

A MEETING ON TEKTRONIX SPIRIT ON MARCH 2, 1961

People present: John Wallen Al Stewart
Ed McDonnell Irv Smith
Howard Vollum Jack Day
Bob Swanson Hap Flynn
Jack Murdock Dick Schmidt
Frank Hood Paul Gaertner
John Lamb Gus Anderson
Bob Davis Guy Frazier
Bill Bessey Joe Floren
Bill Banaka Dave Corthell
Mike Brand TOM COX

(Each person introduced himself.)

John Wallen: Formulating the Tek spirit is something executives cannot do alone, so people from all walks of life at Tek are represented here. (Reads from a letter on Tek spirit):

"The owners' philosophy in the early days of Tektronix did not need formal expression. It was easy to maintain the philosophy because the company was small".....

Some people feel attention is now needed ^{to} in the matter of stating the Tektronix philosophy. No formal statement has ever been given.

What is the basic Tektronix philosophy? Do we do some things now that do not manifest this philosophy?

(Reads from a letter from a field engineer): "Other companies have profit share and fringe benefits - yet Tektronix receives loyalty and effort from its employees that other companies can only hope for. Therefore there must be something below the surface. "

The writer suggests that Tektronix values the superior while most other companies strive for the average.

(Reads from another letter, also from a field engineer): "Workers at Tek are individually honest. We had integrity in our product and advertising even when there was no competition. The idea that the Tek spirit was a necessary phase of our growth and would be outgrown is false. We respect the individual's worth, as evidenced by open cash boxes, etc."

Is there need to talk about the Tek philosophy to define it?

Al Stewart: Communications is one breakdown, because the company is so large and so scattered.

- Ed McDonnell: We have so many new employees that did not grow up with the Tek spirit. New supervisors are unable to convey the spirit to the people beneath them.
- Irv Smith: There is a danger in mouth-to-mouth passing of information. If Jack Day told something to Frank and Frank told it to Guy and it went around the room, wouldn't it be distorted by retelling?
- Howard Vollum: Words mean different things to different people. When the company was smaller this didn't make so much difference, because we would hear the same thing many times over, many ways.
- Jack Day: When Tektronix was small employees could compare management's actions with its words.
- Bob Swanson: The first 5 or 6 years of Tektronix, people received an indoctrination--but not any more.
- Hap Flynn: Is Tek spirit to be a policy or a feeling between employees? Some people who come to work here from other companies do not understand how we do things.
- John Wallen: If we're not orienting new employees, maybe we're also failing to orient the higher echelons of management.
- Hap Flynn: One engineer, who formerly worked in another company, told me he was going to cut out this coming and going, and would work only 8 hours--not 10 or 12. It makes him unhappy that others don't want to do it his way.
- Jack Murdock: If you can label the Tek spirit at all, it is the respect for the dignity of the individual. This means people are not going to act all the same. Maybe we'll have to give examples of this.
- Hap Flynn: A new engineer told me, "At Tek they treat us like people, not like numbers."
- Jack Murdock: Some firms operate with fences around them and so on, not because they have to but because they feel that they might have to operate that way some day.
- Howard Vollum: Some firms put up fences during the war and left them up.
- Dick Schmidt: If the supervisor isn't oriented properly, he won't get the point across. Orientation must go all the way down the line. Maybe part of the problem is that the middle people are not well indoctrinated.

- Ed McDonnell: A lot of these middle people have come in since we dropped the direct orientation program, so they are now at the middle level without it.
- Jack Day: Several years ago there was no supervisors' group and over 500 employees. The advisory group then, concerned over keeping the Tek spirit, noted: "The most important individual is the first-line supervisor." The group felt a supervisor was the company to an employee. I believe this is still true.
- Frank Hood: We must spell out the Tek spirit ourselves before we can expect others to understand it.
- Howard Vollum: Maybe the fact that there are a lot of different ideas about it isn't a bad thing.
- John Wallen: We seem to agree we do not want a definite statement of principles, but if we don't make some effort we may have contradictory sets of principles. The problem is to find the common denominator. Practices may change but the principles must be pervasive.
- Al Stewart: When I came to Tek there was an indoctrination program. I knew Howard and Jack and talked with them. Now we have the Tek spirit only in individual groups. It is very strong in Future Products. We all work towards a common goal.
- Jack Day: Why is this group so cohesive? Why does it work together? Probably because there is a direct contact between individuals, and the workers know what is going on all the time.
- Howard Vollum (to Al Stewart): Is the group cohesiveness in Future Products within the group instead of to the company?
- Al Stewart: No.
- Ed McDonnell: Most people in that group have been there over 5 years. In a new group you don't find this enthusiasm.
- Dick Schmidt: Maybe enthusiasm is a measure of the Tek spirit.
- Paul Gaertner: Some people are best nourished by freedom, while others are happy in their little niche, doing a specified job.
- Frank Hood: One of the fundamentals is pride in joint effort. If we cannot instill this--if we are not proud of our joint efforts--we have lost something.
- Jack Day: How do we go about developing this pride in a job?
- Frank Hood: We can't do it in isolation. (1) We must be confident in the products' integrity; (2) It must serve a useful purpose.

- John Wallen: (reads from a letter): "Design leadership is important. What will we do in a competitive price situation when other companies forge ahead? You cannot recapture the Tek spirit if you lose it. We can derive much from continued quality improvement, and from identifying ourselves with the honest best. We shouldn't only say, We must be proud, but we must ask, What are the things that build pride?"
- Howard Vollum: A technical barrier is not the only challenge. There are different kinds of challenges. The person who manufactures a Chevrolet can be just as proud as the person who manufactures a Rolls-Royce.
- Jack Day: Our willingness to go further is important.
- Howard Vollum: ...and our willingness to give more for the money.
- Hap Flynn: That is the difference between engineering and production. To the gals in production the supervisor makes all the difference.
- Irv Smith: Let's talk about manifestations of the Tek policy. Hap asked, how do we behave towards each other? How does a service department behave towards a line department? Maybe we should talk about behavior characteristics.
- Hap Flynn: It all goes back to how people feel they are treated. They will treat someone nice if he treats them nice.
- Howard Vollum: This may be our strength and our weakness. We are all interested in doing right. Often the spirit and desire to do something causes problems. Nothing is done here in malice. It's different from an organization that has apathy and deliberate antagonism among its people.
- John Lamb: What do we mean by "treating people nice?" I get the royal treatment at a local grocery store. It isn't convincing.
- Hap Flynn: I don't mean to butter up people, but to cooperate with them as you would like to be cooperated with.
- Howard Vollum: Maybe the people you think are insincere are actually very sincere.
- Jack Day: Al has the core of the problem: We're all part of a group, all working for the same organization.
- Al Stewart: In our group we're kept aware of the general picture and the goal, but in other areas what they do there is all that is important. Separate companies have grown up within Tektronix. Also there is a tendency for "climbing"--for a manager in a group to gather people around him--empire-building. People at the working level resent this, particularly those who have been here a long time. We didn't experience empire-building in the old days.

- Bob Swanson: In trying to keep track of the company assets, we're in a constant turmoil. A division head will tell me, "These are my assets", and I say, "No - these are the company assets."
- John Wallen: There seems to be interest in this subject (Tek spirit) and you seem to feel this is the appropriate time to do something about it. What can be done to strengthen the Tektronix philosophy? We can't put the matter to a democratic vote. We need a definite statement that we can translate into action.
- Ed McDonnell: We can't do it only by handing out readable communications. We must hear it as we did 5 years ago, directly from the people above. The spirit also must be transmitted by older employees.
- John Wallen: (quotes from a Tek-Talk interview with Howard Vollum): "When (a company) 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."
- Hap Flynn: We would like somebody at the managerial level of the company to talk to us.
- Gus Anderson: When I came I had been at my desk two weeks. Dal Dallas called me by my first name, and explained that no one would point his finger at me here and tell me what my job is. This gave me a sense of pride and a sense of belonging. This sense will build an employee's character. Management here is sincere about the employee's welfare and respect for each person's dignity. It is a unique system, and brings mutual understanding, honesty and a high degree of individual performance. Before I came here I worked in a bank, under strict discipline. There was no sense of pride.
- Jack Murdock: We could define our philosophy in part: Part of it is to tolerate these differences in people. Can we assume that defining it will change people's philosophy? Maybe we hire our supervisors for other reasons than their belief in the Tek philosophy.
- Bob Davis: We don't ask each employee: "Do you believe in the Tek spirit?"-- and we shouldn't.
- John Wallen: We should make a maximum effort to explain what it is. Our response to all action depends on our expectations. If a person tries to cut me, I'll back away; however, if that person is a surgeon and I have appendicitis, I would submit; but if they forget to tell me he is a surgeon and I have appendicitis, I respond different. A person may interpret our comings and goings at Tek as slack discipline rather than what it is--freedom of choice.

Bob Davis: Expectation is one of the important things. If an individual expects fair treatment, it's hard for the supervisor to do anything but treat him fairly.

Howard Vollum: Also important is what you think is expected of you.

Paul Gaertner: (to Guy Frazier) What does the company tell people about their chance for advancement?

Guy Frazier: "I can't express the Tek spirit, since I'm new here. We have some interesting dilemmas.

For example, the problem of open cash boxes. We can respect the dignity of the individual, but unfortunately there are some "undignified" people here; thus, there is a shortage sometimes. We are not concerned with the loss itself, but people may ask: "What kind of company is this, that they can get away with this?"

Another example--Two people with the same experience in similar jobs, but in different areas find their pay differs. Should it differ?

Another example: The opportunity for advancement. One guy gets an advancement. It seems to be our policy not to clarify why. When you have a number of independent groups, as we do here, you do get inconsistencies. A person should be advanced on merit and paid on merit; but what goes into determining merit? If we try to administer the merit system to make it consistent, we reduce our opportunity to be flexible.

Bill Bessey: Peter Drucker, the author, notes that all good organizations that have succeeded have had a code of practices. For example the Supreme Court and the U.S. Marines....

Joe Floren: We get into a problem where we say we "respect the dignity of the individual." Does this include the individual's right not to accept the Tek philosophy?

One Tek manager told me: "They say we don't do thus and so at Tek--and I tell them I am Tek." My question is: Do we say this person doesn't reflect the Tektronix philosophy, or do we say the Tek philosophy is whatever is being practiced at Tektronix?

Carrying this further, suppose 2/3 of the company adopted this person's practices. Would we then say Tek philosophy is disappearing or would we say it is changing? In short, is Tek spirit a dynamic thing or an absolute?

Third: Maybe we should explain why we're trying to define Tektronix philosophy? Do we feel this philosophy makes people work better, makes them happier, etc.? Apparently we do or we wouldn't be here,--but we should explain just why we are making this effort.

Howard Vollum: In the case you describe, the manager wasn't practicing Tek philosophy in that he didn't respect the dignity of the people who worked for him.

Bob Davis: You may be asking, 'When is a person honest and when is he dishonest?' We have to look at the individual situation.

John Wallen: Aren't there aspects of this which apply to all cases? Do we, for example, respect the dignity of the group?

Our problem is to steer a path between total regimentation on the one end and total anarchy on the other hand. I think the search for the middle ground is the heart of the Tek spirit.

Jack Day: Recently I was asked to tell about Tektronix at a downtown meeting. This caused some soul-searching, and finally I came up with three principles:

(1) We have only as much organization as we need to get the job done; (2) we delegate the decision-making as far down the ladder as possible; (3) all employees share the fruit of corporate activity.

Bill Bessey: Does "freedom" mean freedom to do a mediocre job continually?

Bob Davis: We expect more of the individual than he expects of himself. This pulls him up, when he outdoes his own expectations.

John Wallen: There is a tendency too often to think of the Tek spirit as sweetness and light.

Bob Davis: One time long ago I saw a girl in Unit Wiring who said it was impossible to wire a chassis, but her supervisor told her: "We know you can do it." We expected more than she thought she could do. This attitude produces a real "plus." When we set goals and determine a philosophy, people should not be critical if we do not achieve them right away. We can't obtain perfection. We can only strive towards it.

Irv Smith: I talked with an employee who said she knew nothing about the organization, nothing about what went on outside her area. She sees no indications of Tektronix's uniqueness. She feels she needs more information, so she can be part of the whole picture. In her area there were no group meetings. I'd thought that most work areas do arrange meetings to discuss common problems. Do we need more of this sort of thing?

Frank Hood: The band width on communication--because we've grown--has grown narrower. Strengthening these links will help us regain the Tek spirit.