

Accounts of Achievement...

A Case Study featuring C.F. Martin and Co.

The Company...

In business since 1833, C.F. Martin and Co. crafts fine guitars for musicians of world renown and musicians of little renown as well. Many serious guitarists yearn to play a Martin guitar; the company's product is the standard by which most competitors are judged. Founded by German immigrant Christian Frederick Martin nearly one hundred seventy years ago, Martin instruments are widely regarded as "the Stradivarius of guitars." Today, Martin produces nearly sixty-thousand guitars a year. Much of the work is still done by hand from cutting precious woods like mahogany, Hawaiian koa, or Indian rosewood to a twenty-step lacquering process. The manufacture of a Martin guitar is a work of art in itself. With clients such as musicians Eric Clapton and Merle Haggard, C.F. Martin and Co. has quite a heritage to maintain.



The Challenge...

You might think a business as old and as established as Martin has already successfully ironed out all of its management challenges, but be advised: C. F. Martin Co. is also a standout Leadership Management®, Inc. client. By the time C.F. "Chris" Martin IV, the founder's great-great-grandson, became CEO, his forebearers had already built a reputation for quality craftsmanship, weathered the Depression and two world wars, enjoyed the business boom of the folk-music revival in the 1960s, and squandered a good deal of effort and capital in failed acquisitions in the 1970s. But what goes around comes around. When Chris took the helm, the company was poised to expand both market share and plant size as the business surged back to life. He went to college at a time when business instructors were beginning to talk about new trends in management research. "I learned how things could be done better," Martin



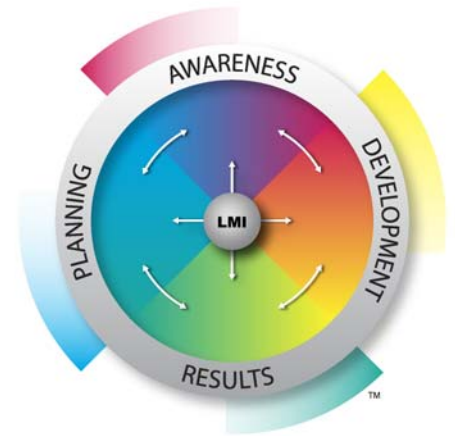
remembers, "by participation and inclusion, by involving employees in your success, and by getting rid of the traditional management top-down hierarchy." When he came into

the company after graduating from college, Martin set about becoming a force for positive change in an environment reeling from decades of heavy-handed, top-down management.

"The heritage part kind of takes care of itself. People buy history. But we've got today's issues and challenges, too. We have to deal with them. This isn't utopia."
- C. F. Martin IV

The LMI Process...

LMI Franchise Partner Vince Fazio has facilitated close to one hundred sixty Martin employees through the LMI Process. Fazio introduced *Effective Supervisory Management (ESM)* to Martin in 1995 to enhance management skill building. *“I see the need for personal organizational skills and for basic people skills for new managers,”* says Fazio. *“The ESM fills that need in an elegant, sophisticated way.”* Vince first invited Martin’s HR director to put two employees into an ESM class, a cross section grouping of management-level employees designed to help companies evaluate the LMI Process. Over time it got to the point where Martin employees were filling Vince’s entire showcases. So, in late 1998 when Martin wanted to send five more people, Fazio convinced them to hold an in-house facilitation. The five Martin employees turned into eleven, and all future classes were held at Martin. That was early 1999, and Fazio has been facilitating *Effective Supervisory Management* ever since for growing numbers of managers, supervisors, and team leaders on the move up. The company’s recent expansion has even provided a venue for Fazio – a human resources conference room that can accommodate up to fifteen employees at a time.



The Difference...

The Martin corporate culture is evidence of the benefits of the LMI Process. The company’s low turnover rate – just less than four percent – is evidence of a stable, contented workforce.



Chris Martin himself facilitates meetings in which employees can share ideas and solve problems. *“We’ve been given the opportunity to mold our culture into something positive and productive for our entire team,”* Martin says. *“I want this to be a place where everyone helps run the business, and we all have a good time while we reach the company’s goals.”* Now that the workforce has grown to more than six-hundred, C. F. Martin and Co. deals with many of the same challenges facing managers and supervisors in every other line of work: communication, productivity, people skills, and the necessity for a proactive management style. Martin

pledges to

uphold the company tradition and continue to change the management paradigm through the effective, on-going cycle of the LMI Process.

“Our central theme is to manufacture positive change. I try to get across the notion that managing change is a reactive move; manufacturing change, on the other hand, is proactive.” - Vince Fazio