

Case Study:

Vanamatic Company
Delphos, Ohio

Building World Class Teams Provides Competitive Advantage

Vanamatic Company, located in Delphos, OH, is a manufacturer and global supplier of precision machine products and serves the following industries: automotive, aerospace, refrigeration, electrical and fluid power systems. The company has been in operation for 55 years, boasts \$10.5 million in annual sales and currently has 62 employees.

The Challenge: Vanamatic's competitive advantage is their people. They have built a successful business based on the unity, empowerment and teamwork of their employees. In 2003, Vanamatic built a new manufacturing facility to accommodate the company's growth, and made the decision to move from a traditional manufacturing operation to a more flexible, cellular based. To accommodate the new structure, the company needed to enhance its product training programs to improve

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Jeff Wiltsie, President, Vanamatic Company

'ramp up' time, build effective work teams for peak performance, and bridge the communication gap between management and staff. "Vanamatic has created a highly flexible work environment", explains Scott Wiltsie, HR Manager. "The company is centrally focused around its employees and what works for them, we try to create a work life balance that's beneficial for the employees and the company. Employees schedule their own hours, are empowered to make their own departmental decisions, and alternate shifts and personnel based on overall company requirements."

The Process: Scott views employee training and development as a key aspect of any business. Vanamatic began using the behavioral assessment tool Predictive Index® (PI®) to help identify employee learning styles in an effort to improve product training and to develop well balanced teams. Scott shares: "In realizing that PI's motivators and driver patterns could also translate into employee learning styles, we adjusted our training and delivery methods to accommodate the individual styles, providing a unique opportunity to tap into a person's natural strengths. This 'fast track' training program is heads above our previous program. We have seen significant improvement in total training time, but the most impressive benefit has been the training program's effectiveness. Employees who now complete the training have a much quicker impact on productivity, and, additionally, using the insight from PI, Vanamatic can combine individual strengths to build dynamic work teams throughout the organization."

Communication was a weak point in the company's management style. The senior management team had started their careers 'on the shop floor' where the PI employee profile shows a tendency to be 'less social' and 'more detailed'. To improve communication and build a more unified workforce, Vanamatic introduced a new program to open up a dialog between the staff and the managers and to build a culture of unity and empowerment. The program, Gain Sharing, is a weekly meeting for all employees to openly discuss issues that affect the business that includes monetary incentives for employees. If Vanamatic hits its sales targets, the entire company 'shares in the gain'.

Another program currently under development is the Living Business Plan. This is an online system that gives employees access to the company's business objectives, and allows them to provide feedback and to make company recommendations. These programs promote a collaborative culture. These ideas and actions are shared between management and staff with a focus on quality and customer satisfaction. "We rely on the innovations and new ideas in our operations to give us our competitive edge," explains Scott.

“The Predictive Index has played an integral role in launching these programs, and they would not be nearly as successful without understanding the impact of PI.”

Vanamatic is also focused on employee development and succession planning. With their commitment to training and development, they are able to maintain and develop their employees for new roles within their organization. Vanamatic’s management team uses the Predictive Index to identify and develop high potential candidates for future leadership roles.

The Results: Vanamatic’s retention rate for new hires since implementing PI in 2005, increased from 56% to 80%. This improvement resulted in over \$22,000 in annual cost savings for the company. The use of the PRO (tool to profile the behavioral requirements at the job) attracted the right candidates, ensuring both strong job fit and long term employee success. Scott explains, “With 11 new hires since implementing PI, Vanamatic has saved over 60 interviewing hours. We now spend more time evaluating the skill, background and knowledge of only those candidates who have a higher propensity for job success in our organization.”

Since PI’s induction, the overall employee turnover rate has decreased from 20% to only 3%, unheard of in any business! With better hiring, strong job ‘fit’, and more effective training, Vanamatic has also seen an unexpected reduction in missed work time.

“PI is fully integrated in every step of our operation,” explains Scott. “We perform specific jobs for some of our customers and we use PI to identify the best people for the project. All employees understand the value of the process and it’s a huge success.” According to Scott, Vanamatic has seen positive productivity and efficiency trends since using PI. They attribute those gains to understanding their workforce better. “PI helps us understand what the workforce needs to be successful, both at an individual and department level.” Jeff Wiltsie, President of Vanamatic adds “PI has been an extremely valuable tool to help implement all of the changes necessary to become a world class manufacturer.”

Next steps: Vanamatic is preparing to launch a new sales team in 2009. They plan to implement PI Worldwide’s Selling Skill Assessment Tool™ and Customer-Focused Selling™ to ensure sales success.

PI Worldwide® is a global management consulting organization that helps companies be more successful by focusing on their most important asset—their people. Praendex Incorporated, the parent company of PI Worldwide, is publisher of the Predictive Index®, the Selling Skills Assessment Tool™ and Customer-Focused Selling™.