

CERAMIC TECH CHAT

Episode 08

Title – “Leading a Global Refractories Company: Carol Jackson (E08)”

INTRO

De Guire: “I’m Eileen De Guire, and this is Ceramic Tech Chat.

Usually when people think back to their high school yearbook, it’s with a degree of embarrassment for the fashion that was considered cool at the time. But sometimes, those old yearbooks reveal the beginnings of careers and accomplishments that unfold as time passes.”

Jackson: “If you go back to my high school yearbook, you’ll see a caption. Each of us had to write our aspiration. And in my high school yearbook, I declared that I wanted to be the CEO of a multinational corporation. So, I can tell you, it goes back to those early days.”

De Guire: “That’s Carol Jackson, chair and CEO of HarbisonWalker International. Carol has worked at HarbisonWalker since 2014 managing their commercial operations globally before becoming CEO in 2017. Yet her journey to becoming a CEO stretches back further than that, through her education and previous careers.

So how does someone gain the skillset to become a CEO? And more specifically, what does it take to manage an international refractories company?”

(music)

SECTION 1

De Guire: “Carol’s quote in her yearbook was not just a wishful statement. She was already involved in running a business during those high school years.”

Jackson: “When I was in high school, I was part of the Junior Achievement program. And in those days, that’s when we still had the nighttime program where you form a company, you sell stock in the company, elect officers and make products and sell products and then you cash out at the end of the year, get your dividends. So it really is a, you start a business, run a business, and then liquidate a business. And I just fell in love with it. It spoke to me.

And so, from those very early days in high school and going into college, I knew that, I didn’t know what business, I didn’t know what product. I just knew that I love this stuff. This is what I want to do. And I appreciate and respect people who are in service

businesses, there's obviously a place for those. But my thing is definitely stuff, manufacturing stuff."

De Guire: "I like that. So how did you prepare for that?"

Jackson: "So I, as I said, I was in Junior Achievement, and when I graduated high school, I knew I wanted to go into business, but what that meant, I really didn't know. So I made my way around the Pittsburgh schools. I did my undergrad at Duquesne, and that was the early days of what has become a logistics curriculum, so supply chain logistics. And so, I was a business major. And it was there that I learned about a program at Carnegie Mellon. There's a joint degree program that gave you the more quantitative, technical MBA, it was an MSIA at the time, and a joint law degree. So I kind of put it in the back of my mind as something that I might want to consider at some point in my life.

So I, in my early days of business, I kind of, I went from job to job, really. So I ran a chamber of commerce for a while. That was actually a great way to at a very early age get to know a number of businesses. And also when you're in a chamber of commerce, obviously you're interacting with a lot of business leaders, and so I met some people who really inspired me to think about getting my education because I concluded, I don't know enough, I need to go back to school. And that's when I ultimately did go back to the joint degree program.

And I had always kind of thought, wouldn't it be nice to be a lawyer, but I knew I never wanted to practice law. And so I did the joint degree program and pursued a specialization in business law, so mergers and acquisitions, and employment law. And so, kind of found my niche and did the law thing and really enjoyed the business side of it. And specifically mergers and acquisitions. And actually, when I started my career, my real career joining PPG, I thought for sure that I was just gonna go into the Corporate Development Group and buy and sell companies and do transactions because I found that was pretty fascinating.

But early on in my tenure at PPG, I was given an opportunity to get some different experiences. And one of my earliest mentors said, 'You know, if you really want to get anywhere in this company or any big manufacturing company, you really need to go into sales. Go live with the customer for a while.' And so I did that and loved it and realized that I had a knack for it. And specifically, it's again the getting in with a customer, understanding their needs, developing a value proposition that resonates with them. It's all part of business. And so, went from a sales, couple sales opportunities to business development and then eventually got to run my own business within PPG, and it was like it just clicked. This is so cool. You have to make the decisions, right? Eventually. But it was, finally I had realized my dream of running a business and discovered that not only did I like it, but I had a knack for it."

And so I was kind of in the middle of my career, and establishing myself as somebody who could come in, get to understand a business, reshape a business in some cases. And it just so happened that I had the opportunity to consider a position with HarbisonWalker.

The position that I took when I first joined the company was a leadership role in the commercial organization. So, I joined the company, not really knowing much about refractories, certainly knowing the downstream industries. But really very interested in the company. It's a rare but really phenomenal thing when customers are your biggest advocates, and I couldn't find bad stuff about HarbisonWalker among the customers. You know, people just love our products, they love our people more than anything. And so to be able to join a company like that.

When I joined the company, it had just emerged from a restructuring bankruptcy. Not for financial reasons, but because of asbestos. You know, the refractory industry, the history there is we used asbestos in the manufacture of our products, as did the rest of the industry. So over the course of time, the mid 80s, late 80s, no more asbestos in the products, but you've gotta deal with that liability. So the company was taken through a structured bankruptcy, emerged in 2013, and I joined in 2014.

And at the time, the company was named ANH, which was merely the first letter of each of the legacy company names. So AP Green, North America Refractory, and HarbisonWalker. And so one of, I got in on the ground floor, essentially. I came into the company at a time when, as I said, just emerged from bankruptcy. And so, you had these three really amazing companies and groups of people who were under one umbrella but not really one company. And so one of my early challenges was to completely rebrand, reshape the image of the company, establish a mission, vision, and values. And so, I had the great honor of being part of that process.

De Guire: "So in other interviews, you've talked a lot about culture and corporate culture and why it's so important. So could you talk to us a little bit about what the culture shifts were that you had to do as you integrated three distinct companies and got them all to think in terms of being one family and one company."

Jackson: "Sure, sure. Well, the first and foremost, philosophically, I'm a firm believer of the old adage that culture eats strategy for lunch. You can have the best strategy, the most elegant business approach, and it might look really pretty on a piece of paper, and it might sound good. But if your people don't buy into it, if your company culture doesn't support it, it'll fail. And so critical to ensuring our sustained success, moving forward, are our people.

And so when it came to really looking at the culture, one of the things that we did was talk to our people. Get the voice of our organization, the voice of our employees to understand who are we, what are we about. And despite the fact that there were three companies that came together to form what we know now to be HarbisonWalker, the common characteristics were palpable and significant. And by that I mean whether somebody came from an AP Green line of business or a North American Refractory line or HarbisonWalker, our people said, 'Look, we are and we want to be doers. We look at ourselves...' Think about rolling up your sleeves and getting into it with customers. Our people are the get-it-done kind of folks.

And so we already had the culture. It was a matter of reminding people, telling people, ‘This is who we are. This is consistently who we want to be.’ And our customers love us for it. The market globally admires us for it. So it’s really important that we pay off on that commitment to the industry.”

(music)

SECTION 2

De Guire: “When Carol first joined HarbisonWalker, she was intimately familiar with some of the downstream applications of refractory ceramics because of her previous work in the steel industry. However, refractories themselves were new to her, and only through her work at HarbisonWalker did she come to truly appreciate how essential refractories are to all kinds of industries.

And Carol is not alone. When the coronavirus pandemic hit, the lack of awareness in certain governmental groups about the importance of refractories became evident.”

Jackson: “Well, you know, when the pandemic first hit and changed our lives. And if you think about it, I just recall, I can’t remember the date, but I distinctly remember it was a Friday when, in our case, the Pennsylvania order came through and companies were ordered to close the doors. The first order of business was to elevate our position that we were an essential business because you may recall when not only Pennsylvania but other states were declaring that life-sustaining businesses were the ones to remain open and everyone else had to close the doors or go remote. In some states, in some countries, refractories were understood to be part of the critical value chain and essential or life sustaining. But in our case, and specifically in Pennsylvania, we were not. We were not viewed as a life-sustaining business.

So our first challenge, and it wasn’t just HarbisonWalker, it was all refractory companies, we were quickly forced to do a lot of PR and a lot of phone calls to legislators trying to influence the decisions that were being made about declaring certain businesses essential. And so that was the first priority, is to keep our plants running.

Now, a lot of Harbison’s plants are not in Pennsylvania. In fact, most of our plants are in Missouri and Ohio and Michigan. And fortunately, in most of those states, folks had the foresight to appreciate that they needed to let that refractory plant keep running. Making product that was so critical to make steel and medical products, etcetera. But we had to fight in Pennsylvania to advance our cause. And then that cause, by the way, became an industry-wide initiative that the WRA took on and TRI, The Refractory Institute, took on.”

De Guire: “WRA being the World Refractories Association.”

Jackson: “Exactly, yes. To really advocate for the industry and educate folks on the need for refractory and why if you declare that a steel company or an aluminum company or a pulp

and paper company are critical supplies to medical products, for example. Well, in order to make that stuff, you need refractory. So that was really the first order of business.”

De Guire: “So, let’s see. You are also starting a two-year term as the chair of the World Refractories Association. From that vantage point, you get a view of the entire global refractories industry. So can you give us a feel for what you see as the biggest challenges and opportunities facing the refractories industry, in say in the next two, three years.”

Jackson: “Sure. Well, and I will tell you, when I first accepted the nomination to become the president of the WRA, I of course had no idea that my first year was going to be a COVID world, in a COVID world.

And so early on in my tenure, we were speaking of challenges, confronted with this issue of justifying our existence as an industry. And so first and foremost, that is still our challenge, to continue to advocate as an industry association for understanding and awareness. Not only, I mean, it certainly would be nice for the entire world to appreciate what refractories are, but even folks in the industries that use our products. Like I mentioned, early in my career, I was in a steel company. I didn’t know what refractories were. So that education and promotion is an ongoing challenge for refractories industry. And you’ll note that the WRA, our new website has a lot more infographics and informational videos on what are refractories and why are refractories so critical. That ongoing informational campaign.

So early on in my tenure, one of the newer committees that we actually just formed at the end of last year was a communications committee. We already had a technology committee and the committee to focus on safety. You know, that’s, a lot of industry associations, by virtue of having competitors working together, you have to find rather benign common interests that are legal for you to talk about. And those are the obvious ones, safety and technology and such. But we also, and really it was the vision of my predecessor, Stefan Borgas from RHI, his idea was to form a communications committee. So when I came on board, that’s when we really got ramped up that committee, and thank goodness we did because that was the catalyst, the mechanism by which we could focus on education and developing awareness of the necessity of refractories globally.”

De Guire: “So HarbisonWalker is a corporate partner of The American Ceramic Society. How would you say can the Society benefit the refractories industry?”

Jackson: “Keep doing what you’re doing. One of the greatest benefits I see of our partnership is providing opportunities for education and development of the next generation of folks. It’s no surprise, shouldn’t come as a surprise, that our industry like most is in a war for talent. And in my view, when I think of who our potential future employees of HarbisonWalker and our future leaders of the company are, we’re battling for the next generation of employee with not just refractory companies, not just companies that might hire engineers, but any company. The world is our competitor.

So given that war for talent, the more we can do to inspire and excite young folks to take an interest in engineering careers, and specifically, selfishly, ceramics, the better off we're going to be. So that to me is so critical. And it's our obligation and it's in our mutual interest to work together to inspire those hearts and minds of the next generation of folks. And a diverse group of folks, at that. I think all of us can do a better job at attracting a diverse set of entrants to these kinds of careers. That to me is where we need to focus our efforts and where the greatest benefits have been and where the greatest opportunities lie for the future."

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SECTION 3

De Guire: "In addition to polishing your business acumen and learning about your given industry, the most important part of being a CEO is connecting with the people in your company. And keeping and nurturing those connections during a global pandemic is a challenge that Carol thinks about every day."

Jackson: "I distinctly remember that Friday as we were posting the notices on our office doors, indicating that we were by order of the governor closing our doors. And it felt like, it felt like our team was being broken up. We were all heading our own separate ways, certainly to our home offices, but some of our folks live in other cities and such. And it was a little emotional because it felt like we were ending something, and I'm sure other folks felt that way as well. I don't think, I'm not the only one who was particularly caught up in that."

DeGuire: "Oh, absolutely. We have two families, our work family and our home family."

Jackson: "Exactly, exactly. And it is, it's part of, it really is part of our culture. And so, we kind of broke up the family a little bit there. It's become a challenge is just keeping people, the energy level up and keeping folks engaged. And early into the COVID crisis, I detected a palpable decline in energy level, and you kind of just feel it. And so we were really looking for ways to get people to kind of get back into it. So we have virtual happy hours where, you know on a Friday afternoon, we were doing regular daily COVID task force calls, and so Friday call would be cocktail hour, you know, happy hour. And sometimes we would even have themes like a luau."

De Guire: "Oh, nice."

Jackson: "Gotta change it up and make it fun. But more than anything that's critically important, is ensuring that we're taking care of each other as well because, you know, you can't separate your heart and mind from the rest."

De Guire: "Right. It's like you said, it's people. It's managing the people and keeping them connected."

Jackson: “Even if we move to, let’s say, a modified remote working environment, where you have folks working in the office if they can and it makes sense to do so. But even as we look to onboard new employees, which we’ve done, we have a program that we started. Actually, it’s a second generation of a new recruit program that brings in folks from college programs, ceramics programs, engineering programs, predominantly. Those tend to be our targeted groups of people we look to recruit into the company. That’s our field team, if you will, our farm team to feed future roles. And we were committed to that even this year with COVID, and despite cost reduction measures and other tough decisions that we had to make in terms of managing our cost structure, in light of significant reductions in revenue because of downstream demand loss, we were committed to recruiting new employees and bringing in that next class of recruits, albeit smaller.

And there’s a challenge. How do you effectively onboard, engage, and, as importantly, get that heart and mind of that new recruit to become part of the company? And so our remote working environment has presented challenges, but we’ve done it in a modified way where our new class of recruits, they’re actually working and their first rotational assignment is in our lab, our ATRC lab [Advanced Technology & Research Center] in West Mifflin, because at least we are operating that facility. Folks are responsibly socially distancing themselves and working in environment, but at least we’re able to onboard these folks in a way that they’re engaging directly with Harbison people and learning about our products and our business, and then they’ll go on to another rotation.”

De Guire: “Let’s imagine a young person graduating, let’s say from Alfred with a degree in ceramic engineering, looking at job opportunities in the refractories industry or maybe the additive manufacturing industry. Okay, one pretty well-established, kind of hard to explain at Thanksgiving. The other one, you know, up and rising, everybody’s heard something about it.”

Jackson: “And it sounds really cool.”

De Guire: “Yeah, yeah. So, you know, what would you say to that young person that would be the reason to compel them to really look at the refractories industry as a career path.”

Jackson: “Yeah, sure. So often, people are looking for why. Why do I do what I do? Why should I feel passionate about what I do? How am I going to make a difference in the world? It’s our people that are making a difference in the lives of our customers every day, in the lives of our communities every day.

What we’re trying to create is a place where it’s not just about making products or providing services. But rather it’s a place where somebody can come in, have a totally fulfilling career, and truly make it part of who they are. That’s why we have those five generations of people who work for us. That’s why we have... We have folks at our town hall, I do the recognitions for work anniversaries, and it is not uncommon for me to be recognizing people for 40 plus years with our company. You don’t, you don’t, and families, generations of family members, you don’t get that kind of loyalty and just a feeling of, it’s a family, by being a company that doesn’t treat its people right. When you

join our company, it's not only a place to work, it's a place to be, and a place to fulfill your dreams. And so that's kind of what I remind our new recruits, the choice they've chosen is a good one."

(music)

CONCLUSION

De Guire: "Though navigating a pandemic is far from easy, having strong relationships with your coworkers is an important part of maintaining a successful business. And that applies at every level of the organization, from entry-level workers all the way to the CEO.

I'm Eileen De Guire, and this is Ceramic Tech Chat."

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"Visit our website at ceramics.org for this episode's show notes to learn more about Carol Jackson and HarbisonWalker International. Ceramic Tech Chat is produced by Lisa McDonald and copyrighted by The American Ceramic Society.

Until next time, I'm Eileen De Guire, and thank you for joining us."