



TenStep Supplemental Paper

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Empowerment...Understanding the Paradox!

Here is the story of a small company that began its journey of excellence with a small team and stumbled as it grew. Quality was then introduced as a magic potion, but did it cure the company of all its ailments?

“We can do anything!” This ‘can-do attitude’ is what Dura-Tech Inc. (DTI) was born with in the late 1970s. What began as a small team of six employees operating from a garage grew exponentially into a company with over 200 employees. The company manufactures high quality labels, dials, nameplates, panels, overlays and appliques for components of automobile dashboards, medical and recreational equipment, appliances, business machines, consumer electronics and industrial markets. The mission of the company is to “Delight customers with world class products, services and value.”

A visit to the company reveals a busy atmosphere with a high degree of synergy, satisfaction and joy among the employees. What motivates them? Has it changed since the early days of the company?

The right start!

In 1979, a group of entrepreneurs with Peter Bentz as president formed DTI, a small company that was traditionally structured. The company culture was typically entrepreneurial, where every employee knew one another and performed all tasks. It was similar to a family, with even the President joining in on various tasks to ensure the prompt delivery of orders. The spirit of the team was such that employees made optimal use of available resources and strove to make incomplete processes and systems work efficiently. Due to its strong work ethics, quality products, efficiency and customer satisfaction, DTI recorded an annual growth rate of 20%.

Losing ground!

The rapid growth rate of DTI made it necessary to transition from a small family of employees working together to produce the best quality products, into a new and undefined organization. This was a challenging task and a difficult phase for the employees. As the company rapidly grew in size, employees no longer had the same alliance with peers. The business methods that once worked for the small group were not working in the new, expanding work group. The company found it very difficult to implement new working systems and introduce new products. They began losing ground.

A step backwards!

In order to regain a sense of control of the turbulent circumstances, DTI decided to establish a traditional management system in its expanding empire. Employees were assigned specific tasks every day. Although this was a step backwards from the early days, it was necessary to provide a foundation to accommodate new employees, systems, challenges and products. Giving specific directions to employees and making decisions



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for them was meant to reduce confusion and stabilize the change process. New structures and policies were implemented and documented to gain control of growth.

Growing rifts

In the eighties, DTI found that there was a clear difference between the existing management philosophy and the vision of the company. The company was faced with an inability to cope with more customer orders, and there were pressing demands from existing customers for improvements in product quality. In the early days, DTI believed it could handle anything. Previous performances reinforced these beliefs. However, with the addition of more employees and the introduction of new strategies, the company was losing sight of its original idealism.

At a crossroads

DTI found that its once close-knit family of employees had split into factions over time and were at cross-purposes with one another. The growth process at DTI was thus full of tribulations. Many new ideas were embraced, tried and discarded. Quality was then thought of as the 'magic potion' that would rid the company of all its ailments. Various schools of thought were studied and applied. Quality managers and process engineers were added to the company to improve quality. Quality circles were introduced in an endeavor for excellent returns and breakthroughs. A quality action plan was also introduced. But sadly enough, the entire operation lacked employee and management commitment. Teams were purported to work well, but in actuality were often chaotic and unproductive. What went wrong? Where? Why? These were some of the simple questions that had to be answered by DTI to find remedial solutions.