

**SUCCESS STORIES:
P&H Mining: Emerging from Bankruptcy and Keeping People Safe**

In 2003, as Joy Global (P & H Mining's parent company) was emerging from bankruptcy, Steve Baue, then P & H's Director of Training, was searching for solutions. P & H, long recognized for its exceptional leadership development and technical training, had been forced to neglect these investments while in bankruptcy. And while there was no question that these investments needed to be restored, both Baue and his boss, Dennis Winkleman, Senior Vice President for Human Resources at Joy Global, knew that it was going to take more than that to get P & H where it needed to be.

They wanted to make sure that they got first things first. So they came to McBassi, asking if we could help them to identify and answer a set of questions that hadn't been asked before. Winkleman told us that one of the things he was "most intrigued by" was our "focus on linking human capital measurement to business outcomes, and using the resultant measures to generate fact-based recommendations."

Baue and Winkleman wanted to systematically understand P & H's strengths and weaknesses in leading, managing and developing its people, and to identify which of those weaknesses put the organization most at risk of failing to meet its growth goals. Only then could P & H develop the coherent human capital strategy that it was seeking, from which training budgets and focus would follow naturally.

We suggested that P & H consider deploying McBassi's HCC Scorecard methodology to get the insights and answers it needed. Baue and Winkleman took a deep breath, and with the support of their senior executive team, took the leap.

Within a matter of a few months, we had canvassed P & H employees across the globe, and our analysis yielded some findings that startled P & H. First, no longer could the management and development of its people be considered an organizational strength. And

second, some of the specific management and leadership weaknesses that we uncovered had clear linkages to safety, an issue that P & H takes very seriously.

That got the attention of the senior executive team, and what had not-so-fondly become known as "the ugly baby report," became essential reading and a springboard for taking action.

Looking back, Baue says, "We knew it wasn't going to be pretty. We were asking questions that we'd never asked before, and some of the answers that we got back were tough to swallow. But the delivery of the results created a startling moment—one that we as an organization have capitalized on."

Over the past three years, P & H has formulated and implemented a coherent human capital strategy, including a specific (and expanded) training and development strategy. Our findings on the link between safety and specific management capabilities have found their way into P & H's overhauled supervisory training strategy. And more broadly, managers across the organization now have the tools and the expectation that they serve as the de facto "development agents" for employees. In short, P & H is now walking the talk – people are its most important asset – and the job of developing them rests with every one of the firm's managers, not just with HR.

Joy Global has performed very well since coming out of bankruptcy. Both Winkleman and Baue (now the Director of Organizational Effectiveness at Joy Global) are modest by nature, and would not want to be seen as claiming credit for their "share" of the company's success. They, however, are in the fortunate position of not needing to do so.

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