

# the Masco Builder Cabinet Group: facing change head-on

“The Root Process and visual tools helped us to align on the key issues we were facing in very difficult market conditions. By including our entire workforce in a discussion of the critical marketplace realities and our business strategy, we were able to take our internal communications to the next level. Feedback from the entire organization has been overwhelmingly positive.”

Larry Wilson, Director of Marketing Services at BCG

During the buoyant home-building market of the early 2000s, Merillat, a leading cabinet-maker and highly successful division of the Masco Corporation, enjoyed exponential growth. With demand outpacing supply, full order books, and successive years of impressive sales results, its leaders had no reason to expect anything other than future success. But significant market changes brought a disruption to this otherwise sunny forecast.

## the business need

In 2004, Michigan-based Merillat merged with sister company and sometime rival Texas-based Quality Cabinets to form the Masco Builder Cabinet Group (BCG). The merger created countless stresses as the two tight-knit, fiercely independent, family-oriented organizations attempted to integrate. Both had very different business cultures, operating systems, and production processes, so the job of creating a single successful entity would be no small task. The integration was further compounded by the need to create synergies between more than 30 manufacturing plants and service centers that comprised the newly formed organization.

The appointment of a new president in 2006 brought additional changes, and when the market softened, the collective BCG was faced with new challenges. With demand for home-building supplies plummeting for the first time in 15 years, leaders were forced to appraise their strategy and confront some issues that had been overlooked in the past.

## the solution

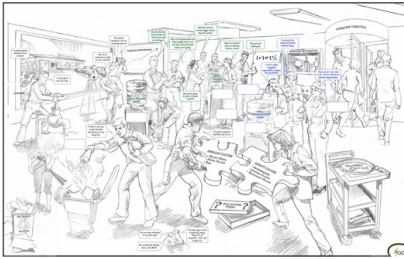
The BCG Executive team approached Root to help them orchestrate a Leadership Forum to examine the marketplace realities impacting the company and its strategic direction, and create a change process to address these issues and opportunities.

Root began by conducting a company-wide assessment of the BCG’s understanding of, connection to, and ability to deliver on the existing strategic plan. The Strategic Engagement Index, administered electronically, was made available in both English and Spanish to meet the requirements of the BCG’s employee base. Together with in-depth interviews of the executive team, this delivered a comprehensive qualitative and quantitative picture of the company’s “current state” and highlighted critical areas that needed to be addressed to effectively move ahead and regain market position.

The two main issues surfaced during this process were:

1. The need to create a “line of sight” within the organization, and so strengthen the connection between individual teams and the company’s direction. To begin, the leadership team had to agree to and articulate a consistent strategy.
2. Reward and Recognition: The Strategic Engagement Index showed that, at all levels of the organization, employees were not being recognized for doing a superlative job, and this was causing great disaffection.

Informed by this survey, the Root team crafted a three-day conference agenda to address these specific issues, and turned the session into a full working meeting. With the BCG executive team, Root identified the difficult questions that the leadership team needed to answer to move the business forward in an accelerated manner and establish a blueprint for change.



Root developed a suite of tools to facilitate the discussions, including a Big Picture sketch of the marketplace and a Watercooler™ Sketch that provided a candid visual snapshot of the BCG's current state. Strategy Maps were refined during the course of the meeting to ensure that the entire leadership team had a clear and aligned view on direction and supporting initiatives, and the thorny issue of creating a culture of reward and recognition was tackled head-on.

The conference then focused on creating common goals and action planning on ways to further integrate the company's key functions and processes, including a comprehensive program to embed "reward and recognition" into daily work. Delegates were empowered to immediately implement their ideas regarding reward and recognition – a very visible and practical sign that the leaders were serious about the issues and about changing behavior to support the transformation effort.

Finally, delegates considered it vital to share their ground-breaking work with the entire organization, so an implementation plan for the Learning Map® modules was developed to ensure that a line of sight was established to connect all employees with the company's overall strategic direction.

## results

Post-conference feedback was extremely positive – delegates left feeling excited about the new direction of the business and empowered about their role in driving it forward.

The Learning Map® modules that were refined during the conference were completed and translated for rollout to all 2,400 employees within 100 days of the leadership conference, ensuring that everyone within the BCG understood why the company was changing, what was changing, and what their roles were in making change happen.



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