

## Case Study

### Anderson Precision

**Location:** Jamestown, NY

**2018 Revenues:** \$20.1 million

**Employees:** 108

**The Critical Number™:** Net Operating Profit Before Tax.

## 2019 Highlights



### Challenge

Build alignment between employees and global market demand in a more than 125-year-old business. Part of that challenge was convincing the team that they needed to change how they had worked in the past.



### Solution

Use The Great Game of Business® (GGOB) framework to help align everyone—from those on the shop floor all the way up to management—around a common goal while elevating everyone's capabilities. To help ensure a successful adoption in 2017, the design team included five shop-floor employees, three managers, and the two owners, and everyone in the business began a financial literacy training program.



### Results

Playing Great Game™ and getting the entire team engaged has had a measurable impact in multiple ways on Anderson Precision—including boosting margins from 3.8% in 2016 to 10.7% in 2018. Over the past twelve months, for instance, the company reduced its shippable backlog (late orders) from over \$300,000 to under \$70,000—which has dramatically improved customer satisfaction. The team has also found ways to shave more than \$90,000 in costs in just the first quarter of 2019, which helped them earn a performance incentive payout of 12% for the first quarter. The Game has also had a significant impact on the company's culture, especially how it's improved the level of trust and got everyone focused on winning as a team. "We are steadily moving from a 'me' culture to a 'we' culture," says President Steve Godfrey.

## ANDERSON PRECISION

### Company Background

Anderson Precision was originally founded in 1891 as a machine repair business. Today, the company is a contract manufacturer that primarily provides components to the automotive industry and ships up to 100 million turned components per year.

*"GGOB has impacted the business by giving everyone a voice and developing group accountability which drives teamwork. We still have a long way to go, but we are light years away from how we operated two years ago. Personally, GGOB is a really good teacher of finances and how to analyze and effect those finances more efficiently. If you haven't taken accounting or financial classes before, GGOB really contributes to basic financial understanding." ~ Andy Horner, Tooling Engineer*

## MiniGame™ Spotlight

In 2018, the Anderson team kicked off more than 20 MiniGames, which tackled issues like increasing the number of inspected parts and reducing backlog. The volume of games played was helped in part by the creation of a team whose focus is on providing refresher training for the MiniGame process. “We want to encourage organic development of new games that come from the bottom up,” says Godfrey.

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*“Great Game has changed our culture and ways we go about things. When there is something that goes wrong, we all band together as a team and work to get the best solution possible for the customer, our employee’s, and Anderson Precision as a whole. It has taken out the anxiety of going into our day with the stability of knowing what I am walking into. We all know what we need to do to win and having that type of system backing you and the entire company up is an amazing feeling. Not only has it made me better at decisions in the workplace, Great Game has impacted my personal life as well. I went from being in debt, using credit cards irresponsibly, living paycheck to paycheck, to having a savings, no debt, and more than one credit card, all in good standing. I wish that I were taught real life financials of not only personal, but business, it would have set me up for a better start after high school. I am grateful for Great Game and Anderson Precision for making a great impact on my life.” ~ Ashley Sample, Business Unit Manager*

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## What’s Next?

A key step Godfrey says the team is working on for the next year is finding ways to better link the stories that result from playing MiniGames and teams, or cells, all the way up to the numbers and stories shared in the larger company-wide huddles. “We’re trying to help everyone better understand how the work they are doing impacts the company-wide scoreboard,” says Godfrey. While the team also uses the HIP process to set its annual goals, Godfrey would like to continue to expand the practice to include contingencies and ideas for further diversification moving forward.

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*“One thing GGOB has done is getting the employees to think and ask questions they never would have thought of before. Examples are an employee asking how much the tools cost when an error occurs. They now know that it is dollar for dollar bottom line. Although I think we are still early in the process. The teams that have formed because of the department scoreboards are very strong.” ~ Jason Carlson, Production Manager*

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