



PANAMA PORTS

Creating an Atmosphere that Celebrates Teamwork

The Background

member of Hutchison Port Holdings, the Port of Balboa on the Pacific side. founded, the company started facing which, in turn, is a subsidiary of the The operations are huge. Each week, serious challenges. There were rufirm Hutchison Whampoa Limited, the some 6000 railcar containers are han-mors that a competitor was going to world's leading maritime port opera- dled by mammoth cranes that line the build a mega port close to Balboa tor with interests in 51 ports in 25 ports--30 containers per hour per Port, and that new port might take countries around the world. It is a crane. Workers off-load containers 24 away some of PPC's clients. PPC was private company, but the Panamanian government owns a 10 percent share thousands of employees, moves 2.4 clients. There was also the problem of of the company.

PPC operates three facilities in Panama: the Port of Cristobal and Cristobal Cruise Terminal on the Atlantic Ocean

The Challenges

Panama Ports Company (PPC) is a side of the Panamanian isthmus, and Ten years after Panama Ports was hours a day. Thus, the company, with concerned about its ability to retain million containers each year, making growth. The addition of many new the port second in volume in all of the cranes meant more new hires. For Americas (after Long Beach in Califor- instance, Cristobal had the highest nia). PPC is number one in Panama, growth rate of any port in Panama, and it is number one in Latin America. and in the space of just a few years,



from 500 to over 3000.

As General Manager Alejandro Kouruklis saw it, "growth in the number of employees presented the challenge of maintaining a common culture. Each manager was working in his own department, each trying to tackle his challenges on his own. [There was] a lot of frustration because they were feeling that there were all these external forces threatening their ability to The Solution keep up with the number of clients we had, that the level of growth was hard to manage. [They wondered] whether they had the right tools, the right people, the support of our parent company, and so forth."

pany culture.

In 2007, PPC invited Pepe Miralles of FranklinCovey Panama to train the company's leaders in the philosophy of the 7 Habits of Highly Effective People and in the 4 Disciplines of Execu-



So, the company was in the throes of tion. "When we started to work with managing rapid growth while needing FranklinCovey," explained Alejandro to keep a wary eye on the competitors Kouruklis, "the first thing we did, around them. Moreover, the compa- which we had not done for ten years, ny wanted to achieve the amazing was define our mission and vision for goal of processing 32 containers per the company. When we were in third hour per crane, and to do that, the place among the ports in Panama, our

company needed to make sure that mission was to become the lead port

the employee head count had gone everyone was "on the same page." To in Panama, and we moved to first handle this situation, PPC turned to place. To get there, we had to imple-FranklinCovey. Alejandro Kouruklis ment many changes: first, we adoptbelieved that the work of a general ed win-win agreements because we manager "has very little to do with have had to negotiate with several moving containers. It is, rather, what governments, and each new governis our culture? What is the goal? ment has its own ideas about how What is the direction we are taking?" things work; then with clients, to con-And so FranklinCovey was engaged to vince them to come to use rather than assist the leadership enrich the com- to one of our competitors; then with our workers."

> After the initial training of the top leadership, PPC arranged to have a number of employees certified as in-FranklinCovey facilitators. They, in turn, trained 250 people.

> The trainers worked hard to make their trainees feel comfortable with the process. They decorated the training room with colorful balloons and provided snacks. Purchasing Supervisor Aixa Rose was one of those trained to train others. "As facilitators we had a fast-paced training, good training. Once we got trained we started to train our fellow workers. It was a great experience, the way the sessions were taught and the way people participated."

> Tatiana De Gracia is the Supervisor of Planning and Quality Control for the Engineering Department. She also was trained as a facilitator and agreed with Aixa Rose's evaluation of the training: "The impact in my life was wonderful because I have to model the Habits. We had to make many changes in the way we work, the way we think, our attitudes, break paradigms, modify the way we plan activities, and most of all, in my personal life, maintain a balance."



Cesar Brathwaite, Manager of the De- The Results partment of Industrial Safety and Occupational Health, was also trained as a facilitator: "After the program, I had to completely change my way of teaching because in order to teach the program I had to live it, I had to know it and feel it so I could explain it."

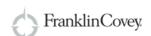
zon, Manager of the Department of into account. They now felt that were Operations for the Cristobal and Balboa Ports. He explained the value of be provided with this type of internausing scoreboards and regularly re-tional training. So, they felt heard, porting the results so that everyone in that they were part of this company, the company is working toward the and that they now had greater power same goals: "One of the most im- to solve issues," explained Kouruklis. portant processes we experienced He added, "You can see how they get with this program was involving the excited about taking it home. They personnel in the results. Every week say, 'This is going to help me with my we go over the results of Operations wife, my husband, to help my chiland the whole terminal, both Balboa dren,' and that makes them feel good and Cristobal, and we share the re- because they are not thinking that we sults with the organization. That is are doing this so they can work faster, important for them, because they are but because we all want to be the best not only measuring their results but people we can possibly be." also seeing the progress and the changes we are making with them so that we move toward the goal set up by the organization."

Using scoreboards, the top leadership as well as department heads go over the productivity measures weekly with their staffs. Such openness allows everyone to see how all the teams are moving toward the goals. But productivity results are not the only items discussed. Continuous improvement plans are also discussed, with the leadership doing a lot of listening in order to get feedback from the employees.

How did the employees feel about the training? "The majority of the people were pleasantly surprised because, up to that point, they really didn't have a way to express their ideas; there was not a channel within the company that they could use to have their ideas One of those trained was Manuel Pi- heard, to feel that they were taken important enough to the company to

"We all want to be the best people we can possibly be."







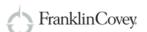
The new company culture has produced results far beyond the number of containers moved in a day or week. Tatiana: "The company has a variety of social projects. Departments practically compete with each other to see which one will give the most to children [in the community]. We are the godfathers of the Leukemia and Cancer Foundation; we have festivities for anniversaries and mother's day; we had a lot of convivial celebrations with singing and enjoying ourselves. In these festivities we share family pictures from the employees, and they feel so proud and so united. So all these opportunities for interaction within the Panama Ports' family, as well as in the communities of the Co-Ion Province and the Panama Province, have been very valuable. So much so that, at a national level, Panama Ports has been recognized as one of the best companies to work for, and that is something we are so proud of, and we have done it in a short period of time."

According to Lisa Ballesteros, Administrative Manager of Port Cristobal and a ten-year veteran of PPC, the FranklinCovey training made a big im-

pact on the culture of the company: ""I definitely think that there is a big change. Ten years ago, when I just got to Panama Ports, the culture was too...how could I explain it so as not to get anyone in trouble? The organization has changed most in how much more we listen to everybody, everyone who works in the company. This has helped us to better understand our business, the objective, that everybody understands the key objective of the company. Before, each department, each person had a different objective. Not now. Now is different because we are all focused on the same thing."

Cesar Brathwaite: "One important change has been the opportunities. Upper Management has given many opportunities to the employees to grow professionally and personally. In my case, they listened to me during management meetings and [thus] gave me the endorsement to grow professionally and take this message to others, namely, that in this company there are opportunities, and if we do our jobs with a sense of commitment, loyalty, and responsibility, we can all achieve things."

"There has been a big change."



Listening to the needs of the employ- Return on Investment ees has produced a work environment that other companies only envy. There is a scholarship program for employees' children who do well in school; there is a physical therapist on site to help with physical ailments; there are nurses, ambulances, and paramedics; hot, healthy meals are provided; even coffee is provided all night for workers on the night shift; employees feel so united that they voluntarily choose to wear matching T -shirts with both the logos of Panama Ports and FranklinCovey printed on them; the company gives coffee mugs to employees with their personal name printed on them alongside the phrase "7 Habits;" key chains and lunch coolers with "7 Habits" on them also are handed out.

In addition to the cultural atmosphere improvements, the company achieved its productivity goals, for when the company was launched in 1997, it was not number one in Panama nor Latin America. But, the company has achieved those goals and is on track to achieve its next goal of 32 containers per crane per hour.

Was it worth it financially for PPC to bring the FranklinCovey philosophy on board? General Manager Alejandro Kouruklis explains: "It was inexpensive, truly. There is no doubt that the investment was more than justified. It was worth it, and we feel proud every time a person who works at Panama Ports receives this type of knowledge from our internal facilitators-to see how they get so excited, not only at work but also at home.



"The investment was more than justified."

FranklinCovey wishes to thank the following for their contribution to this case study: General Manager Alejandro Kouruklis; Human Resources Manager Jose Domingo Gonzalez G.; Training Supervisor Querube Martinez de Diaz; Planning and Control Supervisor Engineering Department Tatiana De Garcia; Facilitator Aixa Rose; Facilitator Cesar Brathwaite; Manager Liza Ballesteros; and Manager Manuel Pinzon. Interviews were conducted in March 2010.

For more information on Panama Ports, contact

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