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Editorial Comments

"JIFFY" – The Right Mix for Business

– Ritch K. Eich, Thousand Oaks, California, USA

Amid the COVID-19 pandemic – one of the most difficult business climates in recent history – business is booming at the Chelsea Milling Company, maker of the top-selling product known as "JIFFY" Mix.

The pandemic is the latest major event that has put the culture of Chelsea Milling Company to the ultimate test. "JIFFY" Mix today remains among the most well-known and popular food products in America, with its signature, retro-style, blue-and-white boxes that most



people instantly recognize. Still, the success of this longtime family-owned business founded in 1887 can't be chalked up solely to the fact that people like corn muffins and nostalgic packaging. The leadership at Chelsea Milling, headed by President and CEO Howdy Holmes, has made a concerted effort to clearly define its culture, following two guiding principles: first, the process by which decisions are made and second, how people communicate.

During the Spring of 2020, the Chelsea, Michigan-based company's family of employees worked eight consecutive weekends with a 100% fill rate. As Holmes explained to me in a late July interview, two factors were evident during this particularly hectic time: first, being vertically integrated, the company does everything itself, including making its own machinery parts; and second, the entire workplace adopted Holmes's philosophy, "We feed America." This viewpoint gives employees pride as they realize their jobs carry a heavy responsibility bigger than themselves and their paychecks.

I was enormously fortunate to know and work with Howdy's father, Howard Sumner Holmes, in his prominent leadership role as a member of the Board of Directors at St. Joseph Mercy Health System and chair of its Development Council.

More often than not, our meetings started at 6 a.m. at Stivers, a restaurant off I-94. Howard Holmes was always prompt. Only later did I realize he had been at "the mill" for a couple of hours before we met! This spoke volumes about his work ethic and his commitment to his workforce.

If there was ever a business whose governing philosophy and actual practice, day in and day out, has been "it's all about people," it's the Chelsea Milling Company. It's also a company that's been characterized by grit, grace, and gratitude for over a century of success.

The following five principles explain the "secret sauce" that makes this iconic company distinctive:

Hiring. The leadership believes the owners are no different from the workers; no one is entitled. The company spends significant time and resources in hiring, using behavioral and personality tests extensively in recruitment to find candidates who will be resilient, work well

with others, and treat others with empathy, among other traits. When a job offer is made, management believes the individual has the potential to be successful in the company.

In addition, Holmes completely revamped the board of directors at the family-run company in 1991 that included both family and nonfamily members. The reorganization ensured the right people were in the right place, not just his family members. Nepotism was rooted out and qualifications for the job became much more important than in the past.

Onboarding. New hires aren't simply placed in their new jobs and then left to fend for themselves. They are connected with veteran co-workers who serve as mentors. Freshlyminted employees are deployed as "process observers" and are transferred among several different departments to learn the business and develop strong working relationships based on trust and respect. This continues for several months. As an added bonus that shows the workers how much they matter, even the boss knows most, if not all, of the 300+ workers by name and can tell you something about the person as well. On an extensive pre-pandemic tour of the plant taken with Howdy Holmes, we were amazed at his recall as he spoke with numerous employees along the way.

Collaboration. Many companies often pay lip service to cooperation and collaboration. To them, communication is often one-way and after the fact: after decisions are made, managers go through the motions of insincerely asking employees for ideas. At "JIFFY" Mix, managers and executives are taught and reminded regularly of the need to ask employees for their ideas for improving mixing, packaging, warehousing, quality control, or a myriad of other processes. Communication goes in all directions, not just top down. Managers understand that when employees are treated like they are a part of a team where all participants know their ideas are genuinely valued, respect and trust often follow.

Personal growth. Chelsea Milling utilizes a holistic approach at helping their employees grow and takes employee well-being to a whole new level. The company has developed several personal growth programs including a wide range of "Discovery classes," biannual nurse consultations on ways to achieve a healthy lifestyle, and annual physicals with the employee's physician (at an annual per employee savings of \$750.) These programs, overseen by a Personal Development director, improve worker productivity and help the employees grow personally and professionally. Among the director's many duties are giving every employee who wants to learn and grow new opportunities to expand their duties at work. Building on but expanding well beyond the firm's historical and strong employee-centered philosophy, Howdy Holmes implemented talent assessments, career progression, training opportunities, organizational evaluations, team-building interventions, and competency models for his workers.

Conflict resolution. The older workers at Chelsea Milling Company are fortunate as they experienced the firm's transition from a sole proprietorship to a professionally-managed company where conflict within the Holmes family was successfully resolved to ensure the company's future. Conflict is common to human organizations, including family-owned businesses, and the key is to channel it to constructive ends. Howdy Holmes learned this valuable lesson and has wisely ensured his executive team understands that if they act and

behave like they have all the answers, major conflict will arise and workplace respect, trust, and dignity will weaken. "Team JIFFY" as Howdy Holmes calls his staff (a concept he kept from his previous, successful Indy car racing career) values workers for the essential tasks they perform as well as the supervisors who steer the effort. Holmes bears in mind that change is a constant – whether in technology or competition – and people learn faster when they break from established routines.

For 133 years, this unique "mix" of stellar business principles with enduring human values has stood the test of world wars, depressions, pandemics, and a revolution in technology. Chelsea Milling Company has embraced new technologies and expanded product offerings for individual, family, and food service customers as Americans' tastes have evolved.

But the primary reason this company thrives is because the Holmes family puts people first — bringing dignity and meaningfulness to every job. Loyal, civil, and hard-working employees and well-made, delicious products that have lasted the test of time are the reward.

About the Author

Ritch K. Eich, Ph.D. (Michigan), former hospital executive at St. Joseph Mercy Health System (Ann Arbor), at IU Medical Center (Indianapolis), chief of public affairs at Blue Shield of CA and captain, U.S. Naval Reserve (ret), is the author of five books, the most recent is *GRIT, GRACE* & *GRATITUDE: Timeless Lessons for Life*. Eich has served on more than a dozen boards of directors and trustees of both for-profit and non-profit organizations across the country. He also served on Congressional committees for the U.S. Senators, Carl Levin and Dan Coats.

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