

## Human Resources Impact

ACTION WORKOUT  
RESULTS STORY

**“Action Workout is one of the best ways I’ve seen to link business improvement and talent development.”**

JEAN AARO, HUMAN RESOURCES DIRECTOR  
CASE LOGIC

## Linking Employees to Strategy... and Making it Pay

**Case Logic, a leading developer and marketer of** accessories for handheld technology devices, was recently challenged by an issue facing most organizations in today’s tough economic climate: How to grow and be more productive with fewer employees?

Based in Longmont, Colorado, Case Logic is known around the world by its distinctive brand of products sold through more than 30,000 retail stores. With offices in Europe, Asia and Canada as well as in the United States, Case Logic covers a lot of ground with a relatively small number of employees.

With the economic downturn, the company found itself stretched to improve performance in every aspect of its business from new product development to order fulfillment. In addition, Case Logic’s executive team was confronted with the need “to get better, faster” with fewer employees and a smaller budget for business improvement.

### Action Workout™ Puts Human Resources in the Mainstream of Business Improvement

#### CASE LOGIC WORKOUT RESULTS

- Six Workout Teams Deployed
- 24 Solutions Implemented
- 10 Teams in Planning Stage
- More than \$350,000 in Projected Savings

## **The Answer Found in Employee Know-How**

Case Logic's CEO Peter Storz turned to Human Resources Director Jean Aaro to find an answer to the "improve fast without the expense" dilemma. Aaro found a solution in the **Action Workout™ System** from Leap Technologies. Action Workout is the most advanced version of the original "Work-Out!" concept championed by Jack Welch at GE to drive change through management and employee engagement.

Aaro was attracted to Action Workout's 10-year track record of results and its patented "improvement process in-a-box" design that guides teams of five to seven employees through a 60-day process for making change. According to Aaro, "We liked the idea of using Action Workout Teams to meet our growth and productivity challenges because we believed that our employees closest to the problems had the wisdom and common sense to improve our processes."

Aaro also liked the fact that Action Workout could be deployed on an as-needed basis and would require a minimal investment in training and expert support. Just as important, Action Workout fit Aaro's bias about how to change organization culture. As she noted, "We wanted to move from an extremely entrepreneurial to a more process disciplined culture. The best way to do that is by getting as many employees as possible involved in actually changing how we work. Action Workout gave us a way to do that in an organized and disciplined fashion."

### **Getting Started Fast with Minimal Risk**

Action Workout's rapid cycle from team launch to team results afforded Case Logic the opportunity to put Action Workout to the test on a limited scale, before making the commitment for company-wide deployment.

Aaro worked with Operations Vice President Grant Johnson to identify an initial improvement opportunity that fit the criteria for Action Workout Team deployment. These criteria include: A clearly defined

end result to be improved; the need for "local" know-how and commitment to achieve the improvement; and, a leader ready to make decisions to support rapid improvement.

Johnson and Aaro targeted order fulfillment timeliness and accuracy for its Case Logic's pilot test of the Action Workout process. The specific team assignment was scripted as follows: How can we eliminate errors and improve communications in the order fill process in order to improve order fill rates and accuracy within the next 60 days?

It is important to note the "bounded" nature of Action Workout Team assignments. The goal with Action Workout is not to tackle huge global issues all at once but rather to apply employee know-how, creativity and "elbow grease" to making focused performance improvements.

A scripted approach to team assignments solves the problem of "group grope" and misalignment of management goals and employee ideas that often doom improvement efforts before they start.

Case Logic's inaugural Workout Team was launched using Leap Technologies' patented Action Workout Team Kit, a pre-packaged improvement team process with everything needed to guide a team of managers and employees on a 60-day improvement sprint.

This unique, just-in-time approach allows teams to begin working on their assignments immediately - *starting in their first team meetings* - and then, to learn tools as they continue to take action on their assignments. In addition, the Action Workout Team process does not require an experienced facilitator or quality expert. A designated individual who uses the Workout Team Leader Guide, a manual with scripted meeting guides that take the fear out of the team leadership role, leads the team.

The Order Fill Action Workout Team was a big success, exceeding Johnson and Aaro's expectations. This team of customer service and order fulfillment employees implemented seven improvement solutions that resulted

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in improved fill rates, reduced back orders and lower freight costs, all within 60 days of launch.

One of the team's ideas for reducing back orders and rework was to hold "short orders" for up to three days to improve the percentage of complete orders shipped. This seemingly simple idea had often been discussed by employees "on the line" but never acted upon. Using the Action Workout process, the team was empowered to explore the feasibility, benefits and costs of actually implementing this common sense strategy.

The Workout Team verified that this change alone would produce more than \$125,000 in reduced freight costs. Members of the team worked with the sales organization to test this idea with customers and get buy-in before implementing.

Cyndi Lawson, Supervisor of Customer Service, participated on the team. She commented, "Being part of a Workout Team really changed the way we make improvements. As opposed to operating with an open agenda or no agenda at all, with Action Workout we have a structure for making these types of efforts very productive."

### **Taking the Next Step**

Based on the initial success, Johnston and Aaro decided to install Action Workout into the company's business plan. This involved training an internal Workout Team Coach. Aaro took this role on herself because, as she explained, "Action Workout is well aligned with my responsibility to develop talent. As a coach, I get to see teams in action and, by deploying Action Workout we have put many people into leadership roles for the first time. It's a great way to evaluate leadership potential."

Under Aaro's guidance, Case Logic has launched five more Action Workout Teams, attacking a myriad of problems from streamlining bottlenecks in the new product development process to improving the "win rate" on customer proposals. Each team has typically involved five to eight frontline supervisors and

employees and a line manager to sponsor the effort. The teams have consistently delivered value, both to the short-term bottom line and in terms of building a culture of teamwork and process discipline.

For example, a team working on the new product development process identified the need to formalize what had been an ad-hoc process for incorporating package design into the new product plan. The team developed an innovative approach to executing package design and testing simultaneously with actual product design, thus shortening the overall product-to-market cycle time.

Another Action Workout Team, focused on new customer development, created a standard approach to developing sales presentations for chain store accounts.

The team designed a set of templates covering the end-to-end customer requirements, including pricing and profitability analyses. The new standardized approach has greatly improved Case Logic's win rate on proposals.

As Lawson, who participated in both the pilot team and in this second wave of Action Workout Teams, noted, "This is working as a catalyst to move us from being an entrepreneurial type of business to one that is both entrepreneurial and capable of handling growth."

### **Elevating the Role of HR**

Action Workout has proven to be a cost-effective and practical way for Case Logic to attack performance improvement issues by leveraging its internal talent. For Jean Aaro it has also proven its value as a vehicle for expanding the role of HR beyond its traditional boundaries.

As Aaro explained, "HR executives and professionals sometimes shy away from taking a lead role in business improvement activities. In an organization like ours it's not an option. That's why I'm pleased to have Action Workout in my HR toolbox. It's one of the best ways I've seen to link business improvement and talent development."

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#### **ACTION WORKOUT**

### **Elevating the Role of HR and More**

The Action Workout™ System helped turn frontline employees' attention to process discipline at Case Logic, contributing to a critical culture change for this fast growth company. With its focus on employee engagement and its requirement for decisive leadership support, Action Workout is an ideal tool for HR leaders looking to support business improvement and talent development goals at the same time.

Action Workout employs an innovative action-learning model that makes it possible for

managers and employees to learn key concepts and tools for accelerating change while they work on important business improvement issues. In this way, organizations can turn people development into a profit generating activity.

As HR executives confront the ongoing challenge to deliver more value with fewer resources, Action Workout offers a cost-effective prescription for elevating HR to a profit-contributing role.

Leap Technologies' comprehensive coach certification program makes it easy for HR executives to develop internal capability to deploy Action Workout Teams. These teams can support a wide range of business

improvement needs from cost savings initiatives to new policy and system rollouts.

Across the United States and beyond, Action Workout has helped more than 200 organizations save millions of dollars by sprinting to improvements with Action Workout. For HR executives and professionals, it is an essential tool for increasing impact and relevancy of their roles.

**For more information about Action Workout and how it can help your organization sprint to results, call 1-800-254-6805 to schedule a briefing. Or visit our website at [www.actionworkout.com](http://www.actionworkout.com).**