

Case Study

Argent Tape and Label

Location: Plymouth, Michigan

2015 Revenues: \$5.4 million

Employees: 20

Industry: Manufacturing

Highlights



Challenge

ATL was in serious financial trouble and was close to shutting its doors. Staff had been cut from 25 to just three fulltime associates. The company needed a way to get everyone working together to save the business.



Solution

Share information, the good and the bad, with associates so that every individual has a clear understanding of how they impact the company and which line items represent their performance and contributions.



Results

Since ATL implemented the Great Game of Business, the company has seen an incredible and profitable turnaround – which earned ATL its first All-Star award in 2014.

“Employees have become proud of the company they work for and are eager to present themselves as an employee of ATL.”



Argent Tape & Label (ATL) is a certified Women-Owned Small Business that manufactures pressure-sensitive labels used by industrial customers in the automotive, pharmaceutical and consumer industries.

Company Background

Lynn Perenic was a special education teacher for a total of 20 years, before she ever contemplated becoming an entrepreneur. But after her husband talked about closing ATL, which he had purchased back in 1995, because of its poor performance, Perenic stepped in to try and save the business. But with just three associates and virtually no customers, she had a difficult task ahead of her.

“I have a voice and my opinion really matters. I am not just a number.”

Playing the Game Together

When Perenic took over at ATL, the situation was grim. The company had just lost its biggest customer, who accounted for about 60% of its sales.

But if there was one thing Perenic learned from her years of teaching in impoverished urban environments, it was how to fix things without having a lot of resources to work with. That's why she turned to the lesson plans offered by one of her business heroes, Jack Stack.

"I knew that I could save the company by opening up the books," says Perenic. "Nobody knew how much things cost or where the holes in the income bucket were coming from."

So, true to her roots as a teacher, Perenic kicked off an aggressive financial literacy campaign for her team. And yet, at one of her first huddles, where she shared ATL's income statement and balance sheet with her team, one of her associates stood up and walked out, saying that kind of information didn't affect him and that it was for "upstairs" people.

Once a quarter, ATL conducts what they call "Lemonade Stand" financial training. This inside financial training helps not just new associates get up to speed on financial literacy, but it also helps keep those associates who have been around a while keeping their skills, "as sharp as a tack," says Perenic

ATL also hands out two internal awards for those associates who go above and beyond the call of duty: the High-heel award of excellence for women and the He-Man award for men. Both monthly winners are recognized by company-wide email, mentioned in the company's quarterly newsletter, and get the right to showcase their respective trophies in their work area for the month.

"Our commitment to the GGOB only continues to grow, as it is now the underpinning to everything we do and it is permanently marked into our brand DNA."

Rapid Financial Results; Lasting Cultural Change

As ATL associates' financial literacy has grown, thanks to the Great Game of Business, so has their ownership thinking. Associates are surveyed twice a year to identify areas to improve upon. They also work on an annual SWOT (strength, weakness, opportunity, threat) analysis where they look for more opportunities to grow.

One of the big constraints ATL needed to overcome in performing a financial turnaround was to find more business. The firm took on smaller jobs wherever it could get them. Perenic even issued every associate a business card as a way to both recognize their role in the business as well as to turn them into ambassadors for the company out in the community. That led to associates making connections with possible customers, like the one time that the firm landed a sale of some duct tape from a local marina after an associate who bought fish bait there made a connection. "Our sales increased because we had everyone in the business involved," says Perenic

As the business has grown, so have the size of the gain sharing checks. "Everyone knows when there is a gain, there is a share," says Bekah Keehn, the open-book coordinator for ATL and its sister company, Argent International.

ATL associates recently agreed to a plan where ATL completed a large capital purchase – even though they understood that the added debt would impact their gain shares until the new machine earned a profit. "Each employee had a voice and a vote on if the equipment was necessary and overwhelmingly each employee voted for the new equipment," says Keehn. "Our team consistently works toward the win together!"

"The real benefit of playing the Great Game of Business is that employees develop an emotional connection to the company. It becomes more than just a job; it becomes an adventure to continue taking our label company where no other label company has gone before!"