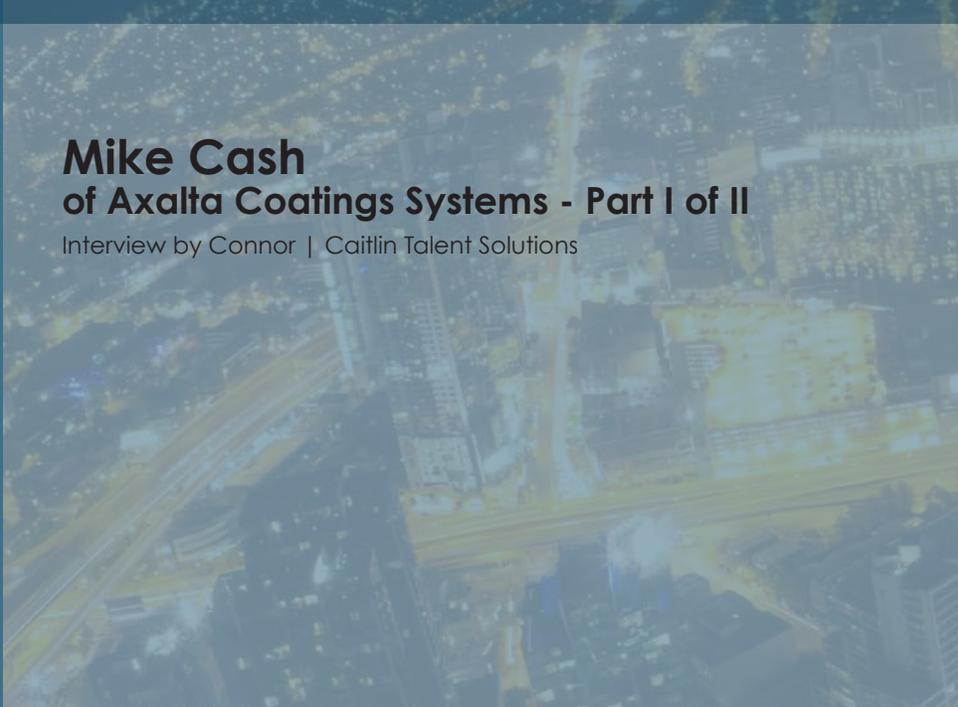




# COATING INSIGHTS

**Mike Cash**  
of Axalta Coatings Systems - Part I of II

Interview by Connor | Caitlin Talent Solutions



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## Mike Cash of Axalta Coatings Systems - Part I of II

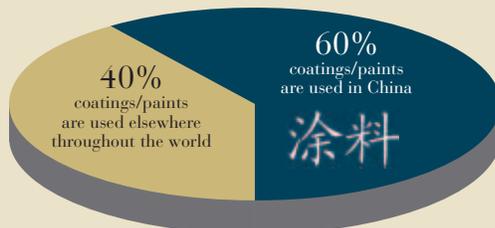
Interview by Connor | Caitlin Talent Solutions

To increase market share and achieve substantial growth, corporations continue to expand and explore new regions, paving the way for a global economy. However, while opportunities abound, corporate challenges emerge from the limited pool of qualified candidates and their ability to fulfill even the basic needs for conducting both domestic and international business. As a result, leading corporations are forced to become more resourceful in finding suitable professionals capable of leading to the next realm of possibilities.

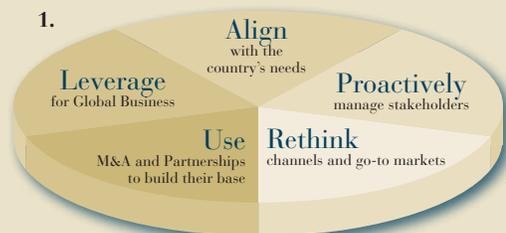
In January 2015, the Managing Partners of Connor | Caitlin sat down with Michael A. Cash, President, Industrial Coatings for Axalta Coatings Systems, for a discussion focused on current talent issues facing the industry. This is the first issue of a two-part industry insight series.

### Talent Challenges in the Global and Domestic Coatings Industry and Domestic Markets

When forecasting challenges in the global coatings industry for 2015 and beyond, Mike Cash finds it hard to discuss without first considering the developments of China. “Presently, roughly 50 to 60 percent of the gallons and pounds of industrial coatings used every year go through that country alone,” says Mike Cash, President of the Industrial Coatings division of Axalta Coatings Systems. He points out that China, as one of the largest



world economies, represents a complex challenge for businesses. “Even with its large



economy, China is still a market that requires a strong local presence and an understanding of how to conduct business in that region. Every day, large multinational companies build extravagant factories, trying to compete with local paint companies that are masters at maximizing the usage of their business talent and current facilities.”

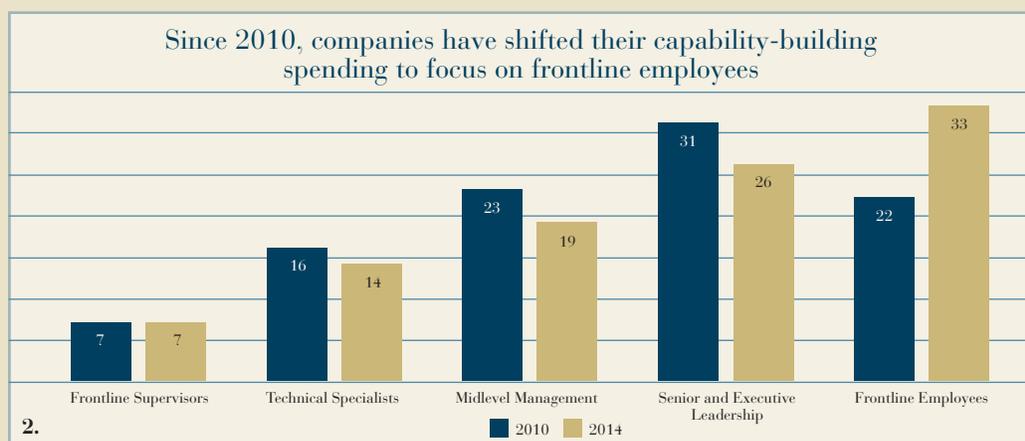
On the contrary, in domestic markets, the double-edged sword in local talent is that, “They know how to do business locally, but with more multinationals becoming a part of the market, the local talent still needs to have basics skills and an understanding of how to do business in a global environment. Chinese Leaders need to comprehend how to reach out to the rest of the world to get help and support.” A strong handle on global content coupled with strong local talent can

drive home-grown product development for usage in China. “Everything doesn’t have to be developed in China, for China,” Mike adds.

Although there is inherent talent in China, Mike believes that businesses still have to develop those individuals to meet globally consistent performance standards. “Some of the smarter companies, particularly smarter coatings companies, have really done a great job in putting together training programs,” he says. “Next to giving an employee a significant raise, one of the best ways to develop as well as retain employees, and to let them know that

of action retain valued talent much better than the companies that do not.

In evaluating growth opportunities, after considering China, the next step is to shift attention to the developed markets of North America and Europe. Mike suggests that the challenges in these markets may be their mature leadership team. When investing in R&D, it is necessary to launch breakthrough products to be regarded as a leader in the global economy. However, he states that “mature leadership teams have become— and this is amplified by the fact that they’re in a



you care about them, is to put them through a training course. There are already companies that are taking this notion to heart. Many successful coatings companies are positioning their management, sales, and R&D teams by investing in them and instituting regular training programs. They are conveying they care about their employees and their development. Companies that follow this course

slower growth environment—averse to taking risks in generating a breakthrough product or commercial strategy.” Mike believes that when investing in or entering a new market space or sub-segment, management teams in mature markets can talk themselves out of innovative undertakings. “They almost become too sophisticated and too analytical in going after additional opportunity for growth. So instead of being leaders of the sector by taking the offense, they become focused on only defending what they have.”



Indeed, probably the biggest challenge in the industrial coatings industry is to get sales people focused on growth: taking market share away from the competition. “It’s a different skill set,” Mike explains. “It involves training and having the right level of people and the right incentives to go along with it. That’s probably the biggest challenge we’re facing in mature markets.” However, with the right motivation, organizations can capture the start-up spirit that is needed to win over market share as opposed to only defending their turf.

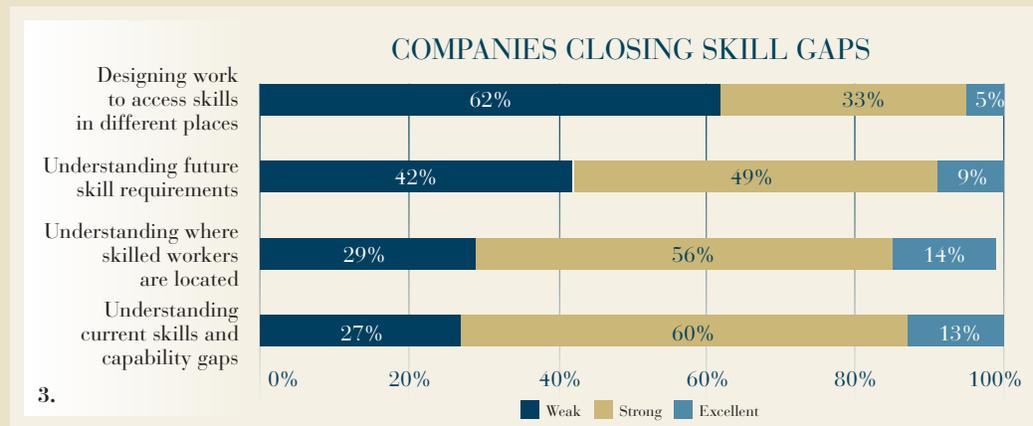
## Supply and Demand of Talent in the Industry

When asked about recent data that highlights current market indicators showing the emergence of a talent strain in the next five years, Mike Cash says it's here today. "We struggle to find talented people in North America and Europe, and even to an extent in Asia. People in the industry tend to jump around—job to job, company to company—and then they become highly priced. Employers end up paying for years of experience but, in some cases, a mediocre track record. We end up recycling people all the time without receiving the quality, energy, and innovative thinking that we really want. Somehow we've got to get out of that cycle. We've got to get to where we're bringing fresh ideas into this business."

Consequentially, mature organizations that have seasoned professionals may decide to defer the rate of attrition through retirement to slow down the loss of certain skill sets. Companies are put into a position where they have to create ways to quickly develop and grow their bench before relinquishing the talent they have. Axalta has emerged as a leader in the

to make a difference as they begin their careers. "We put together an internship program last summer for the first time since becoming an independent company. We focused primarily on R&D and aspiring engineers, but we did have interns spread throughout marketing, finance, legal, HR and other departments as well." In June 2014, Axalta placed 32 college students in a new, structured internship program. "It opened the students' eyes to the fact that there is a really cool business behind a seemingly simple industry like paint," Mike adds. Without such a program, the paint industry may have gone unnoticed by those selected students.

"When I was in college," Mike, says as he reflects on his days at Miami University (Ohio), where he majored in accounting, "all of my classmates were going to work for the Big Eight Accounting firms at the time. I happened to go through an interview with a major coatings company. As I went through the process, I thought about all of my classmates who were going to large accounting firms for a few years, doing a lot of staff work and working unbelievable hours in hopes that one day, somewhere down the road, they would be in line for a partnership."



industry and has insights on counteracting this talent drain. "In mature markets particularly, we've got to get out and encourage some of young people to get into our industry. For job seekers coming out of college today, there are many competing industries that catch their attention."

While this may be the perception, Axalta has found a way to address this challenge by engaging talented students who are searching

On the contrary, some students can find their opportunity when everyone else is going left and they're going right. They can do something different and unique, learn a business from the ground up, and make a difference almost from day one. "We've got to paint that picture for young people coming into the coatings business," Mike says. That's what we do with our paint whether it's on cars, buildings, or whatever the case may be."

## LEADERSHIP: WHAT MATTERS MOST

Be  
Supportive

Results  
Oriented

Seek  
Different  
Perspective

Solve  
Problems  
Efficiently

4.

Another consideration in addressing supply and demand is talent from other areas. When asked to comment on industries or the elements of business that are tangential to the coatings business, and the difficulty for someone to cross over from different industries, Cash states, “You can always make the argument that there are technology differences and the difference of painting a house versus painting a car. But usually for the people in our customer focused industry, sales are sales. If someone has that love of the customer and that passion to be in front of potential customers to promote, talk about their products and look for solutions - then sales are sales. If they just have that basic passion they can learn about paint or the technical aspects of our or virtually any other sales based business.”

In being around customers, listening well enough and asking the right questions, driven professionals will learn what’s important. Perhaps one of the most under-appreciated skills that great sales people have in the coatings industry is the ability to listen. Speaking about the sales team at Axalta, Mike says, “our absolute best sales people are just phenomenal at asking the right questions, listening, and coming back with solutions that specifically fit the customers’ needs. If they have that fundamental ability, along with

personal drive and motivation, they’re likely to have the aptitude to learn about even the highly technical aspects of paint.”

### Impacts on the Coatings Industry

In recent decades, environmental concerns have driven advances in technology, including powder coatings, waterborne coatings, and paint application equipment. Coatings suppliers now also focus on energy concerns and methods of reducing energy when looking to sell their products. A paint shop inside of an OEM plant

is often the largest consumer of energy in the production process. Coatings companies that can provide top-performing coatings solutions that can help reduce costs with more energy efficient systems and provide other productivity enhancements will have the opportunity to outpace their competition.

Mike Muczyk of  
Connor|Caitlin

asks, “How do you feel Axalta has prepared itself with the position of these technological advances and why?”

**The answer to this and more in the next part of our series. ■**

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**“There’s a lot of very successful people and careers in making things beautiful.”**

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## About Connor | Caitlin

Connor | Caitlin was founded on the principle that great business integrates a world-class People Strategy into its core philosophies. Our team delivers Talent, Leadership and Human Capital solutions that meet the ever-changing dynamics of your business.

**At Connor | Caitlin** we understand distinction in talent is at the core of your business advantage. What you do different from the competition is the lifeblood of your company.

**Our success** is paramount in the Talent we help you source, hire and develop. It's with this in mind that our relationship-driven partnership lasts far beyond the assignment and fee, in fact our goal is not to replace your Recruitment, Leadership Development and Human Capital efforts, but to speed-up and grow your talent initiatives with our best-in-class techniques dedicated to locating and placing Difference Makers with you. We pride ourselves on providing an exceptional level of service to every client and candidate.

**We believe** – The greatest products, the best service and the most complex business problems are solved through people. We will help you find, develop and lead that Talent.

**Contact us for all your talent solutions:**

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## Endnotes

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