ways.^{viii}

This approach has expanded into a new 'recognize, reward and celebrate' culture through another epiphany of Chapman's. Watching a Green Bay Packers football game, he saw the quarterback throw a long pass into the end zone. The receiver caught the ball, and this was then followed by a big celebration of his accomplishment. Once again, Chapman reflected on the fact that the receiver was aided by many people to be in a position to make that successful catch. And he contemplated about how such gratitude to the team members, who made an individual success possible, could be recognized at Barry-Wehmiller. That became the basis for the Barry-Wehmiller High Five award, which celebrates a team member's contribution to any given achievement. Anyone can be nominated. Those nominated for recognition receive a small gift, such as a certificate for a dinner for two, but what they appreciate more than the gift, is that a letter is sent to their family citing their goodness that has been recognized by their peers.

A major test of their commitment to the GPL came in the crucible of the economic collapse of 2007 – 2009. The company faced a 35% downturn in new equipment orders and the backlog declined rapidly as customers canceled or put orders on hold. Layoffs seemed inevitable.

However, the moral compass of the GPL gave the leadership team a vision that they didn't have before. It equipped them to face the crisis with a much deeper sense of responsibility for the lives in their care. Chapman posed a question: "What would a caring family do when faced with such a crisis?" He and his team came to the conclusion that all family members would pull together and each take a bit of the sacrifice for the survival of the whole family.

Thus, the leadership team identified several initiatives to act on this principle in harmony with their vision. The initiatives included, among others:

- Voluntary unpaid furlough – four weeks for all associates. According to Bill Ury, author of *'Getting to Yes'*, stated "It was a moment of creativity. It was a moment of confidence. People felt a moment of security and realized, 'OK people really do count in this company!'"^{ix}
- Suspension of the 401K match and executive bonuses
- Deployment of a vigorous communication strategy through messages delivered by video.
- Chapman reduced his own salary from \$875,000 to \$10,500
- Offers of generous voluntary separations were made to those associates close to retirement

The idea of shared sacrifice was widely accepted and the implementation throughout the global organization was quick and smooth. These practices generated almost \$20 million in cost-savings, and everybody's livelihood was protected. Fear of the future was eliminated, replaced by positive feelings of safety, gratitude, and togetherness. Aligning their leadership practices with the GPL, it was affirmed that the associates were valued and that the leadership team was acting to preserve their future. Interestingly, this crisis allowed them to demonstrate that this vision statement was not just a paper on a wall, but that the company was going to 'walk the talk' even in tough times.

Another result, amazingly, fiscal 2010 was a record year in earnings! Operating profits recovered strongly and they felt ethically compelled to make a decision on how to financially reward all of the associates. The first suggestion was to give everyone a check, but it made more sense to the

leadership team and the union to reimburse everyone the lost 401k match, proving that the focus was still on an investment in the associates' future.

Epiphany #3—While attending a wedding of his friend's daughter, Chapman watched him walk his daughter down the aisle. At the front of the church, he was asked: "Who gives this woman to be married to this man?" And of course his answer was the traditional, "Her mother and I do." In Chapman's mind came the thought of what his friend might want to say..."Listen, young man, her mother and I have brought this precious child into the world and have done everything in our power to protect and support her growth as the human she was meant to be. This is a sacred trust you are taking on...do you accept it?" Reflecting on this, Chapman realized that every team member working for Barry-Wehmiller was someone's precious child, and his immediate desire was to ensure that all would be acknowledged, respected, and given the opportunity to flourish as they would in a loving family.

Again for Chapman, this led to immediate action. His thinking about each associate as a precious child, with the need to grow and develop into the best human being they could be, gave rise to the concept that the full responsibility of leaders is to be a good steward of others in their care. Chapman and the leadership team believe that stewardship means to truly care and have a deep sense of responsibility for the lives they touch. It goes beyond ethical behavior, although that is critical too, to taking action from a deep sense of what is right. Another important facet of their description of leadership as stewardship is that it implies trust and freedom of choice. Our role as leaders is not to command and control, but to inspire and guide. It is an opportunity to serve others and the greater good, aligned with the vision and purpose of Barry-Wehmiller.

The team realized that it was going to be a monumental challenge to transform its 'managers into leaders' and the only way this could be realized was by creating a University to teach 'leadership' in harmony with their vision. The challenge was how do you teach 'leadership' when all the traditional Universities taught 'management'. The ensuing action Chapman took was the development of a Leadership Checklist that would become the concepts that would be 'taught' in the leadership development classes at Barry-Wehmiller University.

Of course, a similar approach of applying a thorough check list prior to taking action is utilized in several industries. For example, before taking off, an airline pilot and co-pilot go through a standard checklist to ensure that the plane is safe and ready to fly. Also, in some hospitals, surgeons in the operating theater go through a checklist with their team to ensure that there are no errors. So this process has ensured thousands of safe flights and many lives saved, sparing patients needless suffering and prolonged hospital stays. In the same way, Barry-Wehmiller determined that to be truly aligned with their vision, they needed a standard of leader performance, expressed in a checklist, which would guide their leaders to exemplify the 'stewardship' standard of leadership.

The process to develop this checklist again involved many in the organization. From more than 250 leadership traits and characteristics, a checklist of leadership behaviors was defined, that could be taught and that would ultimately impact those in the organization, through the stewardship of their leaders.

Leadership Checklist^x
<p>I accept the awesome responsibility of leadership. The following statements describe my essential actions as a leader.</p> <ul style="list-style-type: none"> - I practice stewardship of the Guiding Principles of Leadership through my time, conversations, and personal development. - I advocate safety and wellness through my actions and words. - I reflect to lead my team in Achieving Principled Results on Purpose. - I inspire passion, optimism, and purpose. - My personal communication cultivates fulfilling relationships. - I foster a team community in which we are committed to each other and to the pursuit of a common goal. - I exercise freedom, empowering each of us to achieve our potential. - I proactively engage in the personal growth of individuals on my team. - I facilitate meaningful group interactions. - I set, coach to, and measure goals that define winning. - I recognize and celebrate the greatness in others. - I commit to daily continuous improvement. <p>When we engage our heads, hearts, and hands around these habits, extraordinary levels of trust and fulfillment will result.</p>

Table 14.2: Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) pg.140

PROCESSES AND INITIATIVES TO ENGAGE EVERYONE IN CREATING THE FUTURE: EVERYBODY MATTERS

“We can bring humanity and dignity back to the workplace by inviting people to own the process.”^{xi}

Barry-Wehmiller accomplished this by launching a customized ‘lean’ initiative. This initiative was very different from the traditional experience. In most companies, a lean process is intended to reduce costs and improve quality and profitability. However, companies with this goal in mind generally miss the opportunity to genuinely listen deeply to their associates and hear how the process might be completely transformed not only to achieve excellence, but to inspire their associates by engaging not just their hands, but their heads and hearts as well. Inspiration comes when people are truly listened to and engaged in offering their insights and ideas into improving the entire process...again a holistic approach to organizational transformation, engaging all the capabilities of the people in designing and achieving compelling goals at work. “We have paid people for their hands for years, and they would have given us their heads and hearts if we had only know how to ask them!”

Barry-Wehmiller developed a 7S system for continuous improvement, building on the widely renowned, and adopted 5S Toyota process. Those identified by Toyota in this model (roughly translated):

- Seiri=Sort
- Seiton=Straighten
- Seiso=Shine
- Seiketsu=Standardize
- Shitsuke=Sustain

And recognizing that people are the ones who actually create value, Barry-Wehmiller added:

- Safety (which actually takes the first place on their list)
- Satisfaction

Thus, this process defines the 'good' in the Japanese expression, kaizen "change for good", as the good is created for the individual actually doing the work, not just as an improvement in measurable business results. This process earned the name L3 (Living Legacy of Leadership) because of the effort made in this process to enable people to see the connection to Truly Human Leadership at every level in the organization. The focus was on the individual who was actually doing the work, empowering them to take positive action. This sanctioned their contributions and accelerated the time to experience actual positive changes on-the-job, because they could take appropriate, responsible action. This process proved its value and gave many divisions and functions in Barry-Wehmiller greater autonomy to align their behavior to the vision and positively 'touch' the lives of their stakeholders.

Comparisons between Lean and L3^{xii}			
Category	Traditional Lean	Barry-Wehmiller	Why
What is it called?	Lean	L3-Living Legacy of Leadership	What you call something matters. L3 is a way of leading and a more human way of living, not a cost-reduction process.
What is the focus in finding areas of improvement?	Waste	Frustration	Waste is about things; focusing on frustration makes it human.
How do we engage people for continuous improvement?	Mandating	Listening	Some traditional Lean leaders come in like dictators, saying, "This is how we are going to do things." And they impose tired approaches that worked in other businesses, building followers not thinkers. We create "pull" for change in our people. That starts with inviting people to participate, listening with vulnerability and helping people let go of baggage.
How do we think about the process?	Process vs. People	People and Process	Some Lean leaders see the process focus as a way to drive out human error and human engagement; our approach is about bringing greater humanity to the process. The process must serve the people, not the other way around.

Table 14.3: Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) pg.164

It is clear that a unique and critical component of this approach to Lean involves extensive, deep listening and understanding of the perspective of the speaker...in this case – the person doing the work. An extension of this is that Barry-Wehmiller, as a key feature of its culture, has recognized the impact of asking the right thought-provoking questions, and fostering a culture where questions are encouraged and accepted in both directions. The most impactful question has been: "How does this make you feel?"

In fact, frequently, the Guiding Principles of Leadership sessions ask the group for responses to significant questions that have the potential to foster leadership behaviors aligned with the vision and that grow the culture. Questions asked in these sessions include:

- Where are we not living up to our vision?
- Where are the gaps?
- Where are the opportunities?
- What part of this is unclear?

Openness and transparency are not just acceptable but required so that the organization can learn and be inspired to change.

THE BARRY-WEHMILLER CULTURE

Epiphany #4—“My greatest concern is that what we develop here won’t live beyond my years. We could build something great that is too dependent upon me. If something happened to me it would fall apart.” Bob Chapman.^{xiii}

Since Bob Chapman recognized this dilemma, the leadership team at Barry-Wehmiller has taken a holistic view of embedding Truly Human Leadership and a vibrant culture into the DNA of the organization. This has been a deliberate pursuit, as culture does not happen by accident. At this point, this leadership team can actually state that the people have taken ownership of the culture and that it no longer needs to be driven from the top. When they began this journey, this was the end game. But how did it begin and what tools and methods did they use frequently to accomplish such a BHAG (Big, Hairy, Audacious, Goal)--to embed truly human leadership in the cultural DNA of every one of their associates?

1997 was the beginning of their cultural journey...the year they realized that work could be fun! Their commitment grew to building a sustainable business model, one that would be resilient in shifting times...as the enduring engine that could sustain a truly human leadership approach and support an organization dedicated to the compelling vision of each human realizing their full potential.

At an early point in the journey, the leadership team realized that they could not let this happen by serendipity, but that they needed to be very intentional and holistic in their approach to building the new organizational values, vision, processes and methods. These needed to be visible and pervasive so that all could embrace the creation of an institution that will endure and generate value for all its stakeholders.

One powerful process that was used frequently during this journey was a **visioning** process. It was first employed in the development of the Guiding Principles of Leadership, but then became a frequent and productive method at all levels of the organization to solve problems, innovate and refine the direction of the group. It is used to describe what it would look and feel like to achieve the goals of the vision. It communicates purpose and values to everyone in the organization and then they can take action in harmony with the vision. The visioning process asks the big questions:

- Where are we going?
- Why are we going there?
- How will each of our stakeholders be in a better place when we get there?

And it is used in two ways at Barry-Wehmiller:

- Business visioning – primarily an opportunity to dream about what the business future could be and creating a road map to get there. Definitely a leap and not incremental improvement of the status quo.

- Cultural visioning – about the ‘why’ in defining the values and behaviors. A disciplined process applied internally not just in the organizational culture, but also in areas such as safety, continuous improvement and well-being.

Elements derived from the successful development of the Guiding Principles of Leadership cultural visioning experience include:

- Purposeful preparation
- Gathering a wide variety of participants
- Focusing on the people first
- Describing the ideal state

And once the vision is in place, then ‘listening’ becomes critical. It is important to conduct small group discussions, to identify gaps between the experienced reality and the stated vision. Then leaders must take immediate action to close these gaps.

Of course, during this journey, Bob Chapman asked the question: “How can we ensure that these initiatives to embed a Truly Human Leadership culture in the organization, so that it lives well beyond our tenure?” This is the question he was reflecting on at the beginning of this account.

One step that was undertaken in response to this question was the establishment of the **Barry-Wehmiller University** launched in 2008. Again, embracing an approach to leadership development that is ground-breaking in its intent and also in its methods, the visioning process for Barry-Wehmiller University (BWU) resulted in a very short mission declaration:

- The purpose of the Barry-Wehmiller University is to develop an integrated, inspirational, and sustainable way of *living our vision*.
- We believe that we can use the power of business to *dramatically impact the world in a positive way*.
- We exist to enhance participants ability *to touch people’s lives* and equip them to be successful with others both inside and outside BWU

What was different were expressed in three statements:

- We will teach no content from other sources, but what we develop will be distinctively Barry-Wehmiller evocative or express our unique world view.
- Every professor will be a team member of Barry-Wehmiller, rather than someone we hired from the outside.
- Our teaching will be inspirational and transformational^{xiv}

The courses offered were attended voluntarily, and there was and still is a waiting list to take part in the courses. The original Leadership Fundamentals course was a transformative experience that inspires people to truly embrace the awesome responsibility of leadership. It is not restricted to people with titles. In fact peoples’ titles, function, and role in the organization are not stated during the program. People set aside their professional identity for the duration of the course.

It offers a deeply interactive experience with frequent story-telling to engage the emotions and create connection. The professor’s style is to impart insight not information, to create the perfect environment for learning by paying attention to every detail, such as: the room configuration; the room dynamic; and the personal disclosures they offer to the participants.

Participants are selected based upon the following considerations:

- What is your sphere of influence?
- Can you make immediate changes?
- Do we think that you personally have the capacity to do that?
- Do we have the right mix of roles in the class?
- Do we have the right balance between office and manufacturing?
- Do we have the right mix between the front line and leadership?
- Do we have good gender balance?
- Do we have good divisional balance?

Another initiative that has spread the Barry-Wehmiller culture globally has been their approach to **acquisitions**. Chapman listened to his mentor Chuck Knight, and determined that the best business strategy for Barry-Wehmiller was a combination of organic growth and strategic acquisitions. Barry-Wehmiller went into acquisitions looking for challenged companies where the difficulties they were experiencing would obscure their value to others. Many of the companies had been family businesses with a large installed base of buyers who were in frequent contact with customer service for after-market parts and service. Barry-Wehmiller realized that this was a very good, diversified business strategy for them. As of June 2017, Barry-Wehmiller is tracking at 12,000 people, \$2.8 billion in revenue and over 90 acquisitions globally.

In spreading and embedding the Barry-Wehmiller culture of a Truly Human Leadership model, the first step in a merger was always to visit the acquired company, and rather than a message of “Hello, 30% of you are going to be laid-off,” the message was “Hello, welcome to the Barry-Wehmiller family of companies. We value all of your contributions and want to introduce you to our ‘Everybody Matters’ culture.” As a result, the mergers of the acquired companies with Barry-Wehmiller, globally, have been successful. This is amazing, since according to an article by KPMG (‘Why Mergers Fail’, April 2012) mergers have a failure rate of anywhere between 50 and 85 percent. One KPMG study found that 83 percent of these deals hadn’t boosted shareholder returns. Unlike others, Chapman believes that the key for unlocking the potential lies in getting these businesses to change the way they think about value creation and the way they treat their people. During the first meeting with an acquired company, Barry-Wehmiller starts by sharing their Guiding Principles of Leadership and letting people know that the leadership believes in them and that together they would build a vibrant future.

It turns out that once people in various cultures come to understand it, the human value expressed in the Barry-Wehmiller Truly Human Leadership approach is a universally accepted standard. It is universal truth that there is a shared human longing to be valued, supported, to be in charge of the scope and methods in work, and to develop and learn things that motivate and excite us. Everyone wants to know that what they do and who they are matters, whether they are in France, Italy, Germany, the UK or Spain. Also, the Barry-Wehmiller team works hard to embrace the unique culture of each acquisition and to respect the history of each organization. The team members are proud of their history whether they are in Phillips, Wisconsin or Lucca, Italy. As stated by the Chief People Officer, Rhonda Spencer: “Implementing organizational change is always a balance between allowing for the uniqueness of each business, and challenging people to move outside their comfort zone to embrace the new and different organizational culture.”

Other initiatives that further spread and embed the cultural vision and values across the Barry-Wehmiller business platform include their selection of new hires and performance management processes. According to Rhonda Spencer, hiring is taken very seriously, because their standard is that the new hire will be with the company for life. She states: “We are committed to help them (new hires) grow, use their gifts and talents to the fullest, and help them to become what they are meant to be in this world.” Actually by this point the awareness of the Barry-Wehmiller culture is growing, so people are attracted to the organization and want to work there. They have also identified a key set of competencies that are aligned with thriving in their culture and they interview for those competencies generally, but especially for those in leadership roles.

THE BARRY-WEHMILLER IMPACT

The results are in, Barry-Wehmiller is now a \$2.8 billion company, with 12,000 team members around the world. Its compounded growth rate since 1987, when Chapman began to implement this new approach, has been 18% and its share price has gone up on average 14% a year. All of which reinforces Chapman's insistence that: "It's not people over profit, its people in harmony with profit."^{xv} If businesses don't create sustainable business value, they cannot create a vibrant future for their people and give them opportunities to grow.

The people-centric culture created at Barry-Wehmiller accelerates business performance by enabling all people to realize their full potential. All associates are given respect and dignity in their roles and for their contributions to the business. They believe business performance is the result of maximizing people performance. People growth and business growth are complementary pieces in creating value.

They also that believe that if you can make Truly Human Leadership work in an old-world industrial business like theirs, then you can certainly make it work in the types of businesses that most people are engaged in.

Their approach is simple, powerful, transformative, and a testable idea: "Every one of your team members is important and worthy of care. Every one of them is instrumental in the future of your business, and your business should be instrumental in their lives" states Bob Chapman, "This offers a sustainable human solution, to bring everybody up, not just remove those at the bottom."^{xvi}

A sought after speaker about how to build a thriving people-centric organization, Chapman shares these key takeaways from Barry-Wehmiller's journey to Truly Human Leadership:

- **Management is the manipulation** of others for your success; **leadership is the stewardship** of the lives entrusted to you.
- Everybody wants to know that **who they are and what they do matters!**
- **Listening** is a critical leadership skill and the most powerful act of **caring**.
- How we **lead** has a profound impact on how those entrusted to us **live—and their health!**
- The truest measure of success is **by the way you touch the lives** of people!

The desire of Barry-Wehmiller is to inspire other companies and organizations to embrace Truly Human Leadership. They have pioneered the way and are totally generous in sharing their processes, methods and tools with others to customize to fit their business, industry and vision. As we consider the learnings out of the Barry-Wehmiller journey some questions to consider include:

- How does your education and organizational experience align with the fundamentals of Truly Human Leadership and what are the major gaps from your experience?
- Do you feel that business organizations should be focused on shareholder value or stakeholder value?
- Can you identify which of these ideas, processes and/or methods might be implemented in your organization? And then find answers to the following:
 - What is the opportunity?
 - What are the challenges?
 - What is the visión?
 - What first steps do you need to take?

As Bob Chapman emphasizes, you don't need to wait for a memo from corporate to begin being a good steward of the lives in your care. His advice is to "Embark on your journey now. No executive order is required to allow you to pause each day to have a thoughtful conversation with someone in your organization. Listen to them. Show them that what they do and who they are really matters."^{xvii} The fundamentals are People, Purpose and Performance. You must embrace the profound responsibility of leadership, inspire your people around a purpose that unleashes human potential, and work together to create value.

ABOUT THE AUTHORS

PROF. DR. NICK VAN DAM



Nick is an internationally recognized thought leader, advisor, keynote speaker, researcher, facilitator and best-selling (co) author of more than 25 books on Corporate Learning, Human Resources Management and Leadership Development. Dr. van Dam has over 25 years of business experience as a former Partner, Global Chief Learning Officer, HR-Executive, and Client Advisor at McKinsey & Company as well as at Deloitte. As an advisor he has served more than 100 clients around the world.

Dr. van Dam serves on the IE University Board of Directors and is Chief Learning Officer. He is the Chief of the IE Center for Corporate Learning Innovation and a member of the IE Center for Health, Wellbeing and Happiness. Nick is Professor at IE University, Nyenrode University and the University of Pennsylvania. He is the Academic Director of a number of programs including the *Masterclass for L&D Leadership*; *Masterclass HR Leadership* and the *Executive Master in Positive Leadership and Transformation*. He is affiliated with McKinsey & Company as an External Senior Advisor and Faculty member.

Nick has written numerous articles for various publications and has been quoted by Harvard Business Review, Financial Times, Wall Street Journal, Fortune Magazine, Business week, India Times, Information Week, Management Consulting, CLO Magazine and TD Magazine.

Under the patronage of the European Parliament Federal Ministry of Education & Research, he received the 2013 Leonardo European Corporate Learning Award for “shaping the future of organizational learning and leadership development.”

Nick is the founder of *the e-Learning for Kids Foundation*, which has provided free digital lessons for more than 20 million underprivileged elementary school children.

PROF. EILEEN ROGERS MA



Thought leader, author, teacher, consultant, coach, Ms. Rogers is a highly experienced professional in the field of executive and leadership development. Co-author of the recently published book, ‘YOU! The Positive Force in Change: Leveraging Insights from Neuroscience and Positive Psychology, she is currently the CEO and founder of LeadershipSigma® (www.leadershipsigma.com) an international leadership development consulting firm, Ms. Rogers served as Vice President, Global Talent Solutions, Berlitz, and prior to that as Global Director, Talent and Leadership Excellence, Deloitte, with responsibility to create and implement global strategic initiatives for leadership and management development. She has designed and taught leadership courses around the world, creating award-winning blended learning experiences for managers and executives including: e-learning, virtual classroom, face-to-face, virtual coaching and Internet supported action learning.

Other highlights include: Director of Executive Education Programs at Harvard University, Babson College, and Boston University, directing teams responsible for executive and leadership development programs in corporations, including: global Fortune 100 firms based in Europe, the US and Asia Pacific; public organizations; and academic institutions. In these capacities she has joined together faculty from major US business schools and IMD, London Business School, and INSEAD

Ms. Rogers is currently teaching in the Harvard Business online corporate executive education programs, the Villanova University, EMBA and MBA and IE University. She has served recently as the Faculty Co-Chair, Global Leaders Program, jointly sponsored by Berlitz with the Georgetown University McDonough School of Business, as well as in the adjunct faculty of the Nyenrode Business School, EMBA, Netherlands; University of New Hampshire, Whittemore School of Business; the University of Delaware, School of Business; the University of the West Indies, Mona Institute of Business; and the University of Budapest. And she has created and facilitated innovative leadership and management programs for corporations, government and academic institutions around the world

ⁱ [http://www.gallup.com/services/190118/engaged-](http://www.gallup.com/services/190118/engaged-workplace.aspx?utm_source=gbj&utm_campaign=20161221-gbj&utm_medium=copy)

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ⁱⁱ <https://www.drsinatra.com/heart-attack-risk-factors-rise-on-mondays>

ⁱⁱⁱ <https://www.weforum.org/agenda/2016/04/why-dont-employees-trust-their-bosses/>

^{iv} <http://webcenters.netscape.com/serve.com/whatsnew/package.jsp?name=fte/quitjobs/quitjobs>

^v Website: www.barry-wehmiller.com

^{vi} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.21.

^{vii} Rogers, E., & Van Dam, N. *YOU! The Positive Force in Change* (Raleigh, NC: LULU, 2015) p.18

^{viii} Rogers, E. & Van Dam, N. *YOU! The Positive Force in Change* (Raleigh, NC: LULU, 2015) p.2 and p.18

^{ix} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.104.

^x Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.140-141.

^{xi} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.161

^{xii} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.64

^{xiii} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.64

^{xiv} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.207

^{xv} Holmes, P. *Caring and Courage are the Keys to Leadership*, presentations at the Aspen Idea Festival, 2017

^{xvi} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.6

^{xvii} Chapman B., & Sisodia, R. *Everybody Matters* (New York, NY: Penguin, 2015) p.241-242

CURATED RESOURCES TO AMPLIFY CASE UNDERSTANDING AND DISCUSSION:

SUBSCRIBE TO THE EVERYBODY MATTERS PODCAST ON ITUNES

BOOKS:

- Bob Chapman & Raj Sisodia. *Everybody Matters: The Extraordinary Power of Caring for Your People* (New York, NY: Penguin, 2015)
- Simon Sinek. *Start With Why: How great leaders inspire everyone to take action* (New York, NY: Penguin, 2009)
- Start with Why website: <https://startwithwhy.com/>
- Simon Sinek. *Leaders Eat Last: Why some teams pull together and others don't* (New York, NY: Penguin, 2014)
- Eileen Rogers & Nick Van Dam. *YOU! The Positive Force in Change: Insights from cognitive neuroscience and positive psychology* (Raleigh, NC: LULU, 2015)

VIDEOS:

- Barry-Wehmiller: Moving Your Business Forward – Overview of the Company and its Products <https://www.youtube.com/watch?v=v6BGK49ED58>
- Bob Chapman, TED talk, summary of the Barry-Wehmiller journey <https://www.youtube.com/watch?v=njn-IIEv1LU>
- Research measures the impact of Truly Human Leadership https://www.youtube.com/watch?v=eT_rldFZ78Q
- Animated overview of the Guiding Principles of Leadership https://www.youtube.com/watch?v=eT_rldFZ78Q

PODCASTS:

- Hear how they're using Truly Human Leadership to touch lives in South Africa
http://hwcdn.libsyn.com/p/b/5/0/b500ae7a8484672b/MikeBrynnPodcast.m4a?c_id=14524671&destination_id=273760&expiration=1499340678&hwt=388a12a479967f44f2518c2fd4f6a7f8
- Acquisition in Germany, and shifting the culture to Truly Human Leadership
<http://everybodymatters.libsyn.com/ep-42-everybody-matters-podcast-frank-eichhorn-of-wd>

