

2020 Highlights



Challenge

Despite a 100-year-history as a business, AMBAC was struggling both financially and with its culture. Not only was the company facing threats in the marketplace and from its creditors, it was struggling to find ways to get its team working together toward a common future.



Solution

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Results

AMBAC turned to GGOB when it was on the brink of bankruptcy. The team then began its impressive turnaround. In 2019, AMBAC won GGOB's Rookie of the Year All-Star award. But their journey hit a speed bump when they missed earning their max bonus despite what their forecasts predicted. "It felt like falling off a cliff," says CEO Robert Isherwood. "It wasn't just a loss; it was a bruising." Some people inside the organization, the doubters, saw the miss as an opportunity to go back to the old days. Fortunately, AMBAC's GGOB Design Team stepped up and began holding book club discussions focused on WHY they play The Game. It also gave the team the opportunity to put their performance into context. While they may have missed their bonus, sales were up 42%, PBT was up 100%, and absorption (or earned hours associated with production) was up 27%. "The most impactful thing GGOB has done to our financials is the simple fact that our financials are now a daily conversation," says Isherwood. "We may not always like it, but we know where stand—and why." In the end, the believers in GGOB won out. "We didn't quit," says Isherwood. "We bought in." One front-line employee made that point clear when, in a huddle, he said: "I'm not here to get a bonus, I'm here to build a great company."



Company Background

Primarily manufactures and remanufactures heavy-duty diesel fuel injection systems and related components.

"I think it has shown us how to overcome so much needed adversity within. It's made us more open and honest with each other and I feel it's beginning to makes us all more accountable. It's made me feel like a leader without even having that title. I think it's made us stronger as a team overcoming adversity that has been needed for a long time. I think it's made me feel more responsible to the bottom line than any other job I've been at."

~ Jesse Payne, Maintenance

MiniGame™ Highlight

The production teams at AMBAC have driven successful results in their absorption, driving it up 27% from \$3.7 million to \$4.7 million in two years, thanks to MiniGames. One game the team played in 2019 was called “Cash is King” drove \$554,000 of absorption—which was 42% more than their goal. “Much of that growth in absorption happened with largely the same team, the same production technology, the same processes, making similar products,” says Isherwood. “It was, in short, largely the power of an educated and empowered team—and not of a magic technology, brute force commands, or ‘management’ controls.”

“The open book culture creates a community of caring and trust. When we, as employees and business owners, know where the money is going, what the goals of the company are, and the exact steps needed to reach those goals, it makes us feel valued and a trusted resource.”

~ Lori Murray, Marketing Manager

Spotlight on the Pandemic

Isherwood acknowledges that it’s going to be a tough year for the world and AMBAC—maybe the worst ever. “There will be hard days and hard decisions to make,” he says. That said, AMBAC feels fortunate that, as an essential business, it remains open and everyone on staff remains safe and fully employed. And, thanks to GGOB, the team is constantly communicating with each other through their huddles to adjust to new challenges each day brings. “We are very fortunate that we have a Design Team that has helped everyone develop strong fundamentals in business, and AMBAC has ownership level thinking in all areas.” says Isherwood. “We have the capacity to innovate and outplay our rapidly shifting business, the virus, and the economic effects. This black swan will be our trophy. This is our moment. We own it.”

What’s Next?

For 2020, Isherwood has identified several areas that he thinks he and his team can “Level Up.” One is finding ways to leverage MiniGames even more and to get them created from the bottom-up. Another area of opportunity is cementing line of sight for employees so they can better connect their work to the company’s scoreboard. A third lever Isherwood wants to pull is enhancing their approach to High-Involvement Planning™ (HIP), which they launched in 2019. “This year will be our first full year with everyone involved in the planning cycle,” says Isherwood. “That will only enhance our company-wide ownership thinking. We continue to find ways to connect our people to reasons to come to work beyond a paycheck.”