

EXECUTIVE SUMMARY

FOR MEMBERS

OVERVIEW

Developing a Corporate Enterprise

by Alejandro Bustamante, senior vice president of operations for Plantronics

Plantronics takes care of its people, their families and communities, and the environmental. But there most unusual efforts are aimed at its employees.

ALEJANDRO BUSTAMANTE, senior vice president of operations, has led Plantronics' operations and supply chain for the company's commercial and retail sectors since 2012. He joined the company in 1994 as president of Plantronics Mexico.

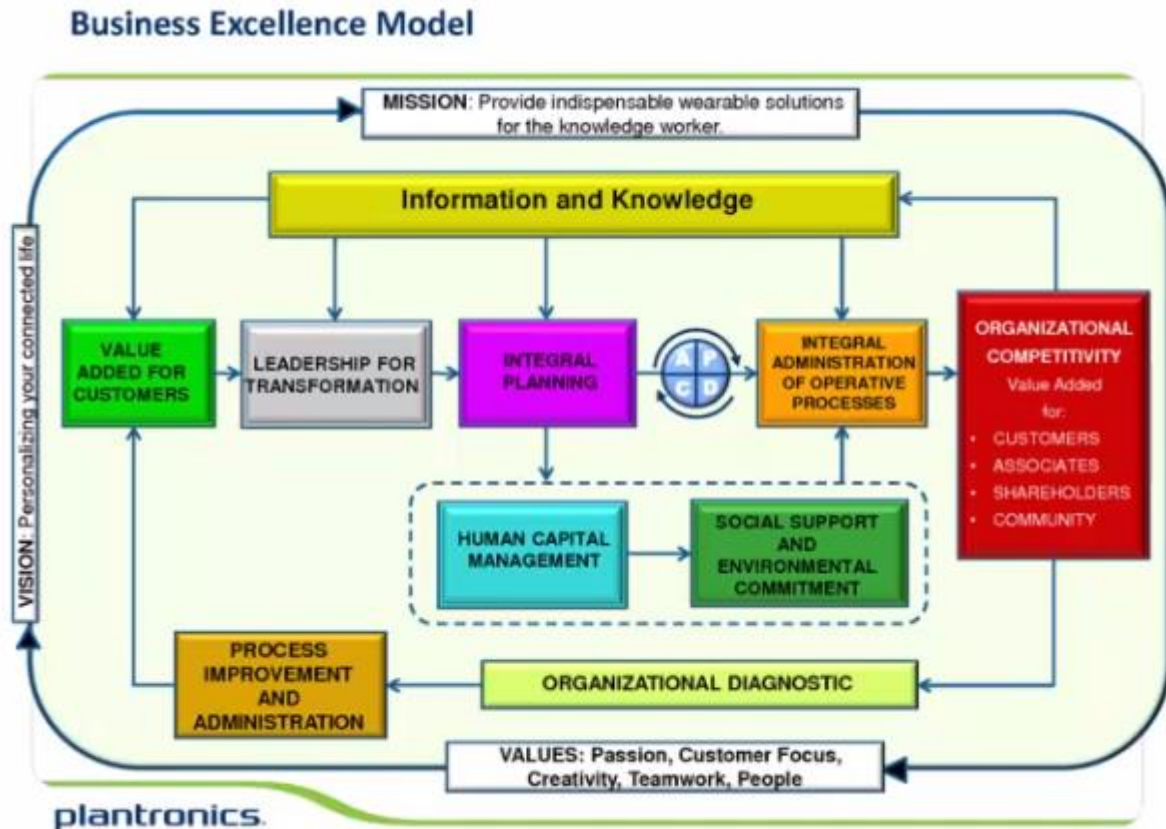
Plantronics, which employs more than 3,000 people in 30 countries, is a leader in contact center, consumer Bluetooth and business communications, and has revenues of more than \$800 million.

“We have tried to be a very balanced company...good at a lot of different things we do.”

The Tijuana, Mexico, plant serves as a benchmark. It is visited by thousands of people a year interested in its best practices, so many that people there joke that it is an attraction akin to Sea World.

Not only does Plantronics take care of its bottom line, it takes care of its people, their families and communities and the environment. It produces 70 percent of the energy it uses with solar

panels, has state-of-the-art product development labs, work areas that foster collaboration and unified communication worldwide that allows the sharing of best practices.



“Everything we do here starts with our intention to generate value for our customers.”

The company is focused on adding value for its stakeholders: customers, employees, shareholders and the communities in which it operates. It seeks regular feedback from each of those groups in order to determine areas in which they need to improve. “It is a system that has worked for a lot of years and it has been very, very successful.”

That added-value imperative means a lot of things at Plantronics. One of them is the company’s heavy investment in its human capital. “The culture makes a huge difference here.”

Plantronics employees have access to on-site education ranging from high school through masters-level degree programs. They have a chance to choose their career paths and enroll in training to acquire the requisite skills.

Plantronics developed a manufacturing system that, despite its high level of complexity, ships 96 percent of orders within 48 hours. And it has a computer system that tracks materials from its

warehouse in San Diego through its production floors. Key indicators are available online and anyone who works there can see how each plant's production line is doing at any given time.

That's an element of the company's effort to be very transparent with employees. Plantronics also offers monthly town hall meetings to keep workers abreast of developments and offers a quarterly operations review.

The company's employees are encouraged to participate in the effort to make the company more competitive and in the last six years the company has saved more than \$30 million thanks to their suggestions. "This year we are going to be getting very close to \$7 million (from) the ideas of associates."

More than 400 couples have gotten married on the 14th of February in company facilities and on the company's tab. Plantronic's generosity earns it the gratitude of employees, but also is a "great statements of our values."

Employees' families have access to onsite medical care in Mexico, and their children are offered drug, alcohol and smoking prevention training. Every year, the plant adopts an orphanage; it supports the military and the fire department; contributes to reforestation; provides environmental awareness training; and teaches recycling and donates recycling containers.

In all, the company has developed 188 programs focused on its employees, their families and communities.

Not all are on a grand scale. "We do very simple things, like giving business cards to everyone in our facilities." Those \$20 cards foster pride in the employees, and bring the company a lot of positive attention in places like Mexico, where business cards are rare. The first time they were distributed, 1,000 people came in to apply for work – saving the company recruiting dollars.

"I get a ripple effect. You do something right, you're going to be getting a lot of things right."



The executive summary above was written by staff from watching the presentation and many other ideas were presented. Members may watch the full presentation if wished by logging in.