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Bringing Success Home - A Lesson from Canada's East Coast

The business world is vast - we know that. The business landscape in Canada is changing. Wealth is no longer concentrated in central regions. Business people need to learn about the opportunities and emerging wealth in other regions. One place in which business is happening is Newfoundland and Labrador.

Meet Jerry Byrne. Jerry is a tried and true engineer, a guy who knows what it means to get his hands dirty. Byrne is an impressive manager, too. Along with the many talented people with whom he has surrounded himself, Jerry Byrne is having a successful ride on the change management train with a company called the DFB Group. Even more impressive is his corporate mantra, something he "stole" from a service club - "service above self".

The DFB Group one sees today bears little resemblance to the harbour-front machine shop Byrne bought in 2002. A graduate of Memorial University's renowned Faculty of Engineering, Byrne now leads a group of companies who compete internationally as a metal fabricator and manufacturer. They are a global provider of marine industrial and oilfield products and solutions. These folks compete globally - and win.

When Byrne came home from years of working in the United States and made the decision to buy D.F. Barnes Limited - the original subsidiary that started everything for the DFB Group - he bought a company with 12 employees, \$1 million in annual revenues, and two computers. There wasn't even a pre-printed cover sheet for sending faxes! By 2007, the DFB Group had hundreds of employees, more than \$65 million in revenues, and state-of-the-art technology.

Change like this doesn't happen by accident. It takes commitment and a clear vision. The DFB model focuses on planning, people and processes.

Byrne has a number of favourite quotes from famous people that he uses in his business. For example, he often quotes Thomas Edison on planning. Edison said, "Good

fortune is what happens when opportunity meets with planning". In 2002, the company set up a five-year plan to reshape the business. This included buying out the firm's existing management, implementing a massive expansion in technology, qualifying for certification under ISO 9001:2000, and ramping up a new emphasis on safety management. The DFB Group implemented the safety program of the Newfoundland & Labrador Construction Safety Association, and turned a negative safety culture into one of the safest firms in the province.

Part of this plan was the creation of three-year business plans that focused on capability and capacity expansion. This allowed them to grow the business and prepare a firm with a completely new mission, vision and values. This was re-enforced with the company-wide communication of this new mission and objectives, so that everyone understood the DFB Group's strategic direction.

When you read the company's vision and mission, the word that jumps off the page is "people". Indeed, the first sentence in the mission statement is "At the DFB Group, we put people first". How do they achieve their vision and mission? "By creating strong relationships based on a culture of respect, integrity and community."

Okay, you're wondering how the DFB Group turns all these wonderful platitudes into profit. It's actually amazingly simple. By employing the right people with the right skills, and giving them the right tools, the DFB Group carefully applies its internal processes to present a business proposition for the customer that adds value. By adding value, both the customer and the company come out winners.

The internal processes are based on things like quality, delivering on promises, understanding the customer, and providing a premium product at a fair price. This helps build relationships with customers, and in the end provides sustainable and profitable revenue growth.

We talked earlier about the focus on people. This is

where the belief in service above self becomes a reality. The DFB Group has a people-first culture and is an industry leader in terms of profit sharing, training, benefits and compensation. Indeed, Byrne believes that profit sharing will eventually make up 20% of each employee's pay. The DFB Group believes in farming – not hunting. As such, they work at attracting, developing and retaining best-in-class talent and provide technology and training in an environment that encourages learning. Recognition of employee loyalty and performance is also a big part of what makes this fast growing company a great place to work.

On the productivity side, subsidiary, Orphan Industries, implemented a lean manufacturing approach which resulted in a 35% reduction in labour hours for a key product. This made Orphan globally competitive and allowed them to land long-term contracts in both Canada and the United States. Orphan received the BDC Canadian Innovation Award for Productivity Improvement for their efforts.

Jerry Byrne didn't have to come home to have this success, so why did he do it? Like all Newfoundlanders and Labradorians, the dream of working successfully at home drove him to set a goal of developing a \$1 billion company headquartered here, owned locally. If you ask Byrne, he'll tell you that his company proves what can be done in Newfoundland and Labrador. Byrne's patriotic side comes out when he says, "When we succeed, we give people a reason to come home".

And that's what makes business in this province a little different. We still measure success in traditional ways – adding value and creating shareholder wealth. It's just that we add things like growing the local economy and creating jobs for our fellow Newfoundlanders and Labradorians. "Pride" goes hand-in-hand with profit, along with another quality that has kept people in this place for over 500 years – never giving up.

With the huge potential of oil projects like Hebron and the expansion in both White Rose and Hibernia, along with oil refineries, nickel smelters, and other opportunities, the future is bright. The approach and drive of people like Jerry Byrne and the quality and skill of companies like the DFB Group will have this province competing at home and abroad for many, many years.

It's worth noticing.

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Opportunity does not need to be exactly equal. It needs only to exist. For the talented and motivated, that will be enough.

Wm. A. Henry III

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