

DeWitt Company

Location: Sikeston, MO

2017 Revenues: \$44.3 million

Employees: 80

The Critical Number™: Net Profit Margin

Playing the Game

Results

Since the DeWitt team began playing The Game approximately five years ago, gross sales revenue has increased by almost 40% while net profit margins have gone from essentially less than 1% to around 10%. “When you help your team, they will help you,” says DeWitt, who admits that he ran a top-down organization for years until he discovered the Great Game of Business. “You teach them how to earn more money or improve your net profit and they will go to bat for you.”

The success of playing the Great Game was driven home whenever team members received their share of the Stake in the Outcome, which helped them think like owners while recognizing that their daily decision making truly impacted the company’s bottom line net profit.

“If you want to make things better, you need to start with the hearts and souls of people,” says DeWitt. “You can’t be a leader until you understand where your people have been at. You can’t put yourself above the team. If you don’t have anyone following you, then you sure aren’t a leader.”

“The GGOB is a great motivator to encourage people to do the best they can. It also helps with accountability. It keeps everyone’s eyes open and helps them see how the bottom line changes when they cut costs—and they are seeing payouts because of that.” – Meredith DeWitt, Vice President.



Company Background

Larry DeWitt started his own landscaping business in 1977. Today, the business has expanded into manufactured state-of-the-art textiles and fabrics such as weed and frost barriers that are used in more than 70% of the commercial landscaping done throughout the United States.

Challenge

Help all team players understand how they can impact the company’s biggest expense—direct material cost—to help increase profitability.

Solution

Educate team members on how to read and understand the scoreboard and gain their trust by showing each of them how they played a role in producing that score.

MiniGame™ Spotlight

The DeWitt team has actually played unofficial MiniGames for many years where they have tracked critical data and then taken steps to improve outcomes. One example is how the company has provided lunch to all team players (and coaches) whenever budgeted gross sales are exceeded, for the month. Dewitt Company recently began a MiniGame focused on the reduction of cost associated with waste disposal by recycling more products and compacting waste, to reduce the amount of disposal charges per month.

After they started playing the Great Game, the team kicked off a MiniGame whose goal was to reduce the company's dumpster and waste pickup charges by 50%. The most impact came from their production and shipping teams, as they became much more aware of what waste products should be thrown away versus those that could be recycled.

The maintenance department also played a critical role by developing a custom fabricated tool for compacting waste within the dumpster, which played a key role in dramatically cutting the number of waste pickups needed. In the end, the MiniGame topped its goal by cutting pickup charges by 80%.

“The Great Game of Business has definitely played a key role in boosting our net profits considerably. Every team member here is conscious of reducing costs and coming up with ways to be more productive and efficient. Overall morale has also gone up because the team gets to celebrate those results with their monthly bonus payouts. Team members are also bringing home financial literacy skills where they are learning how to make more money for themselves while also hanging onto what they make.”

Justin Williams, Chief Financial Officer

What's Next?

One of the team's biggest challenges remains helping all team players understand how they can impact the company's biggest expense, direct material cost. At times, increases in productivity and efficiency can be overshadowed by a slight increase in direct material cost—which results in unexpected outcomes.

“Increased production as well as reduced cost has really helped DeWitt Company come a long way in the past couple of years. I am convinced that The Great Game of Business buy in by every team member is the number one reason why our net profit numbers have skyrocketed in such a short period. I am very excited to move forward and enjoy the benefits and watch the satisfaction from each and every team member. Communication is the key. If people understand why things are important, they have no problem going the extra mile to do it correctly.”

– Les Thompson, Logistics / Warehouse Manager