

## CASE STUDY

# Sustaining a Culture of Continuous Improvement for Long-Term Growth In Sales And Profitability.

## Client

Pella is a privately-held window and door manufacturer headquartered in Pella, Iowa with manufacturing and sales operations throughout the United States.

## Challenge

Over 20 years ago, on the verge of being sidelined with low market share and no process for innovation and growth. Poor customer satisfaction, low profits, and a desire to improve safety.

## Solution

Embed a continuous improvement culture and improve execution. Create manufacturing flexibility, improve quality, safety, delivery and cost. Create a strategic platform for growth, make room for acquisitions, integrate rapidly and profitably.

## Results

Uses lean to extensively innovate both products and processes and leverages competitive advantages into sustainable growth and profits. Maintains short customer delivery lead times; was able to reduce price for several consecutive years.

**After 20+ years on their lean journey, Pella has continuously used the LeanSigma® approach to extensively innovate, develop, and launch new products, and has leveraged its advantages into long-term growth in sales and profitability.**

Lack of sustained culture change is the number-one reason LeanSigma initiatives fail to take hold or lose momentum. Pella, a leading manufacturer of premium-quality windows and doors, is one of the business world's outstanding examples of the impact of culture change in a lean transformation, which they began with TBM. Using two of the most powerful drivers of rapid improvement and culture change — Kaizen Breakthrough events and Managing for Daily Improvement (MDI) — Pella has achieved Operational Excellence, which they are extending across their value chain.

“What we've achieved isn't about the company's management. Each person here deserves credit. All of us are proactively engaged in the improvement process,” points out Denny Van Zanten, Wood Division President. “We do MDI (TBM's process to help companies “manage for daily improvement”) walkthroughs like this at every shift change to share key metrics. Each team member always knows where we stand and what we need to accomplish. It's an essential discipline that maintains improvement momentum — and reinforces how serious we are about it.”

**“Everyone at Pella wants to improve every day. Continuous improvement is embedded in our culture. It's the way we do business. It's how all of us think.”**

— Denny Van Zanten,  
President, Wood Division, Pella Corporation

“It’s a testament to the quality and initiative of our people, at every level,” says Van Zanten. “Together with TBM, we’ve built a positive, can-do culture, which engages everyone. Our people know they’re leading our transformation — that it means better conditions for them, improved company performance and more satisfied customers.”

Culture change is a primary focus of TBM’s teaching and implementation work, because it is such an essential component of success. Pella has been at it for 15 years, Toyota over 50. Reinforces Mel Haught, Pella’s President and Chief Executive Officer, “I don’t think you can ever relax or assume that you’ve got it.”

## Results At-a-Glance



The ability to utilize improvements to profitably diversify and grow, even in a down economy



A steady ability to maintain short customer delivery-to promise-lead times



The ability to maintain or reduce price for several consecutive years

## Speed wins every time.

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We push the pedal down in your operations to make you more agile and help you accelerate business performance 3–5x faster than your peers.

