LEADERSHIP IN PRACTICE
The Perfect Time for a Bold Strategy

A 75-year-old $5.3 billion company, Owens Corning is a leading global producer of residential and commercial building materials, glass-fiber reinforcements, and engineered materials for composite systems. With 40 percent of greenhouse gas emissions coming from buildings, insulating is one of the most important actions that building owners can take to reduce energy consumption. To Owens Corning Canada’s Building Materials Group, every building represents a powerful opportunity to help customers achieve their goals, to create value for shareholders and opportunities for employees, and to save the planet.

When the global recession deepened in 2009–2010, the group’s leaders eyed their market with increasing unease. Growth was elusive, and the U.S. housing crash was causing competitors to eye opportunities in Canada. While the group’s business in Canada was strong, the market needed defending. As vice president and general manager Ric McFadden gathered customer input and began to formulate a growth strategy, he also sent one of his new hires, Wesley Co, to the General Management Program (GMP) at Harvard Business School (HBS) Executive Education. With input from HBS faculty, other GMP participants, and customers, McFadden and Co refined their strategy, put a plan in place to execute—and generated double-digit growth over the next four years.

ABOUT THE GENERAL MANAGEMENT PROGRAM (GMP)
Designed to transform accomplished functional leaders into outstanding general managers, GMP prepares you to assume new responsibilities. Throughout the intensive, cross-functional curriculum, lively exchange with faculty and peers will refine your judgment, enhance your skills, and increase your confidence as a generalist and leader. Results-focused, GMP presents a holistic picture of leadership with an emphasis on practical knowledge.

Learn More about GMP here
CONFIDENCE IN A WINNING STRATEGY

For Ric McFadden, one important question drives his strategy: How can Owens Corning help customers grow their business, save money, and become better environmental stewards? To help find answers at a critical juncture, he sent colleague Wesley Co to the General Management Program (GMP) at Harvard Business School (HBS).

Q. What role does executive education play at Owens Corning?
We want our very talented workforce to be constantly learning, both within and outside the company. In parallel, to continue to challenge them as they grow, we need to provide bigger and better opportunities so that they can move up in the organization. Educating executives and promoting from within not only helps with retention, but also makes it easier for us to manage leadership succession. We hope that as we execute our strategy, we will also challenge our people in new ways and create a bright future for them.

Q. Why did you decide to send Wesley Co to the General Management Program?
Wes is an extraordinary talent with a great career path at Owens Corning. Part of my job is to coach Wes and help provide opportunities for him to move along that path—which means investing in programs like GMP.

Wes attended GMP just as we started to evolve our strategy. In 2009–2010, we were in a recession. Our company had a strong building materials business and good customer relationships, but competition was growing. If you're always playing defense, and the puck is always at your end, then you'll eventually get scored on. So, we needed to go on the offensive and accelerate the profitable growth of our business in Canada.

We talked with our customers and learned two things—that they really did like doing business with us and that they wanted us to become more of a building materials partner, rather than just an insulation supplier. In other words, they wanted Owens Corning in Canada to provide the same type of offering that Owens Corning provides in the United States.

Q. What did Wes bring back from GMP?
Wes returned with critical insight and feedback that translated into considerable success in the marketplace. Our first goal was to understand the probability of success for the strategy we were putting together. During the program, Wes was able to present our situation and our initial thoughts on a strategy to the faculty and to other senior executives from around the globe. He received very positive feedback on the overall strategy as well as good advice on some adjustments we needed to make. Wes and I then worked together to refine the strategy and put a plan in place to execute.

Input from our customers plus validation from a world-class organization like HBS gave us confidence that we had a great opportunity and were on a good path to success.

Q. Based on that feedback, what steps did you take?
We realized the next step was to align the organization with the new strategy. That required evolving the structure, putting the right people in the right places, developing some new skills and capabilities, and developing relationships with partners. We also needed to communicate the vision in a way that would inspire people. That’s why we developed a story that included
everyone—no one was left standing on the sidelines. As a result, our employee engagement scores have gone up substantially.

When you begin to execute, it’s also important to put some type of measurement system in place. Our scorecards help us track our progress, and then we can decide what adjustments to make, when to make them, and who has the responsibility.

Q. How have these changes impacted your business?
Since 2009, we’ve had double-digit growth in Canada, which has enabled us to obtain further investments.

One reason for our success is that we are delivering more value to our customers. For example, we used to ship single bags of insulation; now we ship multi-pack space-saver bags. As a result, we can put substantially more product on a truck, so we can use fewer trucks. We also are using less packaging overall, so we—and our customers—have less unloading and reloading to do, which reduces everyone’s costs. An important result of this change is that when our architect customers are designing a LEED house, they not only get good insulation, which reduces energy costs, but also get additional LEED credits for packaging by choosing our products. So, just by changing our packaging, we have created environmental benefits, efficiency benefits, and cost benefits for our customers.

Q. What other benefits has GMP delivered for your company?
GMP is not just a one-week affair. The benefits continue after the program ends. The connections you’ve established with other participants and with faculty give you an opportunity to get ongoing advice, direction, and coaching.

In addition to the strategy and execution work, Wes’s GMP learning has also helped him mentor others within Owens Corning. Because the benefits are so wide ranging, HBS is certainly on the agenda when we think about future executive education for leaders in our organization.

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FROM CLASSROOM PROJECT TO DOUBLE-DIGIT SUCCESS

**WESLEY CO**
Country General Manager,
Owens Corning Canada, Toronto
General Management Program (2010)

In 2010, Wesley Co found himself in a new role with broader responsibilities—and some strategic challenges. Needing time to gain new perspective on his role, Co attended the General Management Program (GMP) at Harvard Business School (HBS). As he exchanged ideas with faculty and peers from around the world, not only did Co expand his skills as a general manager and leader—but he also sharpened a strategy that would go on to deliver impressive results for his company.

Q. What were you looking for when you decided to attend GMP?
To design a strategy that would help us grow, we needed to be able to see our business through a different lens. As we were in the midst of the recession at the time, I knew that if any place in the world could show us how to cope with the new normal, it was HBS. I also wanted to take the next step to position myself for general management roles.

Q. What challenges were you facing at Owens Corning?
I had several different challenges. The timing couldn’t have been any better from a business standpoint. Ric, my boss, was faced with figuring out how to grow and defend one of our most profitable businesses in the midst of a global recession. He had been talking with customers and learned that they wanted an offering in Canada more like what we had in the United States. So, he brought in someone with that U.S. background—me.

Q. How would you describe your GMP experience?
The curriculum and instructors were phenomenal. I was surrounded by 96 executives from different industries and countries—but in spite of our differences, we often found ourselves in similar situations. All of the participants came to the program seeking a broader perspective and deeper insight as leaders, and everyone wanted to make a difference for their companies.

We were exposed to what I think of as HBS’s rock star professors: Clay Christensen, John Kotter, and others who show up on the New York Times best-seller list. To be able to engage in dialogue with the major thought leaders of our generation is an experience to be found only at HBS.

Q. How did your GMP learning help you at Owens Corning?
I worked on our strategy during the program. I was impressed that our class material related directly to the problems we were dealing with on the front lines. The frameworks were new and innovative, and I was literally able to test them in real time.

I came back to the office with a business strategy that we refined and launched that year, to transform what historically has been an insulation business in Canada into a building materials partner for our customers. We had begun by asking our partners about their pains and goals, and those insights enabled us to have an impact fairly quickly.

We took the framework I learned at HBS, applied it to the insights gained from discovery with our customers, and then turned it into a growth engine that will surpass any economic conditions. As a result, we’ve been able to achieve double-digit growth in our business.
Q. What has been the impact on your career?
I entered GMP as the business director for the building materials business in Canada. About a year after GMP, when we started seeing significant results from the strategy we developed, my role was expanded. I relocated from our world headquarters in the United States to Toronto. Since then, my role has been expanded again to country general manager. Now, I oversee manufacturing and the supply chain in addition to the technical sales, marketing, and other responsibilities I had before.

Q. In what other ways has GMP benefited you and your company?
The networks you establish and the access you gain during and after GMP are second to none.
I’ve seen friends in my living group every year since graduation, and I now have 96 best friends around the world. Several classmates have gone on to become CEOs. I’ve also stayed connected with the instructors. Several of us at GMP 8 have brought professors on-site to engage more deeply in our business challenges.

Q. What does the future hold for you?
I want to continue to grow and develop as a general manager. GMP is helping me do that. I’ve switched from being a manager to being a leader who is growing his own people; I’m now asking the right questions rather than seeking the right answers. One day, I expect to be able to send people to GMP as well.

It’s very important to me and to my team that we have a positive impact on the world. Not only do we want to deliver value to our shareholders, but we also want to know that what we do today will leave the earth better than we found it. That’s why it will be important to me to continue the work we started here.

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