

Magnum Logistics

A Culture of Caring and Unity

By Matt L. Ottinger

When owner Jim Sharp launched the full service transportation solutions provider Magnum Logistics in 1997, his idea of the ideal workplace culture was rather simple. “From the very beginning, my goal has been to treat people like I want to be treated myself,” he recalls. “The Golden Rule is a pretty good business philosophy.”

With his Plainfield-based company now residing on the Best Places to Work in Indiana list, it appears his employees believe the philosophy is an effective one.

“It’s a real family atmosphere,” relays Jody Zack, human resource manager. “What’s interesting about Magnum that makes it unique is from a (truck) driver’s perspective. When they work somewhere, they tend to be a number and just a truck filler. But that’s not the case here; you’re recognized as a true individual. It’s really nice for drivers coming in from other states. Some are away from home, and they know we care about them as an individual.”

Sharp contends that cultivating a winning workplace begins during the hiring process, and sometimes a person’s ability or knowledge isn’t the most important quality to assess.

“One thing that makes it a great place is the quality of people who work here,” he beams. “If you work in an environment where there are quality individuals, you’re more likely to attract more quality people and everyone enjoys it more.

“You can teach a skillset, but you can’t teach character and integrity,” Sharp adds. “So the first thing we ask is, ‘Is this a person with character, a moral compass, a work ethic?’ If they have those three things, the skillset isn’t as important. We can teach that. I think everyone here trusts everybody and genuinely likes each other.”

Collective sacrifice in tough times

In 2009, many small companies faced a dire dilemma: change the way the business operates – or cease to have a business at all. Magnum was no different.

“In January 2009 – like a lot of companies – we were faced with the possibility that we might not be here,” Sharp remembers.

He explains the last three years have been incredibly difficult for the company. In 2005, Magnum did about \$53 million in revenue, opposed to just \$26 million last year.

“That’s the result of what’s happened in the economy,” Sharp offers. “But in an effort to keep the company open, we looked for ways to cut every dollar we could without laying anybody off or terminating anybody – although I think we did eliminate maybe one or two jobs.”

He says the company then asked staff to take a 10% pay cut; at the same time management took a 20% decrease.

“Nobody complained about it. ... We were open with people about the circumstances and what’s going on in the industry, and about our action plan – and everybody agreed,” Sharp states.

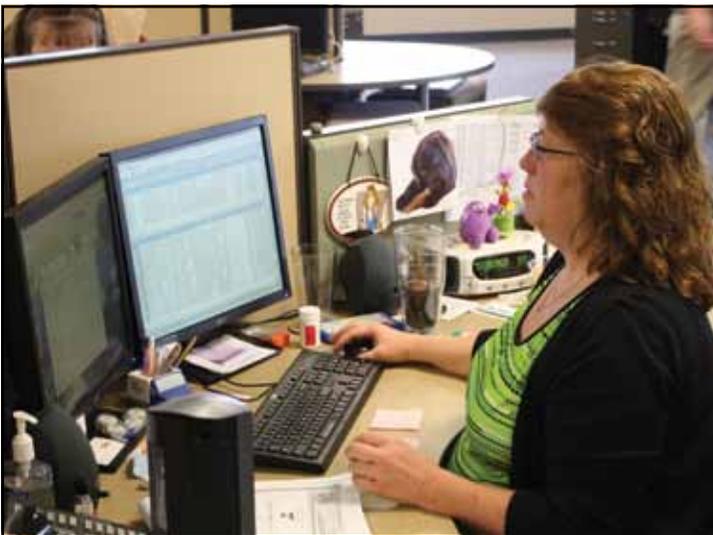
“That could’ve been a real morale killer,” Zack asserts. “But people were thinking, ‘Well, we can take a pay cut, but still keep a job at this great place where we’re

working.’ You can’t stay the same when everything around you is changing. But it’s definitely been worth it (to stay at Magnum).”

Those employees are now rewarded with a positive culture filled with some unique benefits. The company not only offers wellness challenges and financial incentives – including weight loss competitions and \$500 to quit smoking – but employees are also assisted with the volatile and unpredictable expense of getting to and from work.

“Gas prices right now are a tough deal, so we have a fuel surcharge that we pay employees,” Sharp explains. “That’s based on how far they live from work and the price of gas. They get a

Customer service representative Barb Redman credits Magnum’s flexibility and family-first atmosphere for earning her loyalty during her eight-year (and counting) tenure with the company.



little extra in their paycheck to help take the sting out of gas prices.”

Moving forward together

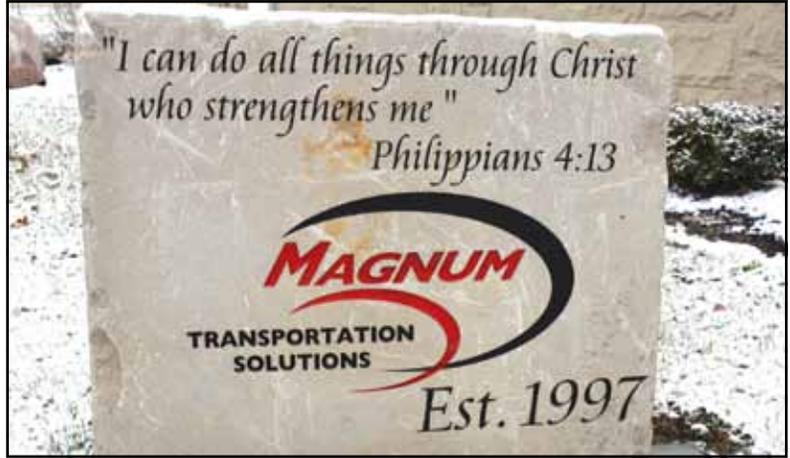
Barb Redman, who works in customer service and inside sales for Magnum, echoes management’s sentiments that employees are treated like people.

“A week after I first started, my mom had congestive heart failure,” recalls Redman, who began at the company in 2004. “They were so nice about giving me the time off to deal with all that, even though I’d only been here a week or so. There’s closeness in the company and it’s definitely family-first.

“I’d worked for other companies in the trucking industry before I started here, and those companies are generally bigger; you don’t feel the one-on-one (camaraderie) like you do here,” she offers. “Even though everybody has different personalities, everyone here seems to really get along.”

Zack adds that a Christian-oriented culture helps keep morale high during difficult times and that the company strives to make its industry – and the world – a better place.

“(Sharp) is a Christian and tithes 20% every year off the top to a number of different charities,” she explains. “He’s said



Faith plays a major role at Magnum – and owner Jim Sharp took a leap of faith in 2009 by asking management and staff to take pay cuts to avoid layoffs during lean times.

he wants to leave the business to (current employees) when he’s gone, and he just asks that we continue the tithe.

“These beliefs aren’t something that are pushed on people (who may not share the same sentiments), but it makes it a comforting place to be,” Zack clarifies. “It’s just a great place to come and work every day.”

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