Great Game of Business

Case Study

Coast Pavement Services Location: Tigard, OR 2016 Revenues: \$5.2 million Employees: 28-40 (seasonal)

Highlights

Rapid Financial Results; Lasting Cultural Change

In July 2014, Ken VanDomelen, who had worked for the company for 27 years, finalized a buyout of Coast Pavement Services from the prior owners. The process had worn him out, but it also gave him permission to start thinking about how he could run his business better.

It was an article in Inc. magazine that turned him on to the Great Game of Business, and after attending the Gathering of Games and a visit to Springfield, MO, VanDomelen kicked off playing the game inside his own business on October 31, 2014 with a Halloween-themed "Coastume Party."

The team began by conducting the dollar exercise, where everyone got the chance to guess how much money the business made in profit from each dollar in revenue. The guesses ran from 10 cents on the dollar to 50 cents on the dollar. When they learned it was really 3 cents on the dollar without depreciation, it opened people's eyes to their shared challenge ahead. "Most of the employees had never seen the financial reports of any business, let alone our business," says VanDomelen.

To overcome that knowledge gap, the Coast team posted scorecards around the office to keep everyone up to speed on how the company was doing financially, how they were progressing on their Mini-Games, and how the team was tracking toward their bonus goals. Thus, employees shifted their focus from their paychecks to how the company was doing and how that affected their own bottom line. Their first-year results were a huge success in sales, with a 30% increase and company-wide bonuses for all.

In 2016, the team set net profit before depreciation and taxes as their critical number. The result? Sales went down by 6.2% - but net profit rose by 9%!

"The Great Game definitely changes the financial outlook of any company," says VanDomelen. "For me, the better part has been the culture change, which fits our motto and mission statement, Pave it Forward. We have had so many small acts of kindness that change the lives of our family, friends, neighbors, and the greater world abroad. Whether we win an award or not, we are a better citizen for now and the future. Why not leave the world a better place because you are in it?"



Organizational Background

Originally founded as Coast Sweeping Services in 1969, the company was renamed Coast Pavement Services and now offers a range of services that include sweeping, asphalt paving and sealing, crack filling, striping, storm water services and construction.

"Our company culture has improved dramatically in the time we've been practicing the Great Game of Business. Camaraderie between individuals and departments has flourished because of the Great Game of Business. Everyone can see, with complete transparency, what's happening within the company. This transparency has created a kind of galvanizing attitude of "we're all in this together" and we're working together toward a common goal."

~ Meredith Frigaard, Administration

Playing the Game Together

"Our old culture was so oblivious to the financial realities of our business, which made us look suspiciously at each other for why we were not doing better as a company," says VanDomelen. "Now, when adversity hits our company, we look for ways to pull together and help each other get through the tough times."

One way that the Coast Pavement team works together is through a program they call Points Palooza, where employees score points throughout the year by being safe on the job, offering cost-saving ideas, making successful employee referrals, or exceeding their goals. Co-workers can also award each other points when they see someone doing an exceptional job. Palooza Points can be redeemed for gift cards or logo employee apparel.

"There is rarely a week that goes by when I am not approached by someone in the company with an idea of how to grow the business or save money," says VanDomelen. "I am not sure it gets any better than that!"

"I'm excited about seeing the growth of the company and enjoying the success that follows. The Great Game of Business is inspiring for all of us. It has brought us all much closer. We're all working better, together, as a team."

~ Nate Watkins, Assistant Shop

What's Next?

"As we move ahead with the Great Game, we have a lot of growth aspirations," says VanDomelen. "We are entertaining any and all ideas which can help with our seasonal challenges. The best part of all is that we are involving the front-line people and getting their ideas."

"The one thing I think the Great Game of Business promotes the most is change. It has changed how I look at the way we do things at Coast. Everyone is accountable for something, whether it's materials on a job, purchasing of equipment, job setup, estimating correctly, etc. We spend a lot more time discussing the way things are and how we can change to make it better. It's nice to feel like your opinion counts. 40 minds are better than just 1! The sky is the limit when we all put our minds together!" ~ Jim Anderson, Paving Supervisor