

Establishing a Reputation

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During the summer of 2008, I was asked by The Carlyle Group, one of the largest private equity firms in the world—and a company I'd been working with for a number of years—to run Chromalloy, a company it had purchased the previous December. From the outset, it was clear to me that the job would be challenging and that one of the most difficult tasks would involve driving a cultural change to establish a unified reputation—both inside and outside the company.

For those not familiar with Chromalloy, it is the world's largest independent supplier of high-technology coatings, repairs and replacement parts for "Category 4" gas turbine engine components. For almost 60 years, Chromalloy has focused attention and resources on superior technology and infrastructure, but it has invested very little time in managing its reputation—especially among its employees.

As a result, the company I inherited possessed great technical capability, but it also exhibited a highly decentralized operating footprint. A secretive management approach, lacking in contemporary business practices, compounded that fragmentation. Until recently, the company's thousands of employees had no common view of the business or understanding of where Chromalloy was going as an entity.



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The shift in ownership created a valuable point of inflection for Chromalloy, one that we used to the company's advantage. I've always believed that no organization can reach its full potential and establish its desired reputation without fully engaging the entire workforce. We took the first step—with the full support of our new owners—to determine the company's current reputation among three key audiences: em-

ployees, management and customers.

The result was the equivalent of a 360-deg. review, and it yielded good and bad discoveries. Our employees, managers and customers all felt that the company had great technology, strong and capable people, and the drive to compete in the worldwide turbine engine parts and repair after-market. What they also recognized was that the company was so decentralized that it operated more like a chain of independently owned, franchised businesses rather than as a single, integrated global organization.

All three constituencies also reflected on the company's culture of secrecy. For example, it wasn't unusual for Chromalloy sites to compete against each another for work. As late as 2008, the company didn't maintain a public website. From my perspective, there was a clear call to action: break down the barriers and become more

transparent. For the employee base, we needed to provide a vision that could ultimately afford a deeper and more meaningful relationship with the company. We needed to develop a challenging and engaging culture that developed talent and capabilities at the organization, cell and individual level.

I already had established a pattern of visiting as many of our facilities as possible and meeting with employees in informal settings for feedback. Step one was to take that effort up a notch. Then, we established a contemporary matrix management team and an approach that would enable a unified operating system, view of the financials and key performance indicators.

We then identified an extended leadership team (ELT) to act as a portal into the business, critical to supporting a modern internal communication infrastructure. We met with the ELT every month for performance updates and, more importantly, to share our vision of where we wanted the business to go. The ELT was responsible for asking questions, pushing back when appropriate and getting the message out.

We also began communicating regularly with employees. We sent monthly letters about the changes that were taking place, launched an intranet site, and started a quarterly newsletter translated into seven languages. And, we established an annual engagement survey with the goal of capturing 100% employee involvement. All of these actions helped pull together a fragmented business and develop a common vision.

Today, two years into our journey, we are a company of 4,000 people with 19 facilities in six countries, united under one vision. Our customers are happier with us, and our employees have more visibility into the business. ■