

IMPORTANT BENCHMARKS IN THE CREATIVITY AND INNOVATION OF A BUSINESS MODEL WILHELM LAYHER GMBH & CO.KG COMPANY

Mihaela, Radu¹

Abstract

Creativity and innovation play an essential part in organization life, being a condition for success. Moreover, when operational conflicts are well managed, organizations may focus on finding new, better and more creative solutions to persevere in becoming a model.

On the ground of a fiercer competitiveness and of the significant global challenges, the innovating practices and the creative solutions represent a springboard towards the economic growth and the welfare of the company.

I have chosen, as business model, the enterprise Wilhelm Layher GmbH & Co. KG, the biggest producer of scaffold systems in the world, because: it has a historical background, combines harmoniously and successfully the experience, talent, creativity of three generations and, more importantly, it has a future. Applying an integrated management, a strategic vision, Layher is expanding in a very calculated way on 5 continents and in over 35 countries, among which Romania as well. What started in 1945 with the manufacturing of farming tools made of wood has developed and has become a company with corporate philosophy, giving new vital pulses to the finished product, which is more and more modern, mobile and efficient.

Layher is a business model, an innovative genius, with products of high quality corresponding to the highly increasing requirements of the clients. By means of integrated solutions, Layher makes higher success possible with only 1,500 employees who are extremely qualified and dedicated, chosen from various schools, exigently trained in the company, to be able to permanently answer the required standards.

Key words: *business model, integrated management, creativity, innovation.*

JEL Classification: *O310 Innovation and Invention: Processes and Incentives*

1. Highlights of creativity and innovation in the history of Layher Company

I chose this company to illustrate and justify innovation and creativity applied, **LAYHER (Wilhelm Layher GmbH & Co. KG)**, was founded in 1945, perhaps not by chance, at the end of the Second World War, when reborn European economies, whether were victors or vanquished. Germany was defeated, divided, but it was reborn later in masterly, unimaginable. The production location of Layher company was established in Germany in Gueglingen-Eibensbach.

The **LAYHER Company** was founded by Wilhelm Layher and from then Layher name is found for more than 70 years as a synonym for scaffolding systems of the highest quality at reasonable prices, combined with a wide range of services and a stable and lasting partnership. Permanent objective of the company is **to solve problems intelligently** so that improved working conditions, customers are satisfied and the daily activity is an effective one. Being a partner with extensive experience in international markets, Layher employees are continuously available in the exchange of experience in the interest of the beneficiaries.

Corporate philosophy led certainly remarkable achievements over three generations, until now, we are at the birth of the 4th generation, with the title of the largest producer of scaffolding systems around the world, especially work scaffolding and protection. We mention the Allround Scaffolding, SpeedyScaf and other production lines: Systems and Event Protection, Mobile towers, Stairs.

It is important to note that there are over 1500 employees worldwide, headquartered in Gueglingen, 800-Eibensbach and 700 in the **37 German subsidiaries** and distribution centers in countries around the world.

¹ PhD Student, VALAHIA University of Târgoviște, mihaela.radu@layher.com

Let us follow a **few milestones in creativity and innovation**:

1945 - Wilhelm Layher founds the company in Eibensbach for the manufacture of **wood products** for the agricultural sector;

1948 - begin production of scaffolding ladders;

1951 - the first has opened offices in Frankfurt, Hamburg, Dusseldorf and Nuremberg;

1953 - begins production of **hollow section steel ladders**;

1957 - Mobile Towers is performed first, the **prototype of all mobile scaffolds with no screw connections**;

1965 – Appears Layher brand SpeedyScaf, **steel and aluminum**, revolutionizing the facades: assembly and disassembly much faster, safer;

Since 1970 there are new markets: first branches are established in the Netherlands, France and Switzerland;

1974 - Allround scaffolding is realized, **the invention unprecedented in steel and aluminum**.

Innovative method of connection having 8 pockets allow for a level unsurpassed versatility for over 40 years, until today. Allround scaffolding provides new areas of application in industry, for example, in hangars and shipyards, refineries, petrochemical and chemical factories or power plants.

1978 - the year of **safe and comfortable access towers** with Allround scaffolding and SpeedyScaf;

1984 – is made **the coffered roof** and protection against weather and environmental influences;

1985 - System-Event, **scenes and stands**, expand its product range and introduce new and fast connection technology;

1998 - Protect System, is a new coating that meets the highest requirements regarding **the protection and aesthetics**;

1999 - develops protection system, appear roofs and Keder Hall, setting a **new standard for light protection** against the weather;

2006 - the year of slightly coffered roof, independent system, **high versatility**, translucency and easy solution roof;

2010 - appears Allround support system (Shoring) TG 60, meaning three additional Allround scaffolding components necessary for safe assembly - **high load capacity**, easy assembly and disassembly, varying in height and length;

2011 - Cheder XL roof, which is a further development of Keder Roof **opening up to 40 m**;

2015 - 2016 - Layher scaffolding system develops in the civil and bridges.

Layher's strong points are: the existence of a genuine **logistics Center**, a **Department of material reception** and a systematic **Inspection Department** of the raw material. At the same time, through a rigorous and generous storage ensures availability of excellent delivery.

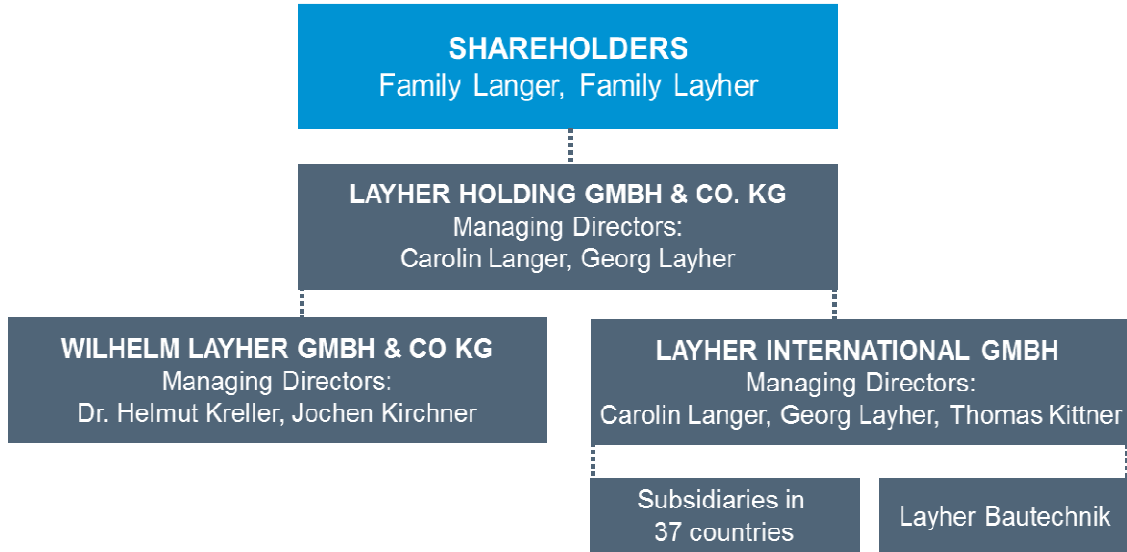
Production decks of steel, aluminum and wood is ensured by a **high automation**, continuity in production and a **rigorous control of quality**.

Another plus is provided by the administration concentration: Headquarters Eibensbach - 250,000 square meters area factory, 110,000 square meters of production space indoors and storage, and Factory II Gueglingen: 68,000 square meters area factory, 32,000 square meters of production space indoors and storage, to present two illustrative examples, to which we add the development, production and logistics location Gueglingen-Eibensbach, meaning short distances, short time reaction plus Layher quality.

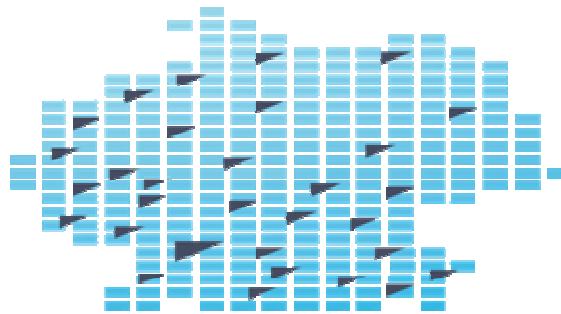
2. LAYHER Corporate Philosophy

Unlimited focusing on the client is the philosophy essence of Layher Corporate, plus: more features, more speed, high level of availability of the material, efficient delivery service, more safety, maximum quality, accuracy, continuity and sustainability - confirmed by

independent certifications, testing and approvals around the world, more proximity through personal counseling in subsidiaries, more simplicity in economic scaffold system and field tested with a range of products expanded by applying consistent currency: less into the future through continuous innovation the products and new business areas. An eloquent on efficient scheme is applied in the figure below (**Fig.1** Scheme of the Company's management Layher):



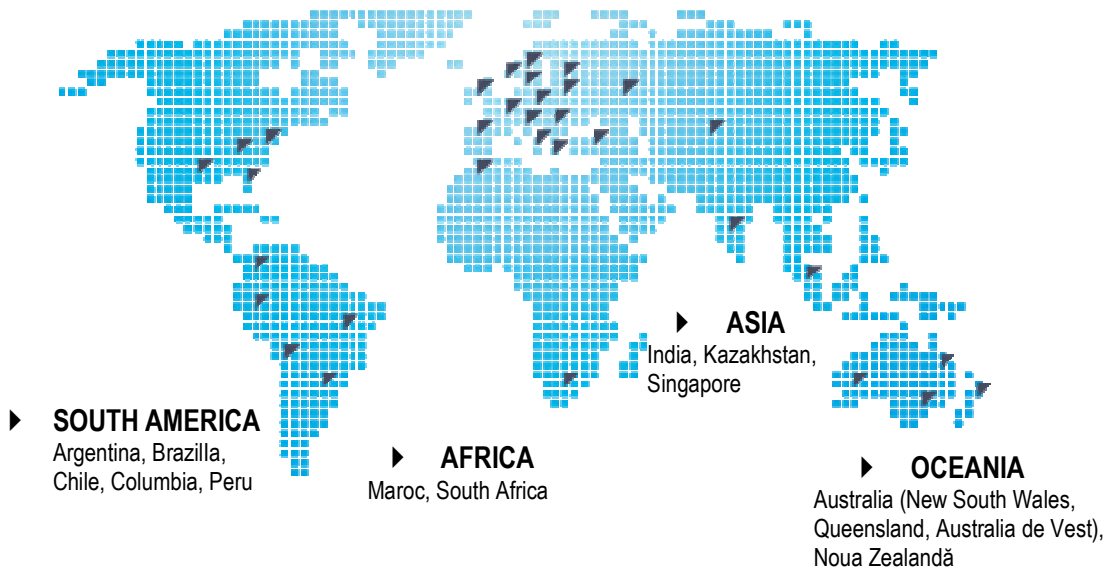
LAYHER in Germany has 31 service centers for rapid availability of materials, 32 local sales representatives for advice and personal counseling to clients (**Fig.nr.2** distribution of business area - Layher Germany).



LAYHER WORLDWIDE means fully owned subsidiaries in 37 countries and more than 50 additional sales partners worldwide, as seen in the figure below (**Fig.nr.3** distribution of the business area – Layher worldwide):

► **NORTH AMERICA**
USA (Alabama, Florida, Maryland, Texas)

► **EUROPE**
Austria, Belgium, Bulgaria, France, Greece, Hungary, Italy, Lithuania, Netherlands, Norway, Poland, Russia, Serbia, Spain, Sweden, Switzerland, Turkey, United Kingdom



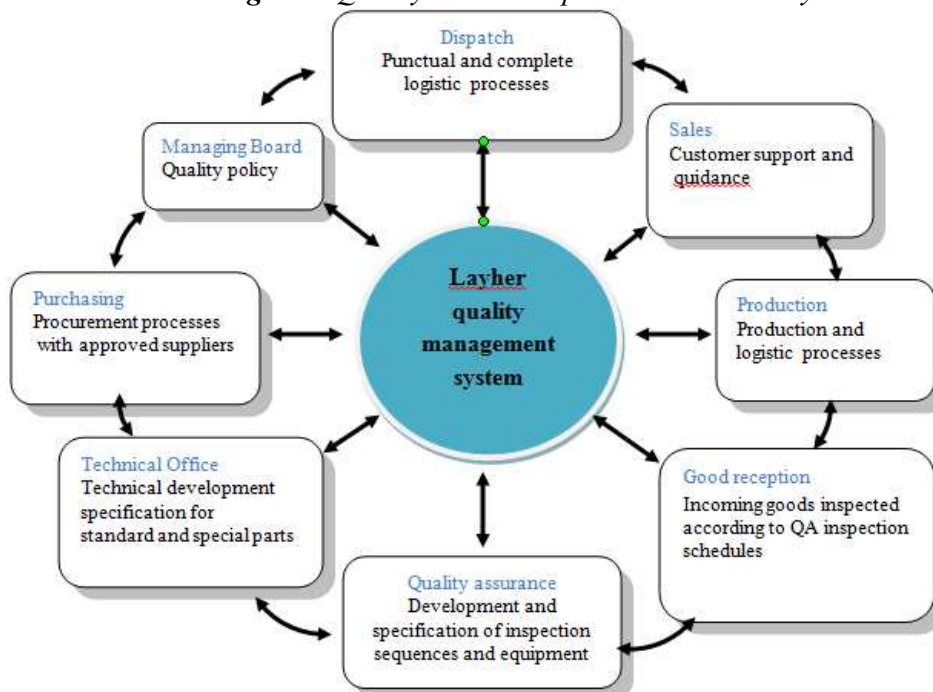
3. The quality management system of Layher

The high quality standard of Layher products is also based on an ingenious system of quality management that begins with precise definition of the necessary materials and quality checks.

Through the acquisition of materials are selected only those suppliers that meet high quality standards of Layher. All materials used for series production are therefore very demanding type undergo tests before being approved. Suppliers are audited at regular intervals to ensure proper implementation of all requirements.

An evaluation program of computer-aided providers analyze and visualize any differences in the quality management system suppliers. Graphical representation of the quality management system: policies, processes, relationships, testing, specifications, etc., in the figure below.

Figure 4 Quality assurance processes within Layher



Continuous and optimized verification of incoming goods with a software inspection based on the vast experience of workers and close connections with suppliers, ensures consistently high quality of raw materials and components. The latest design concepts and standard and special product upgrades by Technical Bureau are incorporated continuously in production after testing and a comprehensive inspection.

It matters infinitely the exchange of views with the customers, because it's the only way to adapt to the stringent requirements of their products and therefore are optimized.

Some conclusions

I presented a business model where success is due to a performant management, in composition of which they find the rightful place, creativity and innovation. Only like this, justifies Layher efficiency, both in its products and in some impressive production figures. To process annually more than 21 million m pipes, meaning the flight distance from Frankfurt to Rio de Janeiro- roundtrip, or more than halfway around the Earth, or more than 1,700,000 m² scaffold bridges for 275 football fields, it means more than notable performance, it means a business model.

How important it is to have tradition, to be able to develop what great grandfather, grandfather and father have put in every level of the business and to realize the joy of transmission to descendants the message of pride for the brand, controlled welfare, generated by hard work and responsibility for the maintenance and development of what we inherited.

Becoming a model is not a favor but a great obligation. On the background of always fiercer competitiveness and of the important global challenges, innovative practices and creative solutions are a springboard to the growth and well-being company, and that means integrated management, strategic vision, a corporate philosophy, it means new vital inputs into finished products, all more modern, mobile and efficient.

Layher is a business model, a innovative genius, with high quality products corresponding to the increasing demands of customers. Looking into the future, using integrated solutions, Layher make possible a superior performance on at least 5, even 10 years ahead, continuously raising standards.

Bibliography

1. The Romanian Government, NATIONAL STRATEGY FOR RESEARCH AND INNOVATION - 2014/2020
2. Petrescu, M., Stegăroiu, "The Management of Risk and Change ", Bibliotheca Publishing, 2010
3. Popescu, Delia, "Successful entrepreneur - theoretic and pragmatic benchmarks", Economic Publishing House, Bucharest, 2005
- Wilhelm Layher GmbH & Co.KG, 2016