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Transforming a Conservative Company - One Laugh at a Time

How do you energize a traditional manufacturing company held back by turf battles, information hoarding, and inflexibility? Try having some fun.

by Katherine M. Hudson

We're a company — maybe like yours — where having fun was long viewed with suspicion. Sure, a lot of start-ups and Silicon Valley companies have wild and crazy cultures, with pillow fights around the foosball table the order of the day. But ours is a traditional, Midwestern manufacturing company, one that didn't even allow employees to have coffee at their desks until 1989. Although we pride ourselves on our technological innovation, we make industrial signs and other identification products, not PalmPilots or rainbow-colored iMacs. We are an old-line company that has always taken business very seriously — again, maybe like yours.

So perhaps it comes as a surprise that, for the past seven years, we've made fun an integral part of the culture at Brady Corporation — not simply as an end in itself but for serious business reasons. We've found that getting people to loosen up and enjoy themselves has numerous benefits. It can break down jealously guarded turf boundaries. It can
foster an esprit de corps throughout the company and greater camaraderie on teams. It can start the conversations that spark innovation and increase the likelihood that unpleasant tasks will be accomplished. It can help convey important corporate messages to employees in memorable ways. It can relieve stress—and, heaven knows, we can all benefit from that.

Now, let’s be honest: Not everyone at Brady walks around wearing a grin. In fact, I am certain that more than a few employees feel Brady is anything but a fun place to work. I also want to make a confession: Occasionally I wonder if, in making the case for fun, I’m simply seeking a business rationale for having a good laugh—something I definitely like to do, on the job and off! After all, life is short.

In the end, though, I think injecting a dose of fun into a corporate culture represents something much more significant. Certainly, it must be done with care. And it can’t be forced. But in the right spirit, selective—or even random—acts of fun can help transform an organization. Let me tell you how we did it at our company.

**An Uptight and Cautious Culture**

Don’t let me mislead you about Brady. Despite its quite conservative culture, the Milwaukee-based company has never been provincial or hidebound in its business outlook. Our 3,200 employees work in more than 20 countries and serve customers in more than 70. We sell 50,000 products, ranging from OSHA-mandated workplace signs to sophisticated labeling software. Last year, we earned nearly $50 million on revenue of about $550 million. The total return to shareholders has grown an average of more than 16% per year since the company went public in 1984. Our shares are listed on the New York Stock Exchange.

Furthermore, the company, founded in 1914 as a maker of advertising calendars and tin roadside signs, has always had a strong entrepreneurial tradition. William H. Brady, Jr., who was CEO for more than 30 years, identified promising executives and then encouraged them to identify promising business opportunities. Legend has it that if you had an idea and could grow it into a $10 million operation, you got a company car and a building for your business.

But over time, this entrepreneurial approach resulted in a company with a lot of small niche enterprises, each a fiefdom protective of its territory and reluctant to cooperate with others. In addition, the culture was patriarchal and conservative. Bill Brady was a larger-than-life figure who kept an eagle eye on company finances. Stories abound of his frugal ways: splitting the check for a business lunch at the local bowling alley, establishing a fiscal year ending on July 31 because hiring auditors costs less at that time of year. Brady’s strong hand and fiscal conservatism meant that asking for permission to act rather than taking the initiative on the job was the norm for employees. It’s true that coffee was not allowed at employees’ desks until—and people knew the exact date—August 1, 1989.

Upon taking over as CEO in 1994, I spent my first 90 days visiting all the offices and the manufacturing plants around the world to meet as many employees as possible. Although I know I missed some third-shift folks in manufacturing, I probably shook hands with 80% of the workforce. Now it’s true that the people I met during those visits were justifiably guarded as they greeted an unknown CEO, the first to come from outside the company. Just the same, my overriding impression—despite some important cultural changes initiated by two CEOs who had succeeded Bill Brady after he stepped down in 1986—was that Brady people seemed unusually uptight and cautious.

For example, in Canada, I found that the local managers of two Brady units—Seton, a catalog business that sells signs directly to customers, and Signmark, which sells signs through distributors—barely talked to one another. Fifteen years after Brady had acquired Seton, the channel conflict with Signmark still generated immense ill will. The cautious side of the culture became clear to me on a trip to Asia. Brady’s manager in Hong Kong hesitantly asked me if he might hire another half a salesperson. His jaw dropped when I suggested that he hire five, if he could give me a commercial justification.

Our problems may have been somewhat extreme, but most managers will recognize a reluctance to collaborate or a fear of risk taking among their own employees. It’s what I call a “culture of no.” And yet, we had so much potential.

Brady was, in my view, a company waiting to happen. The question was how to get people to say yes to change, to cooperation—or, in the words of our official corporate cheer, to go “from no to yo.”

Having fun wasn’t the core idea. Basically, I wanted to promote an open,
collaborative, and trusting can-do atmosphere. For example, we instituted flextime and eliminated time cards for our manufacturing workers. Although they still earn overtime pay, our blue-collar workers are treated like salaried employees: We expect them to be here and do their jobs without managers looking over their shoulders. When employees need to juggle their schedules, they work it out with members of their team and their team leader.

And we emphasize honesty. This means being open with our customers, our communities (we were ranked number 27 on Business Ethics magazine's 2001 list of the 100 best corporate citizens), and with one another. We want employees to feel free to acknowledge mistakes and to share them with colleagues, who in turn are expected to be supportive and to help turn missteps into learning experiences.

But I've also found that, if you want people to "just say yo," it doesn't hurt to bring some fun and humor to the work environment. Receiving a yo-yo--a "Double Yo Award"--isn't much of a financial incentive to change behavior. But it does help imprint in people's minds the spirit we're trying to encourage at Brady.

**Six Principles of Serious Fun**

Clearly, you can't get away with promoting a fun culture unless you show hard business results. And playing or partying all the time can distract you from achieving those results. Another risk in trying to bring some levity to corporate culture: People may find such efforts threatening, offensive, or just plain silly.

But, done deftly, engendering a fun work environment can contribute to both business performance and a robust corporate culture. (For three examples of how Brady has benefited from not taking itself too seriously, see the sidebars "Doing the Packarena," "From No to Yo," and "When the Camel Died.") A few simple principles can help you to succeed.

*People aren't always as stiff as they seem.* Some people will undoubtedly
object to attempts to bring a bit of levity into the workplace. They may find it inappropriate for a place of business. If the boss is organizing a “fun” activity, they may find it patronizing. Or they may simply feel uncomfortable participating. Let’s face it, some people just don’t like to yuk it up. And that’s okay, as long as their point of view is respected and they feel safe expressing it.

At the same time, however, I find that many people are more comfortable having fun at work than you—or they initially think, especially when they know that fun is an accepted part of the culture. For example, early on in my tenure, we decided to significantly change Brady’s organizational structure by creating the position of global business unit manager. Our CFO at the time was of Italian descent, and he jokingly shortened the term global business unit manager to “gumba”—Italian-American slang for a regular guy.

After we decided to reorganize, one of my most buttoned-down managers requested a meeting with me on short notice. He was one of my best people, and I was thinking, “Oh gosh, he’s going to tell me he’s leaving.” Well, he came into my office, sat down, and said very soberly: “I want to be a gumba.” I was shocked until I realized that the manager, whom I viewed as completely serious, was playfully jerking my chain.

Laughter is an international language. People often say that humor doesn’t translate well, but I think that a spirit of fun can indeed be transmitted across national boundaries. For example, when we doubled the size of our manufacturing plant in Brazil, I went there to cut the ribbon. I gave my speech in very rough Portuguese and, at the end, the workers gave a shout in unison. It took me a split second to realize what they were saying: “Yo!”

When I was at Kodak, I had a meeting with some managers in Germany. Several days before, I’d been quoted in a U.S. business magazine on the topic of cultural differences. I said I’d feel comfortable taking off my shoes in Japan, where it was a custom, but would never do it in Germany. Well, you can guess the punch line of this story. At some point during the meeting, I glanced under the table and saw that everyone was barefoot—and soon roaring with laughter.

Clearly, you need to be alert to cultural sensitivities. But while some delicacy may be required in exporting the particular sense of humor and fun that exists in the United States to divisions around the world, I believe the risks are less than most people imagine.

You can still cut up during tough times. There are certainly periods at a company when merrymaking is inappropriate. Two years ago we canceled the annual company picnic—an elaborate and much anticipated event called Bradyfest—shortly after we had announced a significant round of layoffs. Clearly, it wouldn’t have been right to celebrate when people had just lost their jobs. Canceling the picnic was a way of showing respect for those who had to leave the company.

At the same time, humor and fun can sometimes help a company ride out rough times. When I was head of the instant photography division at Kodak, we effectively received our death sentence when a court ruled favorably for Polaroid in a patent case. So we sought ways to keep up employee morale as we were forced to wind down a business that we’d finally succeeded in making profitable. At a luncheon of about 50 key people, one of my managers gave me his old pair of air force combat boots as a symbol of the daunting leadership challenge I faced. People had placed bets on whether I’d don the boots on the spot (I did), and those boots became an icon of the division’s grittiness in this dire time. Later, we made a videotape for the field sales force to answer their questions and keep up their spirits. It was a standard talking-head video, with me updating people on legal developments and issues such as future customer service. At the conclusion, I turned and walked away, and the camera panned down to my feet, shod in the combat boots. It was gallows humor, but it helped keep people going.

Fun can be institutionalized. Every spring, we ask employees to undertake a major cleanup of their work areas. We have open offices at our corporate head-

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**Doing the Packarena**

In the summer of 1996, the Green Bay Packers were looking forward to a promising season. So for our annual Bradyfest picnic, an executive in our Signmark division decided to put together something that would appeal to Brady’s ardent Packers fans. He settled on a routine set to the music of the macarena, the popular dance at the time, but with football movements: you take the snap, you step back, you pass, you receive the ball, you celebrate the touchdown.

A local television station came out and filmed a performance of the Packarena from our front yard here at corporate headquarters. About 300 people from all segments of the company showed up in Packers shirts to perform for the cameras. The Packers cheerleaders came down from Green Bay. Well, as soon as the Packarena aired, our switchboard was jammed: People wanted a copy of the "Packarena Playbook," the instructions to do the dance. Soon thereafter, we went to elementary schools to teach the dance to kids. The Green Bay cheerleaders learned it and did it during halftime at one of the Packers’ home games.

It’s probably the most publicity Brady has ever received. The Packarena was the talk of Milwaukee for weeks. More important, it was the talk of Brady, generating a good feeling about the company among employees both on the factory floor and in the corporate offices.
quarters in Milwaukee, so it's important that everyone's spaces be presentable when clients visit. On the factory floor, although work areas are usually fairly tidy for safety reasons, clutter can sometimes creep in. But no one likes this annual rite for safety reasons, clutter can sometimes creep in. On the factory floor, quarters in Milwaukee, so it's important their turf task less onerous for employees, handling out the awards gives me another chance to communicate with them on their turf.

To spark innovation, we established another program and gave it a name: the Lego program, after the little building blocks. On the assumption that a good idea shouldn't have to wait for next year's budget, we initiated off-cycle opportunities to fund promising new ideas. If someone's idea is approved, we award it an actual Lego block, an acknowledgment that the idea represents a building block for Brady's future. In the very first round of candidates, we funded investments in our barcode systems and software and in our catalog company startups in Italy and Australia. The businesses that grew out of those ideas account today for more than 10% of the company's annual revenues.

Fun can be ad hoc. If fun can be fostered in formal programs, it can also occur in onetime gags. Brady's vice president of direct marketing, Dick Fisk, is based in Connecticut. Several months ago, he complained that although he likes the hotel where he stays when he's in Milwaukee, the pillows there are terrible: they're foam, and he prefers feathers. So the next time he came to town, the company's top management team presented him with a huge plastic storage container with a down pillow in it. We prominently labeled the container (using, of course, Brady's HandiMark portable sign and label system): "Dick Fisk's Special Pillow." The hotel keeps it for him, and when he checks in, they say, "Oh, Mr. Fisk, we have your pillow for you." It wasn't a big deal, but I like to

From No to Yo

One of the big challenges facing Brady when I arrived in 1994 was the fragmented nature of the company and the competition among business units. So we gathered 50 of Brady's top people at an off-site meeting at a resort near Milwaukee and talked about how we might bridge gaps between divisions and geographies and about the kind of culture we'd like to have at Brady. At one point during the four-day gathering, someone made a great comment about where the company should be heading, and a guy in the audience named Greg Jehlik shouted out: "Yo!" That was immediately the humorous refrain of the meeting. By the end, we'd laid out in a simple document what we wanted our culture to be. I said it seemed like we were describing a journey from no to yo. And that became our cheer for the meeting and for the company.

Although people held back a bit at this initial meeting, a sense of fun was bubbling just below the surface. For example, a fellow named Dan Page stood up and said that in the six years he'd been at Brady, no one had ever thanked him for his efforts. That night, our training manager manufactured a bunch of buttons that said, "Thank you, Dan Page." The next day, everyone was wearing one and walking up to Dan and saying, "Thank you." It was clear that all the elements of a looser culture were there; we only had to free them up.

About a year later, in an effort to spread this cultural change around the company, we decided to gather together more than just 50 managers. So we planned a meeting for roughly one out of every ten people in the company, some 220 employees from all parts of Brady. We couldn't afford to send this many people to a resort, so I decided we'd meet in a dormitory at the University of Wisconsin-Madison. I got loads of resistance.

There was no parking, so we had to take buses from Milwaukee. And although people had single rooms, they had to share bathrooms down the hall. (This was a particular affront to the 50 executives who'd been at the previous year's meeting, which had been held at the American Club, a resort owned by Kohler, the maker of bathroom fixtures. The private bathrooms there were incredible, roughly the size of conference rooms.) At check-in, we gave everybody a pair of flip-flops, a laundry bag, and a soap-on-a-rose with the Brady logo on it.

Most people say it's the best business meeting they've ever attended. The dorm rooms were so Spartan that everyone stayed in the common areas and got to know one another. That broke down a lot of barriers. People attended from around the world, and we'd asked each to bring a song in his or her own language along with printouts with phonetic spellings so that people could sing along. Our manager in Japan sang a serious Japanese song, followed by an impromptu performance of "Good Golly, Miss Molly," which he'd performed when he was in a rock band as a kid. It was tremendously fun. And I think people came away from there feeling like they were part of one Brady team.

JULY–AUGUST 2001
think that, in a small way, it strengthened our team. (Dick responded to this act of generosity by giving everyone on the team a set of Billy Bob teeth!)

**The CEO sets the tone.** I try in my own behavior to create an atmosphere of fun. If people see me laughing at myself— if they see that I’m even comfortable with people occasionally getting a laugh at my expense—I think that makes me more approachable and also lets others know that having a good time is okay at Brady.

For example, I try to make my office a fun and welcoming place. One of the first things I did when I arrived at Brady was to find a doorstop for my door. Now my office is a regular destination on the formal orientation tour for all new employees. Sometimes I’ll return from a meeting and find 20 people there.

The tour guide will likely be showing everyone a group portrait of some of Brady’s top executives, all of us wearing Groucho Marx glasses and standing before the “Great Wall of China”—a sweeping display of mounted toilets at the Kohler bathroom fixtures design center near Milwaukee. Or perhaps the group will be examining the two nearly life-size mannequins, Sven and Eve, in traditional Scandinavian dress; their names are acronyms for our Shareholder Value Enhancement and Employee Value Enhancement initiatives. Or they may note the giant bulletproof yo-yo that a Brady team gave me. I hope that new employees will see that I don’t take myself too seriously and will feel emboldened to stop in later to share a suggestion or a concern.

**Carrying the Fun Gene**

Highlighting the importance of the CEO in creating a fun corporate culture raises a question: To what degree does this notion depend on his or her personality? While I have tried here to tease out some generalizable principles, inauthentic efforts by an executive to artificially impose fun on a company are likely to land with a thud.

It’s true that, in some ways, the culture I have tried to foster at Brady simply reflects my personal style, which itself mirrors the fun-loving family in which I grew up. Both of my parents loved a good laugh. My father was a middle manager at Kodak—in fact, I had his old office some years after he died—and he used to have fun with his colleagues and direct reports. The photo of the Brady people wearing Groucho Marx glasses echoes a meeting my father once had with his staff, during which everyone wore Mickey Mouse ears he had asked a colleague to buy at Disneyland. And he once sent out a memo to his team referring to a key passage on a particular page of an IBM computer manual. The page was blank, and the ensuing memos debating its meaning gave him—and, when they realized his prank, the others on the team—a chuckle.

And my mother—well, I hardly know where to begin. When my 13-year-old son was young and wanted a bedtime story, we began telling what we call funny grandma stories. These stories—I think we counted 16 in all—capture her can-do, if slightly madcap, approach to life. One time she jumped on his skateboard before slipping into a long skirt and disappearing under a row of pine trees. Another time she vowed to

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**When the Camel Died**

We call it the “dead camel video,” and it’s become part of Brady lore.

In 1995, we were looking for a way to convey to people a vivid vision of the company’s future, one of top-line growth achieved by providing complete solutions to our customers’ needs. So we decided to make a video that we hoped would portray this message in a memorable way. The production was done in-house, using employees as actors.

The video begins with a man in a long hooded robe crawling on his hands and knees across the desert. (Needless to say, there was a collective guffaw when employees recognized the actor, whose face was mostly obscured by his garment.) Near death, he comes across a sign saying “water” in Arabic—English subtitles provided the translation—with an arrow pointing toward the source. But the Brady sign has blown down, and the man doesn’t know which direction to head. So he feebly picks up his cell phone and holds it near the sign’s bar-code locator tag. The phone scans the information and connects him via satellite with a Brady customer service representative.

The man explains that his camel collapsed two days ago and that he is about to die of thirst. Within hours, the man is sipping a glass of ice water in a parasol-equipped lawn chair shipped to him in the desert from Seton, Brady’s direct marketing arm. He has also been offered a replacement camel and a new sign, including an installation option. The message: Growth opportunities exist in the creation of services that are related to but go beyond Brady’s products. The hope: People would internalize the message because they had a laugh while absorbing it.

Because the video generated such a buzz, we made another one 18 months later with the same opening scenario. This time, though, we highlighted some of the existing bottlenecks to providing timely and effective customer service: the credit approval process, the handling of customer returns, and foreign exchange conversion, among others. In this version, when a deliveryman arrives with a bottle of water eight days after the camel driver’s telephone call, a skeleton is all that’s left to accept delivery. Again, while the presentation was humorous, the message was clear and had impact. The video prompted a major, companywide initiative to improve our business processes.
Some factors could lead you to disaster. Ironically, the same ones can also ensure your success.

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