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### Back on the Radar: MBX Systems and leadership

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By Raman Chadha

Tom Crowley founded [MBX Systems](#) in 1995 with his wife. With no outside investment, the company grew organically and steadily, never experiencing an annual drop in revenues. Then 2010 came. Not only did revenues grow by 116%, its full-time employee count increased 47% *and* it was profitable.

That type of performance for a 16-year-old manufacturing company that has re-invented itself several times is not something you hear about often. And the fact that the company managed its growth rather smoothly is a testament to the leadership of its co-founder and CEO, Tom Crowley.

When I asked him how the company was able to manage such dramatic growth, Mr. Crowley didn't blink. "What I'm really blessed with is a strong management team and an excellent, collaborative culture." When I asked him what his secrets to success are, once again, no hesitation. "I lean on my faith and my relationships."



MBX is a contract manufacturer of custom hardware appliances, optimized systems and storage solutions. Its customers are in a number of vertical markets, including network security and storage, telecom, video on demand, archiving and virtualization. Occupying a 20,000-square-foot facility in northwest suburban Wauconda, the firm has 72 full-time and three part-time employees.

Over the years, Tom has built a management team that today numbers 12: four executives and eight managers/directors. Every month, that team spends five hours at an off-site meeting discussing the company's "brutal facts" —serious staff issues; how managers are or are not interacting. According to Mr. Crowley, "It's a very candid environment where we're all expected to open up."

That openness is fostered by his belief in servant leadership and turning the company's organizational chart upside down. "Management should be the support of a company, and that's what we do particularly well." It's evidenced by the fact that 31 of its employees have been at MBX for at least five years, pretty impressive when the company only had 35 to 40 employees in 2006.

Beyond discussing the "blocking and tackling" of the business at its monthly retreats, the management team also participates in and reviews progress against its strategic plan, a one-page document that lists the company's values and key goals and objectives. That practice was greatly influenced by a business coach Mr. Crowley began working with in 1999 who "brought real discipline with the leadership team on strategic planning." It was also that business coach who persuaded him to build the management structure MBX employs today.

Of course, doubling revenues for a company of MBX's size doesn't happen without challenges. Mr. Crowley said it definitely stressed the company's workforce, requiring him to tap into temporary staffing firms since recruiting can be a challenge in the Wauconda area. "We had people from the sales floor come in and help with production. Even I was screwing in hard drives on a couple Saturdays to make things work. But no one threw up their arms and split," another example of the team-oriented culture he and his team have built.

The rapid growth also stressed MBX's supply chain as it tried not only to get its product out the door as promised to customers, but also with the high level of quality the company insists on. "We have great vendors who we talked to make things more efficient. Ultimately, we maintained our quality levels even though delivery may have slowed a bit."

While its 2010 growth rate will certainly be hard to sustain, Mr. Crowley and his team are forecasting at least 15% annual revenue increases for the next several years. But they know the growth, and the company's ability to manage it, won't come easy.

MBX has strong employee and customer loyalty but Mr. Crowley realizes he can't take either one for granted and must continue working on them. His team sees further opportunities with international orders, but those require different levels of product certifications. To support its expansion, the company is planning to move into a larger facility within the next two years — not the easiest thing to do for a manufacturer. And because its customers' forecasting can be inconsistent due to market forces, MBX must remain flexible and adaptable.

But as you might imagine, Mr. Crowley has confidence his people, culture and relationships will make it all happen.