

A creative



TEAM approach

Daman Products focuses on growth through new product launch readiness, leadership capabilities

BY LEA TONKIN

So, how many people from various functions does it take to craft a robust new product development (NPD) pipeline? Can their innovative quest vault an organization's capabilities for meeting customers' current requirements and creating future growth opportunities to a higher level? How can a nontraditional, "creative team" approach infuse and broaden leadership capabilities, helping the organization to take advantage of market opportunities for future growth and profitability? At Daman

Products in Mishawaka, Indiana, folks have been wrestling with these questions—and finding some of the answers—during the past five years. The company manufactures standard/custom manifolds and other products sold largely through distributors.

"We were looking for a better new product development process — including all functional areas of the company — and a process for broadening leadership capabilities, in the leadership team and among other functions," said Gordon Weiler, Daman's vice president of sales and facilitator of its creative team.

Developing a creative team — including more voices in the conversations about

new product and process prospects, and developing and strengthening leadership skills within the leadership team and in all functions of the enterprise — seemed to offer an ideal new pathway. The idea would be to carefully select talented team candidates with leadership potential; evaluate, train and coach them in needed NPD and communication basics; gain understanding and adoption of Daman's nine-step NPD process; foster their mutual understanding; enhance teamwork skills; create shared understanding about the business imperative for NPD success; and empower them to move beyond traditional job responsibilities into new ones.

Creating the creative team

Experienced in lean operations, Daman had already forged a level of trust about the potential of shared accountability for improvement. Its NPD process had worked inelegantly, however, and it was ripe for improvement. And so the concept of a multifunctional, fresh approach for creating tomorrow's new product and process stars was born.

Yet calling on employees who had traditionally worked in functional areas outside of marketing to participate in the new creative team initially drew skepticism from some of the selected team candidates. "We were asking people to work together, outside their comfort zones and traditional roles," said Weiler. "We wanted a better NPD pro-



This workbench was customized by the Continuous Improvement department to reduce clutter and organize tools in order to streamline productivity.

cess, and to develop additional leadership depth within all functional areas of the company, as creative team members worked with marketing and sales to navigate through problem-solving, the customer-facing product development process and other phases. In turn, these employees lead new product and new service ideas, which become part of our immediate, two-year and five-year corporate growth strategies."

Top leaders, plus marketing and sales staff members, were obvious choices for creative team members. All operational areas, including HR, machining and maintenance, are represented on the team. With approximately 14 members, the team flexes to include others as particular new products and processes are evaluated.

The creative team is responsible for developing a new product or service idea each quarter. The idea is added to the team's review roster, and the team will decide whether to add the idea to the pipeline of ready-to-launch products or services. "If

a product is added to the pipeline, we ask for a volunteer to lead that idea through the NPD process,” Weiler said.

Step-by-step approval process

Each team member facilitates one “idea” (product or process concept) through a development continuum, as far as his or her evaluation and problem-solving steps seem to promise potential benefit for Daman. This nine-step pipeline starts with customer problems and needs exploration, and it continues through problem-solving and idea generation, concept development, business analysis, prototype development, production scale-up, market testing, commercialization and post-launch checkup. A product or process idea may progress through all nine stages, or it may be scrapped. Eighty percent of the new product ideas evaluated by the creative team don’t make it through all the development steps — for example, if a customer needs analysis or survey shows that it doesn’t make sense to go forward and doesn’t fit Daman’s business model. See “Daman new ideas pipeline” (below).

“The team members are doing the heavy lifting — customer surveys, problem-solving, etc.,” Weiler said. “Each idea leader brings in people from other functions, such as engineering or service or inside sales, and then works with them on their idea and participates in team meetings.”

Several product or service ideas in the pipeline have moved through more than one development stage. For example, building large manifolds holds promise for future sales, but Daman hasn’t committed to acquiring the \$4 million equipment needed to build it. “The neat thing is that the idea is in stage four (business analysis),” Weiler said. “We are setting the table for the executive team to pull the trigger for new products and services, based on facts, thanks to the creative team. When the time is right, we can quickly go ahead with the project.” Stainless steel manifolds, building cavity bodies, testing of manifolds, an expanded header block line (a product extension), custom pneumatic manifolds and blackening manifolds (corrosion protection) are among product and service ideas up for consideration.

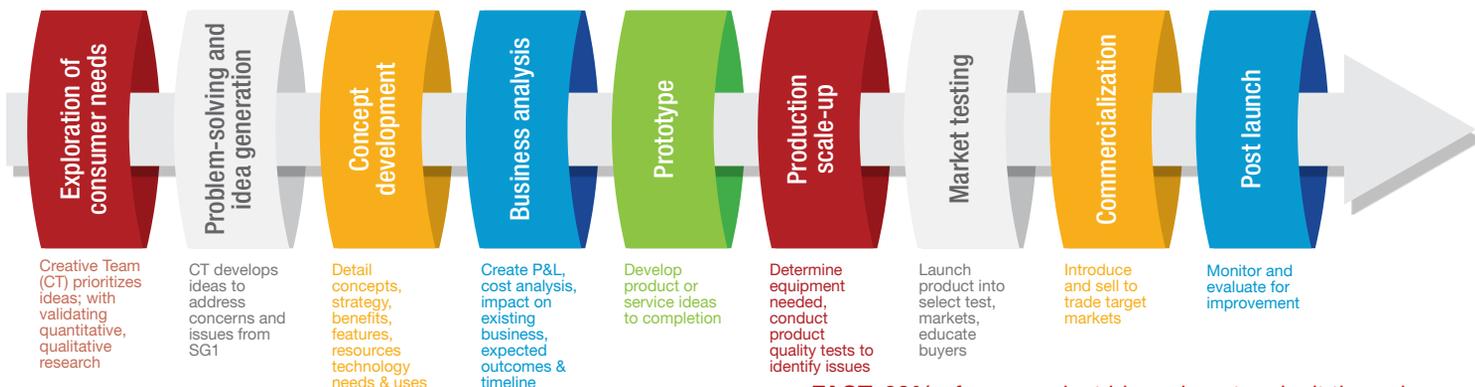
The creative team meets every three weeks, with each member reporting the progress and status in the development continuum for the product or process he or she is shepherding. They also delve into the viability of existing product lines. This approach helps to ensure that the company’s current products and services are viable, according to Larry Davis, Daman president. He noted that NPD process participation with fellow creative team members and with customers contributes to their shared and enhanced “big picture” perspective.

Understanding what it takes to make something viable to sell

Neil Henderson, Daman’s continuous improvement (CI) and quality manager, values insights gained through his creative team participation. “Like others on the team, we’re working in a ‘large group’ evaluation of projects,” he said. He’s also on a sub-team that’s evaluating a hydraulic manifold testing idea. “From customer surveys on the hydraulic manifold testing, we’re learning about ways to make it more efficient for them,” Henderson said. “We’re still in stage one of the pipeline, evaluating customer needs, before we look at whether to make a product and how much to charge. In the past, we might have wanted to get right to prototyping; now we’re going through the NPD stages.”

One of the biggest advantages of the creative team approach is weeding out bad ideas, Henderson added. “Sometimes, we might say, ‘That’s a great new product idea; let’s do it.’ But we might not have understood whether that product was really needed, without taking a longer time up front to do a customer needs analysis. We never had a formalized process before, and there were some products that we would not have produced, such as a line extension, if we had used the new process. There was a huge learning curve at the beginning, and it is still going on. It gave us a more effective NPD process;

Daman new ideas pipeline: Up to 24 months for completion



FACT: 80% of new product ideas do not make it through the Stage Gate Pipeline. Daman’s team seeks the 20%.



A Daman trainer (center) mentors a trainer-in-training (right) as she trains an employee to inspect products.

we understand the value of our customers' participation in our new product ideas. We are learning to see what works, and how to build our business by making more of what customers really want and by making things better for them."

Henderson counts additional learnings about fellow creative team members — and his own personality leanings — as another value from this nontraditional approach. "We have a better understanding of what NPD stage to get people involved in," he said.

Key takeaways

Weiler draws a parallel between the creative team's nontraditional NPD approach and lean manufacturing. "At the 40,000-foot level, it's applying lean to sales and marketing's traditional work in NPD and services," he said. "It's allowing and training people from a broader number of functions to make decisions about products and services that will help us grow into the future. P&L, ROI, etc., analytics that used to be done in marketing now are being done by operations people."

It's a work in process, as maintenance and other functions may work in the product prototyping stage, for example, while engineering and sales folks step up to facilitate progress in other new product or service ideas.

"We're uncovering new product and service ideas, and filling that NPD pipeline, while we develop customer-focused

leaders," said Weiler. "We're looking at product and process differently. You've got something cool going on, when someone on the floor is asking, 'I wonder if the customer wants this change?' The process may be slower, but we're looking for the 20 percent of product and service ideas that are viable. We're helping to answer the question, 'Where will we be in five to ten years?' It may seem that our results are hard to quantify, but we are looking at products much differently than we did three years ago." He noted that support and buy-in from senior leadership is essential in making a nontraditional NPD process work.

"Our external sales team is becoming more of a relationship function than project management," Weiler continued. "Now, more internal people are asking marketing-type questions about quality issues, problem-solving, etc. We're building stronger bridges between our customers and the factory, through our NPD pipeline process."

Generating energy and confidence

"We've had some product extensions and service ideas, through the creative team, that we would not have had otherwise; energy is developing on the team and in other areas of the company," said Dave Mischler, executive vice president. "With our culture, and how we're structured in business units, leaders run their own little companies, very inwardly focused. People on the creative team go outside the company, talking with vendors and customers. They previously were shielded,

and now they are being encouraged to be more externally focused. They're gaining understanding of our customer base, developing synergy, calling their own meetings and working on operational issues. Now, our creative team and other teams, as well as management team members, work together more collaboratively.

"We feel confident that we can do some things (attributable to the creative team), as we break the NPD into steps and learn how to overcome related obstacles," Mischler said. "We've learned more about developing viable products and processes, so we don't waste marketing and investment resources."

Asking creative team members to take time away from their regular tasks and work in unfamiliar "territory" initially was a significant challenge, Mischler recalled. The complexion of the team has continued to evolve, with various new members and development of sub-teams tracking particular product and service ideas. Progress in new ideas' journeys along the development continuum, as well as learnings about individual members' personalities and communication styles, plus fresh perspectives about the NPD process, continue to emerge.

Selling points for leaders considering this approach to NPD, according to Mischler, include greater shared understanding about the business, increased collaborative skills and synergy among creative team members and others, increased project management skills and positive relationships with customers. "This structure pulls people out of their comfort zone and increases understanding of each other," he said.

Providing strength needed to grow

Asked about key learnings and results from the creative team process, Larry Davis noted the continuing collaboration generated through teaming, a strengthened new product pipeline and deeper customer relationships. "There are things we think are important to measure, and we are also going forward on things where there is no attempt to develop ROI," he



A Daman Continuous Improvement team member welds tubes for Cell C.

said. “No one ever calculates ROI on over-the-top morale — people can’t wait to come in and serve our customers. When it’s the right thing to do, they do it. We focus on the customer, and we are doing the right things, for the right reasons. We are helping our customers to be successful, helping people to do their jobs better.

“We also need a viable pipeline of products and services ready to launch,” Davis continued. “Now we have products and services for which the market research has been done, as well as pro forma financial statements and needed equipment projections. With our operational leaders involved, we have complete buy-in across the company, so that when the time is right and we’re ready to fly on a product or service, we are in a very comforting place, compared to three years ago.”

The previous NPD process, described by Davis as “hard and jerky,” may not have enabled those in engineering, manufacturing and other areas to do their best jobs. Involving people from all functions, including HR and machine repair, creates more than shared understanding and support for new products and services making their way through the development pipeline, Davis believes.

“We’re putting people in situations that, over time, stretch them immeasurably,” he said. “Our enriched NPD process and our more robust leadership group and creative team will provide the strength we need to grow. These are bright, sharp people.” ●

Getting to know you — and your teammates

In the beginning, there were a lot of ‘us and them’ attitudes,” said Gordon Weiler, Daman’s vice president of sales and creative team facilitator. He credits in-depth personality assessment and related sharing and discussions among the team members with positive, productive connections over time. DISC, PXT, Kolbe A and Kolbe B personality assessments revealed team members’ internal motivations, thinking styles, primary conflict resolution styles, perceived abilities, likes and dislikes, values, perceptions on strengths and needed improvements, career development preferences and other useful information.

“The findings helped us as a team to talk about situations. We learned why it can be easier or more difficult to communicate,” Weiler said. “Openly sharing our own assessment results with the team fosters a deeper understanding of each other, which now allows us to work together more effectively.”

“When we first started with the team, we spent a lot of time working through personal development,” said Krysten Shoulders, human resources director. “It was enlightening to learn about my teammates’ personalities — and my own — and it made it easier for us to communicate.”

The personality assessment results enabled Shoulders to reevaluate her own work duties as well. She learned, through the leadership development process, that she’s an innovator with quick-start preferences. “I had no idea how these preferences contribute to job stress,” said Shoulders. “We all have an inherent way of doing things; when that is altered to accommodate a job or task, we have stress.” After learning about the assessment results, she worked with her supervisor, Dave Mischler, to make some changes in her job responsibilities. “Now I understand how to be more efficient and productive, and that I can go beyond administration. I still get to learn and grow,” she said.

Shoulders is facilitating a creative team project, the possible startup of Daman University. This educational program is envisioned as a means to share expertise about lean and improvements with the community outside Daman, and to generate revenue.

Her previous project was adding single-stage cavity bodies to Daman’s product line. “We have a few requests every month by distributors for single-stage cavity bodies,” Shoulders said. “My knowledge about cavity bodies and the process our designers and quoters go through expanded; it was definitely a learning experience for me.” That product idea is on hold.

Working through the nine-stage NPD process remains a challenge, according to Shoulders. “I have an inclination to break out and move to the next level,” she said.

Understanding more about team members’ personalities and preferences has been a positive experience for Shoulders. “I believe that it helps us, through leadership development,” she said. “We look more at the entire individual, and lead more with compassion.” Personality assessment has been expanded to other levels of the organization.

The creative team used a workbook provided by Shelley Moore of Insight Strategic Concepts, as it reflected on the assessments and career and personal development and the process for self-awareness, relationship building, collaboration and social integration. “We needed to be more globally minded, looking outward and not inward,” said Shoulders, commenting that, at times, the process of learning more about preferences and personalities was uncomfortable and tedious. “But now I understand my ideal job concept (teaching, being creative, people interaction and hands-on learning); now I have more job satisfaction.” ●