

LIMBERRY LUMBER

New beginnings: when it comes to corporate culture, Limeberry Lumber has found that it's not always just what you offer, but how you offer it, that brings spirited employees into the fold and bolsters the growth opportunities for veterans

by Chris Wood

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When you ask Susan Karcher to talk about her job at Limeberry Lumber, she doesn't immediately tell you about the things she does as a counter salesperson—working a cash register, stocking retail shelves, filing, and administrative tasks—instead she tells you how she feels. “Tell you about my job? Well, I love my job,” she says. “I'm multitasking 24/7 and learning something new every day. I actually wake up every morning and I'm excited to go to work. I get to interact with our customers, and I get to be a part of the company's success.”

Karcher has only been on the job for two months, but already she has received extensive mentoring and training from management and fellow employees, feels comfortable approaching management with a question or issue, and has her sights set on advancement in the company that she says “finally feels like home” after working for several other lumberyards in Illinois and Indiana.

That sits fine with company vice president Scott Limeberry, who has been working to embrace the idea that it is not what you can do, but who you are that will make or break you as an excellent employee at Limeberry Lumber. It's a mission that's still relatively new, one that developed over the past few years following a yard relocation that led to not only expansion of property, but also of growth and opportunities for employees. The evolution also has included Limeberry, who has been able to turn a passing interest in HR into a full-blown responsibility. Using words like “creativity,” “imagination,” and “passion,” he is seeking to redefine the roles of hiring, orientation, and employee empowerment to make Limeberry the best pro dealer it can be. “Of course everyone says that the lumber business is: all about the people,” Limeberry says. “And two years ago we would have said ‘It's all about the people,’ too, but we were still just hiring for positions based on a candidate's experience; we'd focus only on that and fill the space. It was an excruciating process and no one looked forward to it.”

Limeberry Lumber circa 2003 was jammed onto a postage stamp-sized yard, which stifled growth prospects for employees and the company alike. “The store was literally 2,000 square feet,” says Limeberry. “It was tiny, it was cramped, we didn't have any place to store anything, and we didn't have any room to grow. Just low ceilings, no signage, and a couple of retail aisles.”

When a competitor went bankrupt that year, Limeberry Lumber did not hesitate to grab its real estate, and the entire company relocated 4 miles up the street. “Now we have almost 9,800 square feet in showroom space alone, we've got several thousand square feet for office space, some buildings in the yard, and we're constructing additional storage” says Limeberry. “So we've grown a lot, it was a big move for us—we have new POS computer systems, we added a

paint department, we added lawn and garden, we added a rental center, we got a few new delivery trucks. And with that obviously came a few new employees, so we really had to reevaluate what we were doing with HR.”

Small Company, Big Ideas

Of the host of HR reevaluations and transformations at Limeberry, first and foremost has been to begin fostering a culture of hiring employees based on their personality. It’s an idea that Limeberry credits to a variety of sources over the years, including trade magazines, business management books, and roundtables at the Indiana Lumber and Builders’ Supply Association, that he says finally caught on after the company relocated to its new digs. “We had been stuck in the same cycle” Limeberry says, “just hiring the person with the most experience rather than people that might have passion or might otherwise mesh with our group.”

Of course, finding the “passion” in new job applicants is a bit more subjective and complicated than counting up years of forklift experience, and Limeberry is the first to admit that it requires more of an intuitive approach to bringing people on board than just scanning resumes for applicable job skills. “It is definitely a gut reaction,” he explains. “I really don’t know how to describe it, it’s a person with a flair and a spark – it’s someone whose energy just comes through on the interview and comes to life – they are great on the phone, they are great with the way they react to questions, they immediately speak with other employees.”

Limeberry also admits that the passionate people he’s looking for don’t walk into yards every day, and vacancies have been prone to sit empty for longer periods with the additional personality qualifications. “We are beginning to find people that do have both lumberyard experience and a great personality, though and Susan is a great example” Limberry says. “There are people out there who love working with customers and love to answer the phone. But when we were not trying to hire on personality, [we never realized when] those people never came across or desk.”

Prudent hiring is just the start. The company also is taking a more focused and dedicated approach to orientation, mentorship, and employee empowerment, not only to assist new hires through the first weeks at the company, but also to offer fresh supervisory and training skill sets to Limeberry veterans looking to stretch out their managerial muscles. “The whole hiring process has definitely changed over the past two years” says Limeberry retail manager, Melinda Koopman. “When I was hired five years ago I pretty much just had a talk with [owner] Dave Limeberry and then that was it.” In comparison, Karcher met employees she would be working with, was given a yard tour and had job duties explained, and had interviews with Marion, Limeberry, and Koopman, who was later assigned as her mentor.

For the dealer’s beefed-up approach to orientation, “We get training videos from our vendors, the National Retail Hardware Association provides a lot of training material for us, Do it Best has a great program called Training Break, we have NLBMDA forklift training videos and OSHA safety videos, and we’ll put in a DVD during a lunch break or when [new hires] are starting,” says Limeberry. “But above any training video, above any seminar, the core of instilling our culture into our employees comes from something far more important: We teach by example. It is so much more advantageous and effective versus saying, “This is your cash register, you need to ring these people up, and ten walking off.” Although Limeberry says the mentoring is still “informal,” the mentorship concept at the company is more than just pairing a new hire up with one of his or her co-workers for a couple of days. In most cases, managers like Koopman

are the ones putting in the time to instill best practices and the customer service culture of Limeberry Lumber into the greenhorns.

Along with mentoring, on the empowerment end managers are beginning to feel more ownership in the hiring process and the selection of their staffs, according to Koopman. “We have a lot of people here who are dedicated and try to do their best, and we can always use more of that,” she says. “I just started to participate in the hiring process myself – trying to look for people based on what they can give to the company, people who want to be there for our customers and put them first. For the most part, that is where we are headed and where we want to be.”

Even for new hires like Karcher, Limeberry insists that empowerment is vital to keeping his team cohesive, motivated, and thirsty for growth opportunities. Giving control of key retail areas like end caps or high-sales “power aisles” promotes employees’ interest not only in their jobs, but in learning more about the business as a whole. “Not everybody is going to buy commodities and set prices on lumber, but the small things that you can get people involved with from the start are a part of what we’re doing now,” he says. “It’s amazing how it changes attitudes. When employees have had their hands in it they have more pride than if they just walked past something every day where I have given them a drawing showing them how I want it set up.”

Backing Up the Benefits

Limeberry’s final strategy to its recent HR transformation has been a selective revamp of standard compensation and benefits. In particular, the company has restructured its 401(k) and profit-sharing program to reward employees not only for number of years served, but also for annual contributions to the advancement of the company’s success. “We used to reward that based solely on tenure,” says Limeberry of the annual bonus that is contributed directly into employees’ 401(k) accounts. “But we’re really looking more now at accomplishments, and determining year-end amounts in conjunction with performance reviews.”

The company also is using the end of the year for a huge holiday party in the new facility to present cash awards to employees for perfect attendance and for consistently reporting for work on time, recognitions that capstone spot awards – including cash, flowers, and gift certificates to restaurants and golf courses—throughout the year to acknowledge extraordinary service and new business ideas or otherwise take notice of a job well done. “We’re having monthly meetings to share sales results and to encourage ideas,” says Limeberry. “When you take that interest in employees, they’ll invest it back in you. Not everyone is going to stay here 40 years, but it is something that can benefit them in their career and can benefit us while they are working here.”

Karcher, for one, is looking to buck the 40-year tenure prediction. “If there is a day I leave I’ll be 90 years old and they’ll be taking me out in a cart” she says. “I’m already looking to go into outside sales, and everything is in place from the company to help me get there. I know I’ll be there; it’s just a matter of time.”

Vital Statistics Company: Limeberry Lumber * Year founded: 1964 * Headquarters: Corydon, Ind. * Number of locations: 1 Number of employees: 18 * 2004 gross sales: \$4.8 million Pro sales percentage: 80 percent