



## **Consciously Elevating Humanity with Silicon Technology Hemlock Semiconductor Is Well on Its Journey into Conscious Capitalism**

Morale is high, employees are engaged, and the journey to consciousness moves forward at Hemlock Semiconductor (HSC), the only US-owned producer of hyper-pure polycrystalline silicon. It hasn't been an easy road to follow in recent years, what with unexpected trade tariffs, multiple changes in the manufacturer's ownership structure, and a new leader. But with a strong purpose and a conscious culture, HSC is getting back on track.

### **What it was like before.**

The company was full of uncertainty with the closure of its new plant in Tennessee before it even opened. The closure was due to trade tariffs enacted in 2012, which halted trade with the Chinese solar industry, the largest consumer of polysilicon. On top of that, it was spun out as a standalone entity as part of the DowDuPont merge-and-spin and has undergone multiple changes in ownership. That produced major doubt, to say the least! The uncertainty, even though beyond the control of management, had a tremendous impact on employees and morale.

### **What happened?**

When Mark Bassett became chairman and CEO of HSC in 2016, he had some tough decisions to make. After surveying the situation, he decided the best way to move forward was to give the company renewed goals and a purpose the employees could believe in. The employees knew the company had to change and were ready for whatever was next. With those decisions made, the remaining employees needed clear direction for the future.

“We owe it to our employees to create a positive culture where they are valued, recognized, and rewarded; we owe *purpose* to our employees!” – Mark Bassett

With input from employees, HSC created its new purpose statement and blueprint goals.

“Our purpose is to transform people's lives by energizing and connecting our world through silicon technology.”

With the company's two main markets in solar energy and semiconductors, that purpose was right on target. The new guiding principles are:

- A market presence of *value* rather than volume
- A drive toward operational efficiency
- Define and create an employee-centric culture



The purpose statement and guiding principles turned out to be the first steps in the path toward “Consciousness.” Without knowledge of Conscious Capitalism, Bassett had started to define a *Higher Purpose* and had chosen the first of its stakeholders to work on: its employees.

The first two of the guiding principles are regarding the company’s business and financial goals, and help to provide purpose. But the third, creating a conscious culture, was a bit more difficult to do, especially under the stress of so much change and uncertainty at the time. HSC started with a Culture Statement that employees could embrace:

“I am part of a winning TEAM. I understand that I am ALIGNED to our vision and strategy. I KNOW MY ROLE to help achieve them. I am RECOGNIZED for what I do. I am coached and DEVELOPED. And we have FUN together.”

### **What’s it like now?**

But with a new aspirational culture statement, action and new behaviors were needed to make the culture a reality. HSC engaged employees to operate in an environment of trust where they feel safe to ask questions and present their ideas. There is a new way of working where three important principles are kept in the forefront.

- 1) Challenge each other to get better each day
- 2) Be courageous
- 3) Assume the goodwill of those who may challenge you to improve

Critique is taken without defensiveness, and HSC has a program in place where employees can reward each other person to person for the improvements made and goals accomplished, including monetary rewards. Those three principles have grown into a conversational and coaching style of management.

“Connecting heads and hearts can be the biggest challenge,” states Bassett. “We engaged employees in continuous improvement projects throughout the site. They have good ideas, especially when they understand which product attributes are important to the customer and why.”

Now, the team not only understands the new culture, they practice it everyday. Employee updates and education are delivered through company-wide townhall forums and frequent personal visits from the leadership team. Bassett maintains his visibility and easy access as he rides his bike around the plant site, occasionally dropping into team meetings to update employees on the bigger picture, or just stopping to talk to employees. It is safe for *any* employee to express their opinion or add to ideas for improvement.



The team members are more engaged and want to learn more, especially with the knowledge of how their work improves people's lives every day.

The employee-centric culture doesn't stop at the plant fence line. HSC is not only interested in employee well-being where they work, but also where they live. HSC has always contributed to community events and interests but their conscious journey has taken it to a new level recently. With employees living all over the Great Lakes Bay Region, HSC supports efforts in the whole region and has increased its support of charitable and non-profit causes. Many HSC employees are involved in a variety of community causes. Among the ranks of the team:

- At least 25 are volunteer firemen
- HSC has an ambassador program where HSC employees maintain connection with many civic and charitable organizations throughout the GLB Region
- 16 are on the Care Committee, which reviews grant requests submitted through the Saginaw, Bay, and Midland community foundations, always looking for ways HSC can leverage its support and resources, which have grown under Bassett's leadership
- Mark Bassett was the Saginaw County Chairman for the 2019 United Way Campaign
- HSC is the premier sponsor for the Temple Theatre and Saginaw Art Museum
- An uncounted number of employees engaged in local community organizations

To keep the leadership team up-to-date on its conscious leadership style, HSC conducts bi-annual leadership retreats. At the retreats, teams review company goals and milestones and learn more about courageous leadership, insight principles, coaching techniques, and the conversational style used to manage the entire team at HSC.

### **What lies ahead?**

The future looks bright for HSC. Its employees are more engaged and eager to learn more about ways to improve products and processes and the opportunities they can create for HSC and its customers. The team has created a strong higher purpose and a conscious employee-centric culture, and has adopted a conversational management style based on trust and openness in everything they do.

"No doubt we have a long way to go, but our journey into Conscious Capitalism has us on the right path. We are well on our way to energizing and connecting the world with silicon technology." –Mark Bassett