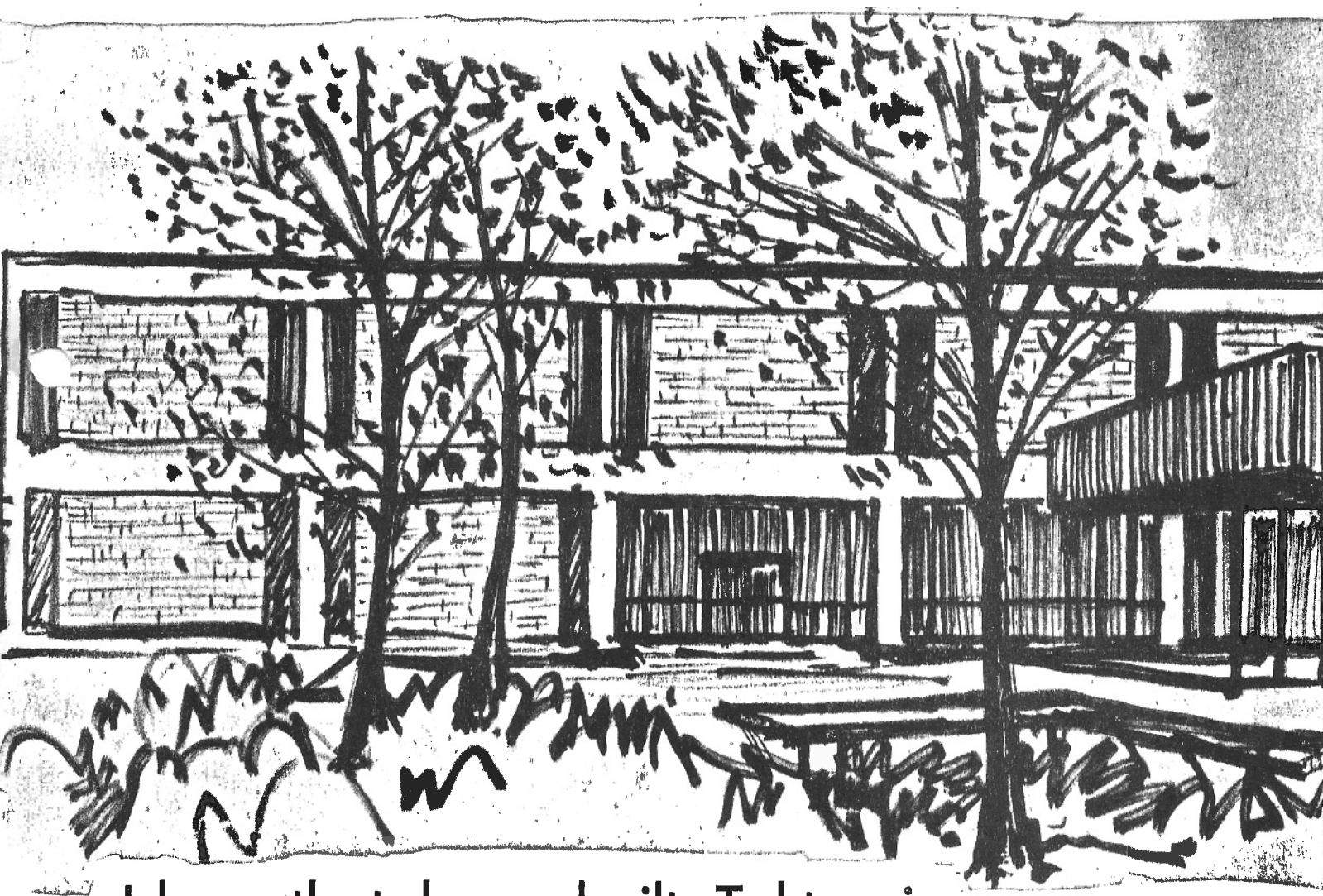


Ideas that have built Tektronix

tek talk

Published every two months by Tektronix, Inc., 13955 S.W. Millikan Way, Beaverton, Oregon, by and for its employees and with the cooperation of the Printing and Photography departments.

Address mail to: Tek Talk, Communications department, Joe Floren, Editor.

COVER—A study in intentness is Harvey Hoffman of Fabrication & Molding's Manufacturing Engineering department. Harvey is a member of the plastic tooling group. (Tek Talk photo by Joseph Oswald.)

"Some Thoughts about Tektronix Philosophy" was written and rewritten by Joe Floren as a composite of many people's views expressed in many discussions and interviews. I have been closely associated with the project and have taken an active part in the writing.

While this is not a complete statement of Tektronix philosophy, I feel it does contain ideas and principles which will be useful guides in the many day-to-day decisions everyone must make. As such, it has my endorsement and approval.

If anyone feels he can suggest improvements in expression, has additions or illustrations which would expand or clarify it, or—most important of all—differs with it, please feel free to contact Joe or me. We feel sure that with your help a more useful and comprehensive statement of Tektronix philosophy will be written, as we learn and as conditions change.

—Howard Vollum
President

Some Thoughts about Tektronix Philosophy . . .

Tektronix is a company of individual human beings. The Tektronix spirit, as it has been called, is above all a concern **for** individual human beings. If we draw our strength from the uniqueness of each individual, together we become more than the sum of our numbers.

We base our philosophy about people — and about business — on the belief that the goals we share, as a company, need not conflict with the goals we seek as persons.

At Tektronix we all are employees, although our jobs differ. The division of some companies into "management" and "labor" groups may imply that the aims of the organization conflict with those of the individual. We believe they do not.

As Tektronix, what goals do we share?

Like any business, we seek to make a profit and to grow. By serving science in particular and society at large with our skills and products, we seek to contribute positively to the world in which we exist. We also try to provide, truly, a good place to work — and to be thought of not as a company with many employees but as many people who, together, are creating a company.

As individuals, what goals do we seek?

We believe each person also wants to grow—to do a good job, to be proud of what he has achieved, to receive not only material reward but also the respect of others. These individual goals dovetail with company aims for high quality, fair price, excellent service, thus increased value and satisfied customers.

We believe that a company benefits by building in and strengthening human judgment. You cannot **order** judgment, but you can provide the environment in which it grows. And so we favor those practices that encourage each individual to make judgments that meet both company and personal needs.

We know our company is not perfect. Certainly mistakes will occur. We view them as something to learn from, not something to punish for.

Two persons in similar situations may make different judgments. We respect and encourage these individual viewpoints, believing that each person should receive continuing opportunity to influence, and thus help, other persons.

We feel sure that although a business which ignores values other than profit — human values — may prosper, it does so at the expense of society.

A road from one point to another is not always smooth or direct, but it still provides a means to your destination. In its winding, it sometimes takes you the wrong way; yet you know the **overall** direction prevails and the destination doesn't change.

So it is with the company: Each sound judgment may not satisfy all individual needs and meet all company goals. But we believe that our best judgments, taken all together and over the long haul, can bring us nearer that destination.

Like any organization, ours requires authority — but a person's authority at Tektronix is over the job to be done, not over the people doing it. Here, the power to influence should depend as much as possible on the worth of an individual's judgment and on the nature of the particular situation. Some people do have more authority, more responsibility and more pay than others. We try to avoid the view that these factors are a statement of someone's worth—a statement that he is superior **as a person.**

We believe people react positively when confidence is placed in them and when the best is expected of them; we try to reflect this belief in our work relationships and with customers and suppliers. We call this our honor system.

We believe people derive greatest satisfaction from completing those tasks that require them to exercise judgment; thus, that it is better to educate them than to command them.

How do you describe a company? It's one thing to an engineer, another to a production worker, another to a supplier, another to a neighbor. Its value is measured on many scales.

These values must shift continuously, interacting in delicate balance, so none will be sacrificed for the others.

How do you maintain the balance? How prevent the sacrifice? There is no one way. There is no easy way. But the balance must be kept, and the sacrifice avoided.

ideas that have built Tektronix:

HOWARD VOLLUM--On Tek Phi

and Outside Staff; Efficiency

Believing that Tektronix owes its growth and stature not only to the research, engineering and productive skills of its people but also to the unique and vigorous ideas of its leaders, Tek Talk has begun a search to learn just what some of these ideas are.

All too often, because we've grown big fast, we lose track of these philosophies. Often they become hearsay, and sometimes even distorted, but still they are a pervading influence.

The first interview is with President Howard Vollum.

We hear a lot about the "Tektronix philosophy." Just what is that philosophy?

It's more an atmosphere than anything else. We try to give the maximum amount of responsibility to everyone—depending on what his job is. It's preferable to do that rather than set up a series of rules or laws.

Here, it's the responsibility of each person to do as he sees fit, within the framework of his job.

Although some things we do are governed by our job—for example, how we must dress—other things like common parking facilities, open cash boxes, trusting people to do their own timekeeping, these are things common to all of us as human beings.

We prefer not to have a series of status symbols—two more feet of office space when you get promoted, then a rug with the next promotion, then a pad under the rug . . .

Do you feel people have no need of status symbols?

The needs of individuals differ. We try to meet those needs reasonably. I believe people who do have to rely on status symbols are insecure. My experience has been that the most valuable people are those who **don't** have to.

In any case, it's a matter of degree. If it doesn't interfere with others, we don't pay too much attention. The big problem is, once you get this status thing going, it gets competitive.

Some newcomers may mistake lack of status signs here for lack of position or authority. This is not so . . .

Your real status is the status you've earned—and when you've really earned it, you don't need the symbols.

How much does our atmosphere contribute to the company's success?

It's hard to make a formal assessment, but many customers have told me they like to deal with us, and that if our product and that of another company were equal they would still do business with us because of our attitude toward service and quality of product.

The willingness, for example, of our field engineers to do more than is called for is quite an important thing . . .

From what does our attitude of service and quality stem?

One factor is that good morale tends toward good products. We don't ever want to let the customer down.

I'm convinced that almost everyone wants to do a good job. The percentage who do not is very, very small. One of the biggest causes of frustration is the inability of a person on a job to meet his own standards. No one knows better than he himself if he is or isn't meeting them . . .

How important is backing up each employee with all the equipment he needs?

I don't know that quality depends on equipment. You can go overboard on this very easily. Several unsuccessful companies I know of concentrate more on ways to do things than the atmosphere to do them in.

Often you hear, "If only we had this or that machine . . ." We have to guard against this attitude.

No. 1

osophy; Status Symbols; Company Growth and Creativity; Permissiveness and Rules

Once again, it's a matter of judgment. You can pay a tremendous price for having too little equipment—and you can decrease your profitability with an excessive amount. Often, here, because we're growing and changing so fast, the life of equipment is short as to actual usefulness.

Buildings are no different. Inefficiency results from having too little space. Yet they're pretty costly to build and maintain. We're doing our best to steer an optimum course in our present building program.

What is **really** needed to do the job? This is an extremely important question to work on.

Is it hard to keep the Tektronix atmosphere as we grow bigger?

It's a lot harder to maintain the atmosphere, just as it must be in any company of any size, but it's still possible. Sometimes growth is used as an excuse for lack of a creative atmosphere, just as, "If only we had this or that machine" is.

Or at Tektronix we may hear, "It's not as nice as it used to be, but that's the price we must pay for growth..." It's a convenient excuse, but not necessarily true.

Keeping our atmosphere can be done, but it requires hard work. A company accomplishes this goal almost automatically when it's small, because then everybody sees everybody else.

When it gets big, directly informing each other is difficult because the top people are insulated by the requirements of their job. The solution is to get the people who **are** in direct contact to act like the top people did at the start. This isn't easy, because the people we hire for this purpose have different backgrounds, outlooks and obligations to the company.

We feel that promoting large numbers of people from the plant to supervisory positions, even if some may not be quite ready, is better than hiring supervisors from outside. It gives each employee a feeling he has a chance.

What about hiring staff from outside? There seem to be feelings both for and against.

There are times when both sides are right, and I'd hate to see either in a dominant position. Some jobs require training—especially education—that it's hard for us to duplicate.

There are exceptions, but we can't count on them happening in sufficient numbers, and we can't expect to grow if we do.

However, somtimes there's a tendency for the grass to look greener elsewhere, and just because we and our people are unable to do something, we may feel there is a person somewhere outside who **can.** All too often this is not true.

Our basic philosophy is to attempt to develop the abilities of our own people to meet our needs. Many things contribute to this development: Experience, natural ability to adapt, private study and reading, formal courses, Tektronix training programs...

Does our attitude toward profit differ from other companies'?

I don't think we're much different from most well-managed companies.

It's easy to confuse long- and short-term goals, but we try to balance them. We can't do everything just to maximize the profit this year, nor can we put off the idea of making profit to never-never land.

We try to look ahead, and also to act now in the way that customers like to see us act. They don't expect us to give them anything. They expect to receive something of value for their money. By giving just a little more than they expect, we gain a great deal in dollars and good will.

Could we be more efficient if we had a more highly structured organization?

There is a very serious tendency in some areas to do too much time-wasting, but it's offset by the employees' willingness, energy and enthusiasm for work when the pressure is on.

Again, somehow we must come to a balance and compromise between the two extremes. Too much restriction brings on this attitude: "If they're going to make me act thus and so, then the heck with any extra effort..."

We have to be careful we don't destroy morale. I don't think the problem of goofing off is true of anything like a majority, nor does anyone do it consistently, but some have more of a tendency than others.

Just because there are a certain amount of abuses in our system doesn't mean we should condone them. We should do all we can to see that they stop.

Such abuses don't produce happiness for the persons who indulge in them. The only happy persons are the ones who do good jobs and know it.

We don't want to give up the atmosphere in which each person is free to contribute as much as he can. Yet it's not fair for the creative person—who thrives on such an atmosphere as ours—to carry others who may take advantage of it. The individual supervisor should talk to these latter people.

We can maintain our atmosphere by educational programs, by setting personal examples, by counting it as a "plus" for an employee who does work hard...

Whatever faults we have, attempts should be made to correct them without the necessity of making them the subject of a new rule or law. It's easy to develop habits which can become insidious growths and can sap our strength very rapidly.

Does growth of the company mean adding more rules?

We do have to add rules when we grow bigger—or to express those we already have more formally. Everyone's needs are different, includiing the rules and regulations optimum for him.

There is an optimum number of rules which gives a maximum of freedom. No rules at all means anarchy. Without traffic rules you probably couldn't have driven to work today. On the other hand, it's bad to have rules that are disregarded.

We have a general policy of permissiveness. Management people differ in their approach. Some are more authoritarian. Some only seem to be— and vice-versa.

There are different styles in management. A person is best off in his individual style. When you try to put everyone in the same mold you have trouble. We all can still have the same goals and so on, but just take a little different route to reach them.

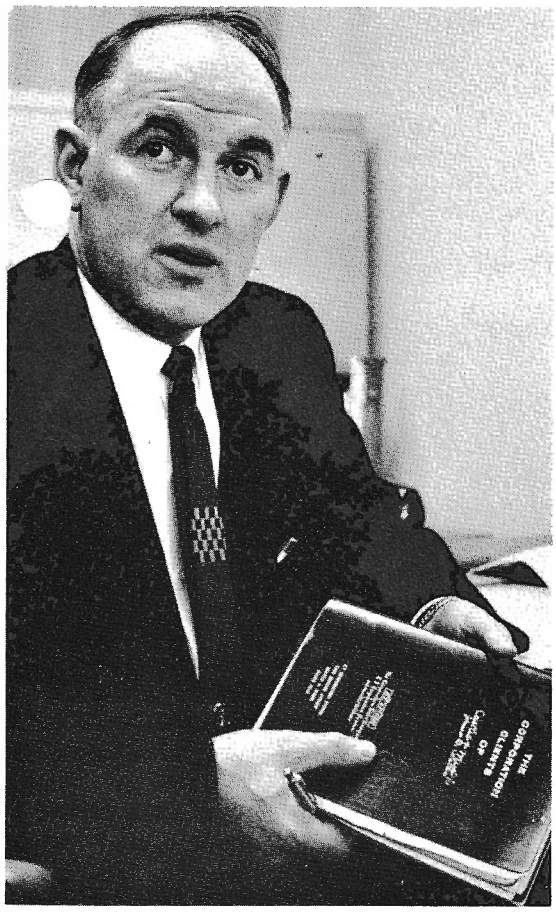
Some people prefer one type of management in a company, some another...

How much individual difference will our system tolerate?

We couldn't have dishonesty, in the broad sense—persons who may say one thing and do another. I don't think we can stand much in the way of alcoholism either. These are the basic things... Also, actual insubordination is a problem for the supervisor. It indicates the employee's basic insecurity, and his need for help.

By contrast, take a person who maybe is too outspoken at the wrong times. There is no disgrace or moral failing to that, only bad judgment.

The more individual differences we can tolerate, the better off we are.



JIM CASTLES discusses the origins of Tektronix; our working board of directors; our need for counsel; our 'Legal department' and what it will do

(Believing that Tektronix owes its stature not only to its research, productive and engineering skills but also to the unique and vigorous personalities of its leaders, Tek Talk has begun a search to learn just what some of these people believe.

This is the second in a series of interviews. Jim Castles was recently appointed full-time general counsel:)

You've been affiliated with Tektronix since it began. How did this association start?

I was a shipmate of Jack Murdock and Bob Davis in the Coast Guard during World War II. Milt Bave and Miles Tippery, formerly with Tektronix, also were in our branch. Jack and I served over three years in the same command.

How did the idea of Tektronix evolve?

The last six months of our service, Jack and I commuted from Portland to Seattle together. Jack would tell me of his plans to put together the talents of some of his associates to fill a need that he felt existed in the electronics field. As far as the technical aspects went, he said he had a friend then in the Signal Corps in Europe who would handle them. That was Howard Vollum, who had been associated with Jack in Portland before the war.

We filed the corporate papers in January 1946 under the name Tekrad, Inc. Several weeks later we found that a corporation of that name already existed in California.

Soon after we changed the name to Tektronix, Inc., we discovered that being both a manufacturer and a distributor wasn't compatible, so we put together a second business, Hawthorne Electronics, to serve as distributor. Later, one of the founders took over that company.

The Tektronix board of directors began when the corporation was formed in 1946. I was legal counsel from the start. However, I didn't become a director until Miles, Milt and Logan Belleville sold their interest in the company several years ago.

I'm very proud to **be** a member of the board, because it's my observation that it's a **working** board — in contrast to directors of many corporations, who actually serve in an "honor" capacity. Tek's board calls on other persons for explanations and suggestions to help the directors perform their duties.

What are your duties in your new capacity as general counsel?

I'll assume full responsibility for corporate legal affairs. As counsel, I'll take part in all company activities that have legal aspects or consequences.

For instance, I'll check and prepare all legal documents, memoranda and correspondence, and I'll continue to advise and counsel corporate personnel on company matters.

However, as general counsel I do not make or direct business decisions, although I am on the board and am corporation secretary.

As to policy, I counsel only on its legal aspects...

I'll be in a better position also to advise the representatives of the Retirement Trust, TEKEM and Tektronix Foundation.

You might say I'll function as a service department on the executive level. I'll have to answer innumerable questions, legal and quasi-legal. I may be called on to negotiate and work out real property transactions, such as land acquisitions and leases. I'll do research on novel questions that are bound to arise, and keep up with latest judicial decisions that affect our business, so I can come up with the right answers. I'll try to keep the company out of trouble...

Inasmuch as I'll be alone for some time, I will have to be a jack of all trades where legal factors are involved.

Incidental to my other duties I'll serve as secretary of the company, which office Jack Murdock held before he become chairman of the board.

Why does Tektronix now need a full-time counsel?

Many larger corporations nowadays have legal departments simply because of the growth of their legal problems. This is the case with Tektronix.

This growth is occasioned by the complexities of everyday corporate relationships with various persons and bodies. These include competitors, financial institutions and local, state and federal regulatory authorities.

Such matters require everyday legal counsel.

How do your new duties differ from those you had?

Heretofore I've also been engaged in private practice of law in Beaverton. including Tektronix among my clientele. Now Tektronix's demands require full-time attention, and I'll no longer be able to devote time both to this and private practice, which also involved acting as corporate counsel for other clients.

I retain an interest in the law firm to maintain my identity in the legal profession and give Tektronix any advantages accruing to it by reason thereof, and which could be lost otherwise.

I'm presently member of the American Bar association and state bars in Oregon, Washington and Montana, as well as the Multnomah and Washington county bars. I shall remain active in those professional organizations, inasmuch as I'm on the state bar corporation committee, its World Peace Through Law committee and the American bar's corporation, banking and business section.

You've mentioned our "Legal department." Of what will it consist?

The Legal department — if it can be referred to as a department — will be at first a one-man department — although it could become a medium-sized or even a large department. At the start, however, I'll have a legal secretary and that will be all.

Have there been any outstanding legal hurdles or milestones in Tek history?

Not really. We were sued once, but the attorney had the wrong party.

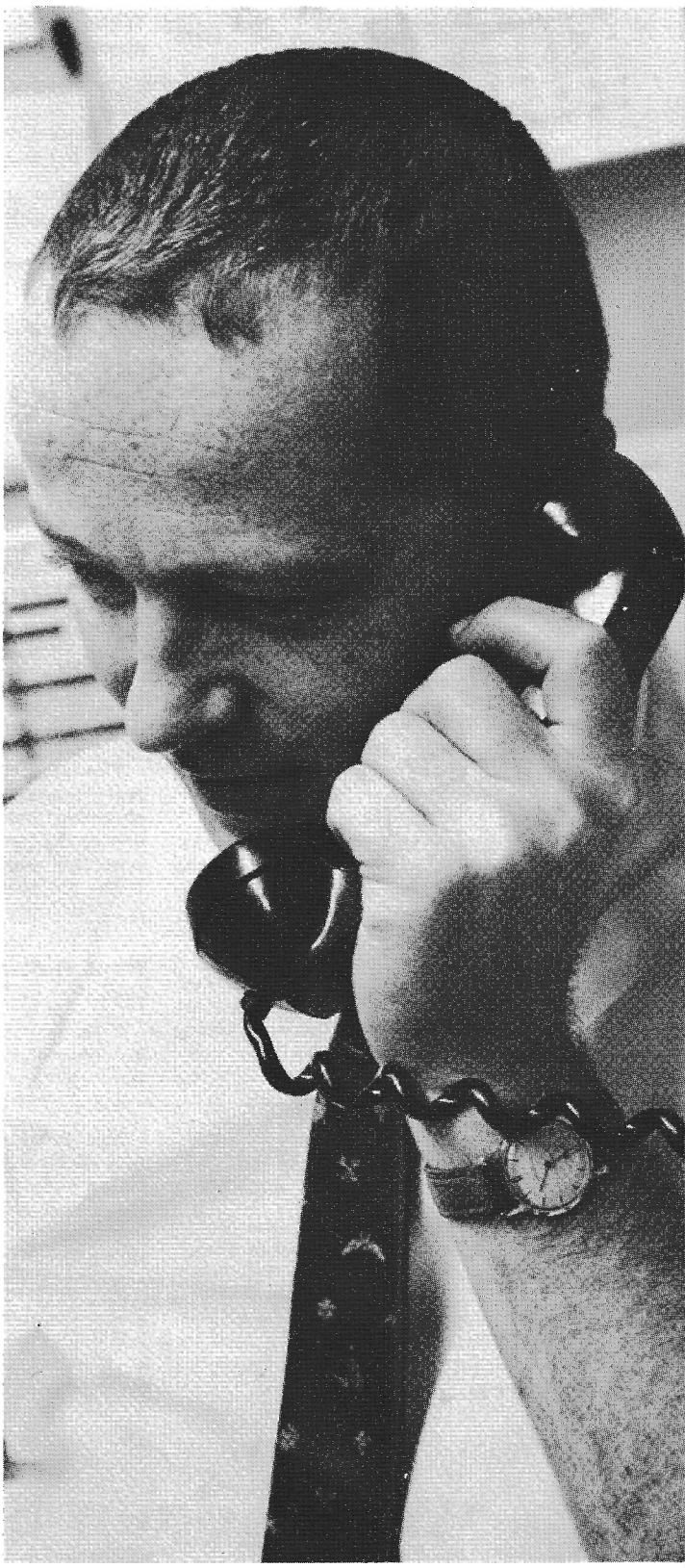
Will you, as general counsel, offer legal assistance to individual employees?

I'll no longer have time to take care of employees' legal affairs as I did when I was in private practice — doing such things as drawing up wills and legal documents and taking care of other transactions and litigation.

However, I **will** continue to refer them for proper legal advice to competent attorneys who are familiar with Tektronix policy, programs and benefits.

Ideas that have built Tektronix:

No. 3: BOB FITZGERALD



(Believing that Tektronix owes its stature not only to its research, productive and engineering skills but also to the unique and vigorous personalities of its leaders, Tek Talk has undertaken a search to learn just what some of these people believe.

This is the third in a series of interviews. Bob Fitzgerald was appointed last summer as general manager of Tektronix domestic operations.)

Is it true you began work at Tektronix as a janitor?

Yes.

That was in October 1948, while I was a student at Portland university. After that I worked in Cabinetizing, then as a receiving clerk in Shipping, next as a buyer in Purchasing. Then I was drafted into the army.

When I came back from the service I worked in Stock on swing, then became a buyer in Purchasing once again. I was named purchasing agent, then was made materials manager in charge of warehouse, purchasing and scheduling and—later on —manufacturing data processing and manufacturing cost services. I was appointed controller—and head of the Finance division—and last spring became domestic manager.

Of my 13 years at Tektronix, I've worked 10 years in Manufacturing.

As domestic manager, what are your responsibilities?

They encompass quite a bit. They include management of the marketing, manufacturing, financial and administrative tasks of the domestic operation. This includes about 4500 people.

My responsibilities include working for Bob (Davis) as operational manager of the domestic operation, and as a staff

(continued on next page)

"A manager is no better than the sum of the people he manages..."

member to him in dealing with corporate and international problems, as they relate to the domestic operation.

What do these responsibilities entail?

Providing financial statements, providing costs, enabling the corporation to set reasonable prices for its subsidiaries;

Helping coordinate the relationship between Engineering, a corporate function, and Manufacturing, a domestic operation;

Providing planning data;

Implementing policies in Marketing and Finance and Manufacturing, as Bob establishes them.

What are the unique features of the domestic operation?

I don't think the domestic operation is unique.

What changes have resulted from the company reorganization last summer?

We're making no basic changes in goals. We're trying to accomplish what we always **have** tried to accomplish. Probably, though, there will be quite a few changes in the methods by which we approach these goals.

One change was making Quality Assurance a domestic staff function. In the past, every area had something of its own in the area of Quality Control. The advantage of putting this job on the operational level is essentially the assurance it gives us of continually supplying our customers with the best quality and value we can. Another advantage is in making managers aware that quality and value are most important aspects of our total job.

What is the responsibility of the individual manager as regards quality?

There is no change in the responsibility of the individual worker and work leader. **They** must provide quality and value. The domestic Quality Assurance function does have the ability to encourage value, and to reconcile differences of opinion between operating units as to standards of acceptance.

What other major changes have you made, or are you making?

One, we're emphasizing a return to—and a strengthening of—the inline process of communication. Another, we've established a domestic planning operation.

There is great need for planning. One purpose of this program is to let managers know, jointly, where they're going and what resources are required to get there.

Some manifestations of our need for planning are:

Our heavy investment in inventory; shortages of space; delays to customers; discrepancies in our capital expenditure recommendations and revenues; poor phasing in hiring personnel to meet production expectations.

How much headway has Domestic Planning made?

It's going a lot more slowly than I would hope.

What is the individual manager's responsibility as to planning?

Planning is a major responsibility of every manager—whether or not he has a planning staff. Domestic planning is principally staff to me, to help me present the managers with information on where we're going, in terms of our products, facilities and manpower needs.

What other changes do you see coming?

I think you can expect to see changes in communication practices, as I mentioned earlier—also an emphasis on training and development.

You can look forward to more integration of manufacturing activities; a clarification of Engineering and Manufacturing/Engineering relationships, and improvements in the process of introducing new products.

In the area of general planning we're discussing Marketing—Manufacturing relationships that may involve some changes in methods and responsibilities. I look forward also to making better use of information available in the field on current and new products.

How do you evaluate the domestic operation's progress so far?

I'd say it's satisfactory. But it's slower than I'd expected.

For what reasons?

One main hurdle is the inability to make fast decisions.

A tremendous number of different kinds of problems comes up. Our operating managers meet 7½ hours a week discussing these problems: Quality, planning, new products, wages, communications, space, training, processes——

What are the advantages of these group interchanges?

The biggest one is the realization that there are very few steps a manager can make that won't have implications for other managers, or other operations.

Before a decision can be made, these implications and effects must be considered. If not, the affected manager won't have the opportunity to discuss it with his subordinates. Thus we remove the possibility of the most important feedback—from people **in** the work process—to contribute to our decisions.

You apparently value highly the input from persons directly in the work process?

Yes, I do. A manager is no better than the sum of the people he manages.

Do you object to authoritarian management?

"Authoritarian" has a bad implication. I believe in the concept of **authority,** but authoritarianism means to me **unbalanced** authority.

Do you favor command decisions in any circumstances?

Command decisions sometimes are necessary. When evidence for and against a matter is in close balance, the manager's judgment needs to be called on.

"...We've gotten bigger.... I feel that comp le

...The job ahead is to hook more load to

The judgment of a manager can be improved to the extent that he is knowledgeable of the work processes affected. This will demand a continuing open communications channel to the manager.

How does the inline communications process relate to our total enterprise?

It seems to me it relates in this way:

Increasing the concept of delegation—delegating to the point at which the best decision can be made—requires an open line between the manager responsible for the total results of the decision and the person who can best **make** the decision.

I feel that the worker is closest to the job; his manager is next closest, and so on. I consider the flow of communications through inline channels a back-and-forth rather than an up-and-down process.

What happens if a manager violates the inline chain?

If the process isn't followed, chances are **good** that the evidence—and the decision itself—won't be the best. Chances are **certain** that there will be dissatisfaction on someone's part as to how the task was handled—and, in my opinion, that person is justified.

Is delegation a key concept in your managerial approach?

Delegation, in my mind, is the **most** important concept in management. It's also one of those tricky words. No manager (or worker) can delegate, or be relieved of, the **accountability** for the tasks assigned him.

This concept, I think, often is misunderstood. As a result, we've seen abandonment, rather than delegation, of responsibility in some instances. One can delegate a task only to the extent that he passes on guidance, and gives purpose and direction. Some risks just can't be delegated.

In my opinion, delegation is the key to broadening work responsibility. Hooking more load on everyone (I mean the load of more responsibility) will bring better work results. This is true because it allows decisions that are closer to the facts. Judgment improves; decisions improve; **results** therefore improve.

Real delegation takes guts. It's hard work. It means personal encounters with one another on every work process and every task.

I know damn well there are more of us around here who are capable of, and who desire, more responsible work than there are those who are working above their heads. The job ahead is to hook more load to more people. I think they want to pull it.

What are the greatest strengths of Tektronix, as you see them?

A great strength is our diversity of skills and competence and much-better-than-average respect for mutual goals—an identification of company goals with what the people themselves desire.

How about weaknesses?

Our biggest weakness is our exposure to the loss of appreciation of this fact: That all of us will be better off to the extent to which we can continue to give the customer value and service—and to optimize the use of all our resources to this end.

We should talk more about strengths, because we have more strengths than weaknesses.

I believe the principles set down by original Tektronix managers were very good and very sound; they have continued as the company has grown. Our problem now is to see to it that these principles are communicated to everybody in the company, and that they're understood.

They **do** still apply; they're the kind of things that don't change. A lot of the company's success is attributable to these principles. They are among our strengths —to the extent that we've been able to put them into practice.

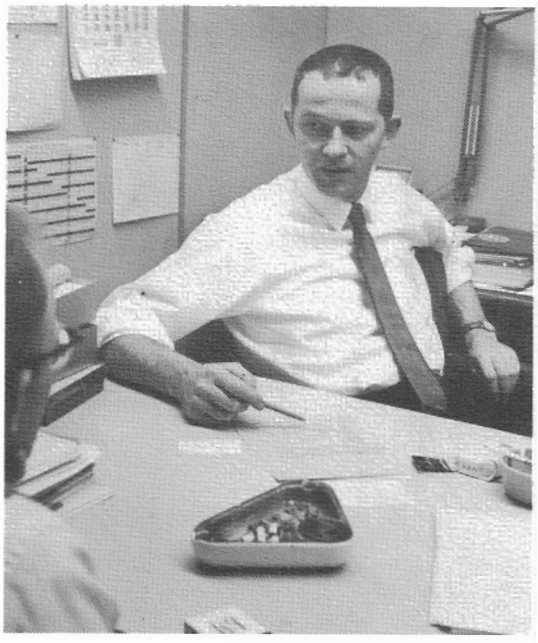
Is growth a problem in this respect?

We've gotten bigger and more complex. However, I feel that complexification is a sure sign of development. Man is a pretty complex organism—he has many vital organs, which work in an amazingly integrated fashion. He also has his ills and pains. **Any** complex organism has its problems. These usually are not serious as long as they're attended to and not allowed to spread. So it is with a company.

Growth in complexity is a natural development. Our task is to provide and maintain the Tektronix environment. Probably the most important factors are the abilities and attitudes of the people in the organization, and the atmosphere that will keep the attitudes healthy. If we preserve these, no one will outproduce us.

We're trying to maintain the traditional Tektronix environment, rather than change it—and to improve some of the situations which cause obstacles to it.

To me, we all create and share that environment when we work at supplying the best value available in the field; when each of us **knows** we're doing this; and when each one wants to do still better.



x fication is a sure sign of development..."

more people...."

Ideas that have built Tektronix:

No. 4: DON ALVEY

(Believing that Tektronix owes its stature not only to its research, productive and engineering skills but also to the unique and vigorous personalities of its leaders, Tek Talk has undertaken a search to learn just what some of these people believe.

This is the fourth in a series of interviews. Don Alvey was appointed last summer as general manager of Tektronix European operations.)

The European Common Market seems to be booming. Why is this?

We don't really know. We do know people are constantly developing their own electronics and allied industries. Why the order rate has so greatly increased the last two or three months, we can't say—until we study the trend in more detail.

The United Kingdom is contributing significantly to the activity in ECM. This activity is in no single area—say nuclear research or testing—but is all over the place.

What are our greatest competitive strengths in the international field?

First, our reputation is good, both for the instruments we produce and the customer support we offer.

Secondly, our ability to deliver is very important. We can deliver faster than our competitors. Also, we're technically ahead of them.

Too, our strength lies in being prepared to invest money with courage in long-term engineering and research programs. Lots of people in other firms say they wish their companies would put as much into research and engineering effort. Other firms have tended to be late, to follow up afterward.....

If we keep what we have, we'll stay ahead.

Do we have any weaknesses, present or potential, in our overseas operations?

I don't know if it's a weakness, but one thing that could be very important is this: We must guard against ignoring any range of instrumentation in the oscilloscope field that lets competitors establish equality of reputation, even in a limited area.

Our biggest potential problem is probably scope manufacturing in the United Kingdom. More manufacturers are at work there, and their technical development is higher than in other countries. They have a more limited product line and more limited engineering facilities than we, however.

We have an edge, having started first and recognized the market sooner.

My belief is that we can feel safe for about 10 years, catalog-wide. But in individual instruments, some competitors are breathing down our necks.

How would Britain's entering the Common Market affect Guernsey?

If Britain joins, we think Guernsey will follow immediately. This will give us an added convenience, because Guernsey products will then be acceptable without import duty in both ECM and the European Free Trade area.

Would our Guernsey and Heerenveen plants then serve the same market?

They **could,** yes. Maybe we would split our product line: In the long term, probably we would tend to introduce new instruments in Heerenveen, where we will have more support functions and a bigger technical team.

What have been our biggest hurdles in setting up overseas?

Surprises. I'd say surprises cause us the most grief.

Like when, after what we consider thorough research into working conditions and economic conditions, new things come to light and we have to adjust our program.....

Building costs are a good example. We ran into more costs in Holland than we'd figured. We'll do our second phase of building differently—more bidding time, for one thing.

(continued on next page)

DON ALVEY

What's our history of overseas growth?

At first we had a branch operation on Guernsey, assembly only—assembling wired chassis from Beaverton. Then we began to work from kits of parts, later from parts not in kits. Now we purchase some of our parts in Britain, and finish semifinished parts from Beaverton.

At present we manufacture seven scopes and all the Tek letter-series amplifying plug-ins.

Our plant became Tektronix Guernsey Ltd. when we formed Tekintag, which fully owns the Guernsey and Heerenveen operations and in turn is fully owned by Tektronix, Inc.

We chose Switzerland as Tekintag headquarters. Why? Everyone has a different reason. One is that Switzerland is a good financial center, allowing free transfer of money or its reinvestment in subsidiaries.

It's advantageous to have both our European manufacturing operations owned in Switzerland. In case of nationalization programs, national emergencies and so on, a country generally leaves property alone that's owned by a neutral nation—or, at least, the compensation is better.

We have 12 people in Zug, most of them engaged in order processing.

Right now, the Marketing group there coordinates the work of our engineering representatives, provides information services and accepts orders. It determines whether to produce the instruments in Guernsey and Heerenveen, or order from Beaverton.

We had two field engineers; one has recently moved to head Customer Service on Guernsey. To give more support to our distributors, we will have more field engineers. Three now are training on Guernsey.

What effect will adding field engineers have on our distributors?

It should give them more technical support. The FEs will make more customer contacts, so the distributor can see how we handle service problems. We also will get better customer feedback this way.

Will our staff at Zug become much larger?

It will always be relatively small. Even if it were to double, it would still be small.

Marketing and Planning could double in size. Marketing now has two men and three girls. Planning is one man, with a secretary.

Our Planning coordinates European development plans with Domestic Planning and with Hawkin Au's Company Planning group. Both short and long-term problems are constantly reviewed.

We serve 17 distributors from Zug. Our representatives in Britain, Germany, France, Italy and Sweden account for about 70 per cent of Tekintag business.

How many people are on Guernsey now?

Something over 200. We can see several hundred more someday.

Bob Gwynn, an Englishman—a Guernsey resident before World War II and with Tek since 1959—is now in charge of that plant.

We have only one American now on Guernsey: Dave Spinks. In addition to Dave, we have visits from folks like Gordon Sloat, Earl Scott and Bob Davis, who come over to help us get new operations underway and to discuss special problems.

Why did we pick Holland as a plant site?

The tangibles and the intangibles are all mixed up. One factor was governmental relations. Another was labor supply. Another was that in some countries we simply would not have been welcome.

We like to feel Heerenveen will grow at the rate of 250 a year. We hope to have about 40 Tek Holland employees when we begin operations early in May. Our plans are to have just an assembly area then. Later we plan a shop, metal finishing and some component manufacturing.

Earl Wantland is setting up the Heerenveen plant. We'll start with assembling the 545 and the K, L and CA plug-ins. We won't need to do more than this for the first year, while we catch up with the demand. Then we'll add the 535 near the end of the year.

If we meet no serious obstacles, we plan to go as fast as possible toward being a self-sufficient operation.

We keep our Beaverton imports in a customs-bonded warehouse in Heerenveen, and so long as those goods are not sold in Holland, there is no Dutch import duty. When we sell them into another nation, duty is charged from the US and not from Holland.

In Tektronix Holland we have 15 persons—largely key people, hired six months ago and trained in parallel functions in Guernsey.

What special marketing problems do we face?

Building and machinery costs are higher overseas—sometimes higher than the same equipment imported into the United States would cost a US buyer. Sales tax is the reason.

Italy has the highest import duty, the United Kingdom next (when we have to pay it), then France. The lowest is in Switzerland, where they tax imports by weight.

In the United Kingdom, interestingly, a 535 or 545 is cheaper than a 531 would be, because with a CA unit the '35 and '45 have no competition in Britain. A 531, because it competes with a British instrument, must pay a high import tax.

This is important, I think:

We get a lot of our overseas business simply because we're willing to put up with all the complications and work it involves, to make life simpler for the customer in dealing with a "foreign" supplier...

What is Tekintag's relationship to Tektronix Canada Ltd.?

None. Tek Canada is financially and operationally connected to our US activity. However, since Canada is a member of the Commonwealth, we may have a strong incentive to supply them from Guernsey someday. Guernsey will need to expand quite a bit before this can be considered.

We can say this move is "likely". Guernsey's output capacity would need to be at least twice what it is now, however.

What is your own history with Tektronix?

I went through training in Marketing in 1958. I was to become a field engineer in New York, but I overflew it and became our second field engineer in Europe. About a year ago I was put in charge of our expanding European operations.

I'm in Portland to confer with Bob Davis and with Marketing on specific problems such as pricing—how price changes here relate to price changes there. Establishing an international pricing policy, essentially. Tekintag is now such a major factor in our whole operation, we are reviewing all aspects of communications and coordination.

And we're discussing our building program abroad—the timing and the cost—with Ladd Goodman and the company architect on details, and with Bob on the major plan.

What is your own job responsibility?

I'm responsible for the development and profitable growth of our facilities for marketing and manufacturing in Europe, to handle the requirements of customers in Europe and continental Africa (the Union of South Africa, an interesting market for the size of the country). There is a growing demand for electronic instruments, due to growth of universities, radio and television.

How strong is your tie-in with Engineering in Beaverton?

Not strong, generally speaking. Our contact is through Ladd or Scotty Pyle, but other channels probably will be developed during my visit here. This is an area where we now feel we can improve.

How is our recruiting effort going overseas?

In Guernsey, we've exhausted the local supply of technical personnel, and are recruiting on the English mainland. There are no hard feelings about it on Guernsey; people realize we need this technical help.

In Heerenveen, our first recruiting hurdle was: How to educate ourselves to judge and assess people in an environment and social atmosphere new to us?

Because of our lack of ability, we employed a professional recruiting agency. First, we defined what we felt was required, recalling Tek history, describing our hiring approach in the US and what effect it has had on the company.

We stressed Tektronix' cooperative atmosphere and its removal of social strata.

Did this informal approach go over in their formal society?

At first the Dutch were suspicious; it seemed our approach wouldn't be adopted. But after some of the first people we hired had been in training on Guernsey for some months, they came to feel it **would** work. If we are patient, we think it will come.

The first-name basis, incidentally, is not normal in the business atmosphere of Holland.

Profit share is almost entirely new in Holland—on anything like our scale, although some smaller bonus plans do exist.

Do you notice any apprehension among domestic industry in Heerenveen?

There is no resentment at all, although probably some suspicion. We are the unknown. Dutch companies may suspect "gimmicks," like new hiring practices and so on.

Our big problem is technical people. We'll have few in Heerenveen at this stage. They are being hired from outside the area.

There's no competition for technical employees from what you'd call a local major industry. Our biggest single competitor is the Phillips Norelco shaver factory at Drachten, a nearby city.

We look forward to a higher male-to-female ratio than in the US. This is because of local custom: Women don't work; when they marry, they quit their jobs. It's less true of Guernsey.

Shift work also is a new concept. And work hours in manufacturing are controlled: 45 hours a week.

Do you feel the Tektronix philosophy plays a big role in your hiring approach?

Yes. We're emphasizing it heavily at the beginning, so our initial crew will help us from then on.

If the first guys we hire aren't with it, where the heck do we go from there?

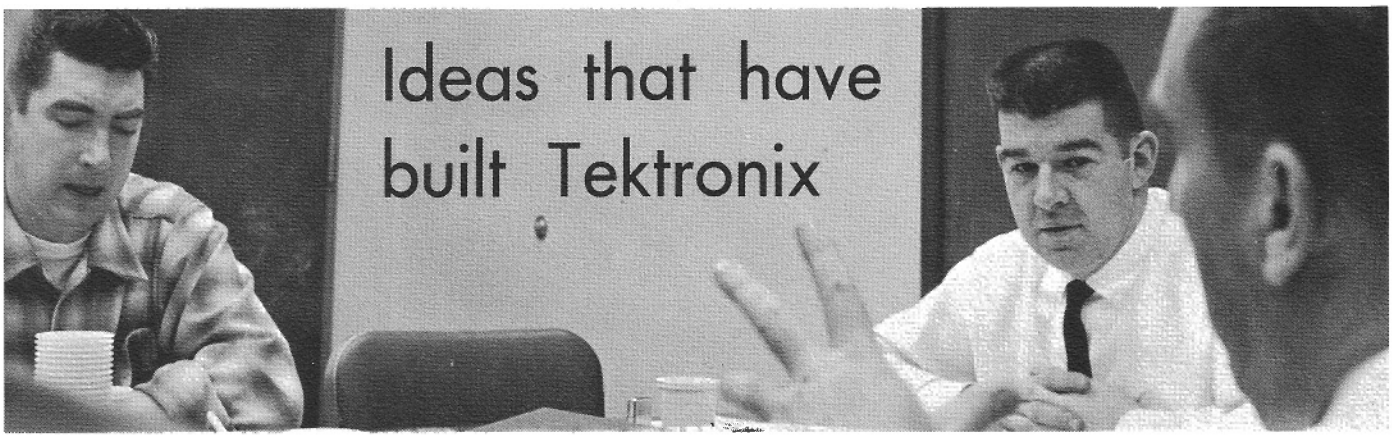
How are our public relations in Heerenveen?

Excellent.

In our negotiations with the Dutch, in the way we treat people, in the way we relate to official bodies—we've been there a year and we haven't shown any different face to them than we showed at first.

I think the people there are coming to believe we're really true...

BUSY MEETING schedule occupied Don Alvey day and night when our European manager visited Portland in January and February. Here he discusses overseas production requirements at the domestic managers' Tuesday night planning meeting. (Pictured, from left): Mike Park, Instrument Manufacturing; Frank Kopra (back to camera), Domestic Quality Assurance; Jack Hornor, Planning; Don; General Manager Bob Fitzgerald, and Bob Moore, Human Relations.



COMMENT BY Derrol Pennington, CRT, gets close attention of Manufacturing Manager Mike Park (second from right) and Ken Spooner, Instrument Manufacturing, during regular Thursday meeting.

No. 5: MIKE PARK

(Believing that Tektronix owes its stature not only to its research, productive and engineering skills but also to the unique and vigorous personalities of its leaders, Tek Talk has undertaken a search to learn just what some of these people believe.
This is the fifth in a series of interviews. Mike Park is new Manufacturing manager.)

What's your history at Tektronix?

I was hired in November 1950 by Gordon Sloat, and started out stacking transformers. I was 19 and had gone to Central Catholic high school and service school at Camp Gordon, Ga. There were about 15 in the department.

Then I went to work for Ed Bauder in Test as repairman, which was sort of an entry job, working on 511s and 514s. Repairmen did the QC work, such as it was.

I was in Plugins for years, then I worked for Frank Kopra when we organized the first Test QC function. He was in charge of instruments and I of plugins.

From there I went in 1959 to Production Planning, a new group formed by Earl Scott and Bob Fitzgerald (by then Earl was in charge of Manufacturing.) We did the forecasting, everything; we were the only planning in the company.

In 1960 I was made Instrument Manufacturing production manager. About a year ago I became Instrument Manufacturing manager. And now this. . .

How does your new job differ from the position of Manufacturing Director which Bob Davis once had?

I don't know enough about his job to compare.

But the manufacturing job is different now: The product line has grown greatly in the last five years; there was no IMSE in 1958, except that which was inherent in Test; there was no formal QC function—again, excepting what was inherent in Test. . .

How does the increased size of the manufacturing organization affect the way you must operate?

I can't actually **operate** to the extent that Bob Davis could back in 1958. The depth and breadth of the present organization means that no one man can know all the details. There's no question about it—that's how staff develops.

What criteria do you have for establishment or expansion of staff functions?

That's a real tough one. I don't know how to put it into words, exactly. . .

Here's what I've got to do: State **what** my operating people's responsibilities are. When we get into special subjects which I'm unable to spell out personally—say to tell Ken Spooner what the specs are on the 540B—I use a staff function, as one of my arms.

And you build staff to represent you in organizations of peers, in these special functions.

Many services you couldn't **afford** to have all over the place—standards labs are a good example—nor could you have engineering talent everywhere. So a service forms that the individual organization can't afford and that meets a common need.

How does staff "overweight" develop in some areas?

Sometimes the real needs (what has to be accomplished) aren't spelled out clearly, and so staff is allowed to continue growing.

Also, some managers seem to feel the need to control and check on their subordinates. So they build staff "controlling" mechanisms.

Does the kind of staff organization a manager forms depend on his own strengths and weaknesses?

Yes. If I were a competent engineer or personnel man, for example, I'd have a different kind of staff activity, bolstering others of my limitations and lacks.

Do you share a belief in the extreme competence of Tek people?

I sure do. We're more than blessed with our fair share of skills.

Why is this?

A great part of it is because we **started** this way; we were very selective. And as a company, we have a strong basic approach toward "growing people" . . .

I agree that we haven't had time to grow as **many** as we want, but we do put great amounts of energy into personal development. If we hadn't, we wouldn't have made it.

In the absence of formal training programs, how has this "people-growing" process gone on?

There has been little formal training, right, but a tremendous amount of manager-to-subordinate coaching. This has been a way of life here for years.

Any manager is largely a teacher.

Is what's called the "Tek philosophy" responsible for any of this attitude?

This "awareness-of-people" aspect is basically a good thing, although certainly it's overworked sometimes: mistakes have been made in the name of fairness and charity. Sometimes this has indicated a lack of headsup management, sometimes fear of making a decision, sometimes a desire to take the easy way out.

But if this is the price, it's well worth it—if that philosophy has caused us to be extremely just in our dealings with each other, as I think it has.

It's easy to be kind. **I** do it. But justice means a kick in the fanny as much as it does a pat on the back.

A manager needs courage to criticize a guy who's tried but who's less than adequate. But this criticism is good for the company—and for that individual, too.

It's especially hard to criticize the guy who's up to his limit, and tell him you're not satisfied. The easy way out is to give him a better job, or continued wage increases—but you can't do this and be just.

BUSY MEETING schedule occupied Don Alvey day and night when our European manager visited Portland in January and February. Here he discusses overseas production requirements at the domestic managers' Tuesday night planning meeting. (Pictured, from left): Mike Park, Instrument Manufacturing; Frank Kopra (back to camera), Domestic Quality Assurance; Jack Hornor, Planning; Don; General Manager Bob Fitzgerald, and Bob Moore, Human Relations.

How strong is your tie-in with Engineering in Beaverton?

Not strong, generally speaking. Our contact is through Ladd or Scotty Pyle, but other channels probably will be developed during my visit here. This is an area where we now feel we can improve.

How is our recruiting effort going overseas?

In Guernsey, we've exhausted the local supply of technical personnel, and are recruiting on the English mainland. There are no hard feelings about it on Guernsey; people realize we need this technical help.

In Heerenveen, our first recruiting hurdle was: How to educate ourselves to judge and assess people in an environment and social atmosphere new to us?

Because of our lack of ability, we employed a professional recruiting agency. First, we defined what we felt was required, recalling Tek history, describing our hiring approach in the US and what effect it has had on the company.

We stressed Tektronix' cooperative atmosphere and its removal of social strata.

Did this informal approach go over in their formal society?

At first the Dutch were suspicious; it seemed our approach wouldn't be adopted. But after some of the first people we hired had been in training on Guernsey for some months, they came to feel it would work. If we are patient, we think it will come.

The first-name basis, incidentally, is not normal in the business atmosphere of Holland.

Profit share is almost entirely new in Holland—on anything like our scale, although some smaller bonus plans do exist.

Do you notice any apprehension among domestic industry in Heerenveen?

There is no resentment at all, although probably some suspicion. We are the unknown. Dutch companies may suspect "gimmicks," like new hiring practices and so on.

Our big problem is technical people. We'll have few in Heerenveen at this stage. They are being hired from outside the area.

There's no competition for technical employees from what you'd call a local major industry. Our biggest single competitor is the Phillips Norelco shaver factory at Drachten, a nearby city.

We look forward to a higher male-to-female ratio than in the US. This is because of local custom: Women don't work; when they marry, they quit their jobs. It's less true of Guernsey.

Shift work also is a new concept. And work hours in manufacturing are controlled: 45 hours a week.

Do you feel the Tektronix philosophy plays a big role in your hiring approach?

Yes. We're emphasizing it heavily at the beginning, so our initial crew will help us from then on.

If the first guys we hire aren't with it, where the heck do we go from there?

How are our public relations in Heerenveen?

Excellent.

In our negotiations with the Dutch, in the way we treat people, in the way we relate to official bodies—we've been there a year and we haven't shown any different face to them than we showed at first.

I think the people there are coming to believe we're really true...

What are our greatest strengths as a company?

One, for sure, is that somehow we've collected a tremendous number of very dedicated, very capable people into the organization. To me, this is number one. It **is** the company—the guts of it.

I'm thinking that as a group we expect more of each other than many organizations. We expect a lot; therefore we **get** a lot—that's been my experience here.

Everywhere at Tek you try to make the job as large as possible.

How much leeway do you allow manufacturing people to innovate?

We sure **try.** As we get larger and more bound up in our systems, it gets harder. But it sure will be one of my goals, and of the manufacturing organization, to use the knowledge and information of the person doing the job to advance his career and enlarge his job, as he sees it.

Everyone has the privilege—the **responsibility**—to upgrade his portion of the manufacturing operation.

Ideas for instrument mods, for example, come from other areas than Engineering. They continue to come—the great number of them—from people on the line.

Do you see any weaknesses at Tektronix?

One problem I see—sure it's a weakness—is that, for whatever reason, there's a tendency for an organization not to expose what it's doing. In this way, we sometimes don't make maximum use of our ideas and talents.

To have the privilege of operating with some freedom, which by and large everyone wants, you **must** make those around you aware of what you're doing. If not, their defense mechanisms come into play immediately. If you **don't** know what a guy is doing—and if his output isn't 100 per cent good—you may not trust him. But if you know, you feel free to run the risk with him. If all you can read is his output, you don't know **what** risk you're running.

What do you think is the worst misuse of staff?

Abandonment of a function to staff—putting staff **between** the subordinate and the superior. If you get to the point that the subordinate fears, or reports to, the staff man, you have severe problems. It's plain unjust. I can't **imagine** it being logical.

A staff guy better get his kicks out of making some line guy look good, get his rewards out of helping the gal who's putting something together or the man testing.

What are the goals of the manufacturing organization?

Sure I can say, "I want a flexible organization that continues to take the output of Engineering and manufacture it efficiently and to a consistent high quality—and one that grows people." Every manufacturing philosophy says the same thing.

I do want an efficient function, and each person in it competent—more competent than his counterpart in competitive companies, whether he be a rotex operator, a wirer, a scheduler. . .

Really, all you've **got** is people. They're the greatest computers in the world. And it's so damn inexpensive for us to grow them.

My immediate plans are to get the operators to spell out their problems and what's needed to solve them. Then, organize in the best way to accomplish these goals.

One thing we need to do is plan for longer-term growth and longer-term solutions. We tend sometimes to get procedures developed only to put out fires, and they often become standard operating procedure. As managers, we have to get into a position to think, "Is it the best solution?"

Another thing we have to do is a better job of spelling out overall responsibilities. This better be one of the first things, too.

What are some immediate manufacturing problems?

The length of the manufacturing cycle is one. I'd like to get it shorter. The longer the lead time, the greater our exposure. We need to react faster and follow customer needs more closely.

How will having a single manufacturing organization improve relationships with Engineering and Marketing?

Various functions need coordination. For example, Manufacturing Staff Engineering now will be able to make statements for manufacturing as a whole. Up to now, outside organizations haven't known where to get manufacturing answers. Often they have received three **different** answers.

It can't help but lower manufacturing costs and improve quality.

How much autonomy of operation should an area have?

An operator is pretty free, within his responsibility, to organize as he sees fit. He **must** grow people and he **must** operate at some efficiency.

He's free to take risks to the degree that he's not affecting some other area.

You can't take risks in an area you can't cover for.

For instance, some company policies you can't take a risk on. You can't go outside them, but within them you can—and should—do things to improve and increase your responsibility. You have to be careful, though; if you take a risk that will affect someone else, you have a responsibility to get his approval first.

What when two of your managers disagree as to whether to take a risk?

That's what I'm paid for.

Do you see a genuine willingness in the company to accept changes?

I think there is—in fact a darn good one. When you make people aware of the consequences for the **whole** organization, they will even subjugate their own interests. But you've **got** to let them know.

We've spent 14 years training people to speak out strong when something goes wrong. So you have to explain the reasoning behind a change. Then people, if they can, will get behind you. At Tek we see tremendous loyalty—to the company, to individuals, to each other.

Often we're forced to make a change on the spur of the moment, and have no opportunity to explain. In these cases, really what you're asking your people to do is to run on faith. A lot works out if you know and trust each other.

How do you develop this trust?

One, give the benefit of the doubt, especially to a superior. It's also important to support an outside area when you hear a grumble against it. It's so much fun sometimes to get a guy down and jump on him. . .

What is the proper function of committees and similar groups in a manufacturing organization?

There have been some pretty successful committes—usually short-term ones (like the steering committee).

A committee usually is composed of people from different responsibility areas. To make it work there must be a common goal, one that each sees so clearly that he will subordinate himself to it. But a committee, once it does what it was formed to do, will fall apart because the goal is gone.

I think this says that for one-shot problems we can get a lot of work and information from various areas—and in useable form—from committees.

In those few cases when you find a **decision** emerging from a committee, however, you find some one person on it assumed the responsibility.

You talk about the idea of "risk" and a manager's right to take risks. Is this an important concept to you?

Yes, it's important to me.

There is **no** decision without an inherent risk. That's why we must be careful to see that decisions are made at a level which can **assume** those risks. Not too far up, or too far down, in the organization.

Say **I** were to decide whether Unit Wiring should use a particular workbench layout. This is completely inappropriate. I don't know that area's internal needs, nor do I see the effect of my decisions there.

It gets back to this thing about mutual trust. When I do a ridiculous thing, I need an organization that's free and willing to come and tell me.

Do you feel you have that kind of organization now?

I think we have, pretty well. I don't known anyone who's scared to tell me what's on his mind. Sure, I get mad sometimes, but no one's ever been hurt by telling me off. They **do** it often enough. . .

And I've learned a tremendous amount.

We need an organization in which people **want** to tell you, and ask for clarification, and know you'll help them get out of trouble.

How do you gain this sort of rapport when you lack direct contact with so many employees?

It's each manager's responsibility to accomplish it. We must have working relationships so that subordinates **do** have freedom and mutual trust.

One problem we **had** in the company was lack of mutual trust. Fitz (as domestic general manager) did a tremendous amount of good in this regard.

One reason my job was created was to continue this trend toward greater mutual trust. It takes a lot of personal work.

Will this be a major area of your own personal effort?

Absolutely. I'd like to see the same degree of freedom, understanding and trust in work relationships among major areas as you find among, say, departments in a division.

What factors affect a manager's ability to delegate?

A manager may be afraid to delegate because he can't stand to have criticism placed on him by a subordinate getting into trouble.

If you're going to ask for support and loyalty, you don't get it by having a title pinned on you. One way to **earn** the support is to truly delegate, and then ride with the results of the guy you delegate to—including his mistakes.

Do we ever overdelegate?

I don't know if it's overdelegation or not. It may be we don't put sufficient importance to certain responsibilities.

I think, for example, of forecasting. For years it wasn't considered important enough, and so it was delegated—or abandoned—down the line so far that the risks taken there were out of order.

This was back in 1959, when Kevin VanHoomissen and I did all the forecasting. Our influence was completely out of line compared with our responsibility.

What are the effects of Tektronix' fast growth on today's problems?

Certainly growth has accelerated the basic problem of tending to have inexperienced managers. . .

What were the company's choices other than grow its own managers?

Haul them in from outside. In my opinion, we're far better off to take green managers than outsiders.

How did we develop the extreme quality-consciousness we have?

I think the founders **started** it—set it as an objective, and it stuck with us. One of the things we have to sell is quality.

Quality Assurance does not in itself create quality, but it's one tool we use. You **do** get quality by each individual putting extra concern and extra personal care, into Engineering, Manufacturing, Marketing. . .

Quality is not only in our box but in the way we treat customers and vendors.

Why do we have more quality-consciousness than some other firms?

People **like** to do a good job—I really believe this; a psychologist could explain it better than I. It involves what they think is important. Our reward and criticism system is part of it—not what really causes it, but what supports it.

"Do your best" may be a corny saying, but our people believe it.

It goes back to what kind of company Howard and Jack wanted to start: One which would produce a quality product in **all** its aspects. This concept has gone, as these things will, into every part of the business.

We have to be aware of this, and careful not to lose it or to sacrifice it for short-term goals.

How do we combat the attraction of short-term goals?

We need to restate and redefine our long-term goals. Sometimes they're not spelled out by supervisors, because they're either not knowledgeable or don't take the time.

We could overdo this, I suppose, but fewer companies get into trouble overdoing long-term thinking.

This business of short-term gain comes up **very** often in a profit-sharing company.

We may take alternative A for its short-term benefits, and then in time find that alternative B would have solved the problem with the same efficiency and meshed better with our overall approach. Long-term goals don't mean less short-term efficiency.

How much does our informal atmosphere contribute to company success?

It has contributed a whole lot to what we have. Maybe in some isolated instances it's taken advantage of, but in any balance we're way ahead because of it.

It makes working here a pleasure. You can't buy this feeling. The returns on this investment are tremendous.

Does this atmosphere change as we grow larger and less flexible?

You've got to continuously work at it, that's for sure.

We're bound as we grow bigger to get some individuals from different business societies. We've got to be careful that they do adapt to what we feel **is** our way, so we can keep the kind of company we started.

We try to keep the basic values, the informal atmosphere—those things which are important to us—and not let any individual or group of individuals destroy them.

Aren't changes in the way we do things acceptable?

Sure, surface aspects—the shallower things—can and should change. Leaving our cash out, that can change. It's not the important thing. It's the thought and the basic concept behind it that we can't compromise or destroy. But change the way we **manifest** these things? Sure.

From time to time people with different values **will** challenge our ways. We have to be careful. We mustn't go looking for dragons in the attic, but we **can** insure that the things important to us, as a company, are made known.

How can you do this?

It involves mutual trust—we're back to that again.

It would be wonderful if someone could put these values down, in some form, to make them known. They are the kind of things you learn early at Tektronix; they do rub off. So many of them boil down to the basic moral beliefs of Tek society.

It's important that a guy not be 180-out on basic things. An organization can't absorb him. It **can** accept differences within limits, but not when they're diametrically opposed.

We've lost some of these people, sure; we should've lost more.

You've spoken of risks accompanying each decision. What risks do we run by emphasizing a concern for people?

The risk you run is, frankly, that you're open for competitors who lack this concern to take advantage of you and your people. Not that they **are,** but they **might.**

It boils down to a competitive thing. Companies who don't care about people or the state of the art—who have what I'd call short-term goals—can threaten us. But if we're strong and use this threat as a further stimulus to drive that much harder, it may be a real advantage to us.

Sure they can hurt you—temporarily—if you're not basically strong.

Then you feel internal abuse of our system is no major risk?

If some employees take undue advantage of our atmosphere, it isn't many. And our informality, our concern over people, in no way means we're not going to be just.

And, as I said, "justice" means just **exactly** that. . .

Articles from Tek Talk
issues of:

December 1960
February 1961
February 1962
April 1962
January-February 1963

Communications department

Reprinted from Tek Talk,
December 1960 issue
Tektronix, Inc., Beaverton, Oregon