

CASE STUDY



Family Business Growing Pains

This family-owned company found it hard to support accelerating growth due to an established habit of thrift. Management approval levels were so low that any significant capital purchase required review by the Board of Directors. Since the Board was hard to corral and harder to persuade, staff had learned to avoid them by purchasing equipment in small enough sizes to stay below the threshold. The result was a timid infrastructure strategy which was not keeping up with the demands of growth. In addition, technical staff spent inordinate time on the frequent request, buy, and install cycle, and the company paid a high premium for never buying the most economically sized equipment.

We intervened by helping management make a credible case to the Board for raising approval limits and expanding its autonomous purchasing authority. We recommended using the very next purchase opportunity, and using the Board's discomfort with the high price tag as a springboard into management's case for more autonomy. The high price tag was reframed as a sign of things to come, and was offered as evidence that approval limits had not risen with the demands of the business. We enlisted the support of a key board influencer, by learning what he considered important and thoroughly addressing his likely concerns. And, to honor the Board's thrift, we emphasized that any savings from the economy of scale would go right to the bottom line. The Board approved, and it took only a few more months before management was given the additional purchasing autonomy it desired.

Client Benefits

- Funded needed business growth by overcoming board resistance to capital investment
- Laid groundwork for more widespread empowerment of management by board

Cultivating Creativity, LLC uses the techniques of creative leadership to help companies increase their increase their ability to perform and adapt. We consult with executives and entrepreneurs, blending strategy, collaboration, and creativity to restructure project portfolios, improve team and leader performance, articulate vision and values, and resolve interpersonal conflicts. We focus on effectiveness and adaptability by stimulating innovative thinking and removing systemic obstacles to innovative practice. Our success is based on an approach that integrates forty years' experience in project management, conflict resolution, product development, and the performing arts.