

Surface Finishing Management Forum

Based on a management panel discussion that was held at the SFIC Industry Convention at Boca Raton recently, we asked panel participant Jim Jones, vice president of Dixie Industrial Finishing (DIFCO), Tucker, GA, to give us his thoughts on some key areas of managing a metal finishing shop in today's business environment. What follows are comments and other information obtained from Jones during the discussion.

DIFCO was founded in 1960 and has been steadily growing and expanding ever since. In 1977, the company built a new, state-of-the-art facility in Tucker, GA, that includes prestressed concrete floors complete with sloped drains that carry liquids to containment areas. It was designed to be an environmentally clean facility, and is continuously upgraded with new technology to meet or exceed regulatory compliance issues. The company is certified for ISO 9001:2000 and serves the automotive, agricultural equipment, construction equipment, lawn and garden, fastener, electronic, electrical distribution, transportation and materials handling industries.

Philosophy

Jones says that the company's philosophy is simple. "Dixie Industrial is committed to providing quality services that meet or exceed customers expectations, through continuous improvements," he said. And, he listed the company's most important assets as a "three pronged" approach. "Our most important assets are employees, customers and vendors," Jones said. "If one collapses, the others can't function. Customers provide us with opportunities, vendors provide technologies, and our employees provide the results," he said. The company philosophy is that "success requires providing the highest level of value to the customer." The company focuses on quality, service, competitive prices, flexibility, capabilities, and building lasting relationships.

Jones said that flexibility is important from a strategic management standpoint. "Our industry is fluid, in constant motion and continuously changing," he said. "So, it's important to always look for new ways to grow the business, through new customer bases, and new technologies and processes. Always look for productivity improvements."

Employees

DIFCO also pays a lot of attention to its employees. "We believe that a friendly and rewarding workplace not only makes life nicer for those who work here, but also motivates employees to increase productivity and efficiency," he said. "The 'can do' attitude has been vital to the success of the company."

Some of the things that DIFCO does to enhance the workplace include an employee recognition program, an attendance incentive bonus program, a performance-based bonus program, continuing education and flexible work schedules.

When asked about building a successful job shop, Jones said there's no easy answers. "One of the things we try to do is come up with solutions to problems," he said. "We also develop strategic alliances and partnerships with customers and vendors. We feel it's just as important to be a good vendor as a good customer." Jones also said it's important to know what costs are in all aspect of business. "When you know your costs, it's easier to become a price maker instead of a price taker," he said. "You need to recognize that all business is not necessarily good business." He said it's important to continuously look for improvements, production increases and cost reductions.

Staying Ahead of the Curve

Asked about the effect of changing federal and international regulations, Jones said DIFCO stays out in front of curve. "We go beyond compliance on the environmental side," Jones said. "We installed a micro filtration system in 1998 that allows us to go significantly below our permitted levels of discharge limits." And, the new OSHA Chrome PEL is not an issue for the company either. "We'll monitor, but we have an extensive engineered exhaust system that eliminates any potential problem. We're ahead of it." Jones said that DIFCO also offers all process to meet its customer's needs, such as those to comply with new EU directives.

What are some of the most important issues effecting metal finishers? "As an industry, we're faced with issues created by globalization and unfair trade practices that are affecting manufacturing and causing lost opportunities for the U.S. metal finishing industry," said Jones. That's why it's so important to continue to work with elected officials, he said. Other issues he listed were rising energy costs, health care costs, taxes and regulatory issues.

Encouraging Others

"One of the most important things we can do is encourage other metal finishers to increase productivity and reduce cost," Jones said. "That will help keep manufacturing at home and increase the customer base. We want to give customers reasons to stay here instead of looking for cheaper prices in other countries. It's not easy to overcome such things as cheap labor, but we can use technology to give them better value," Jones said.

Jones had these recommendations for metal finishing shops. "Know your costs. Take a look at hybrids and such things as lean manufacturing and ISO Quality Management Systems. Try to reduce waste, improve processes and control and monitor." P&SF