

Associated Crafts ∞ Growing Beyond a Family Business

by Colleen Bryan

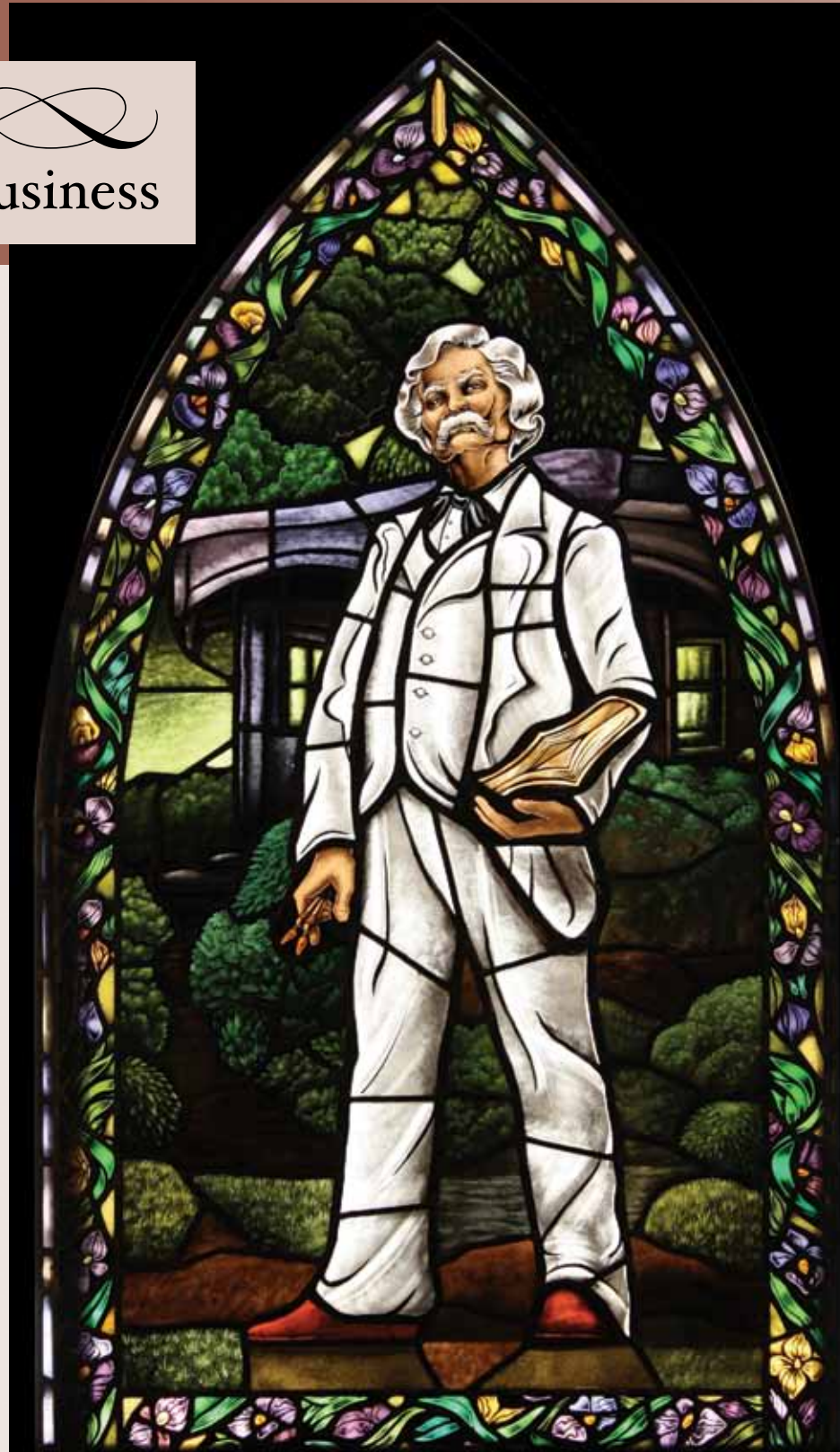
Willet Stained Glass Studios, Hauser Art Glass Company, and Associated Crafts all began as small family owned companies that grew into one of the largest and fastest growing studios in the country. Willet and Hauser united in 1977. With the acquisition of Willet Hauser by Associated Crafts on January 9, 2014, the entities and their respective legacies have now merged into an even larger business. Owner John Phillips, Jr. recognizes the importance of reframing a common mission and purpose in ways that allow the business to grow beyond family identification.

“Associated Crafts is about stained glass, not about my family or our history. That is important to us, but not to our customers or nonfamily employees. It limits growth unless we can move beyond it. We are a collection of people coming together to work toward a common purpose. And as we bring in Willet Hauser, that reframing will need to expand to encompass everyone.”

Limitations of a Family Model

Stained glass studios in North America typically emerged as small family run businesses centered on a primary artist, with family members fabricating and installing each piece before going on to the next project. When demand grew to a level that the family could not support, studios often brought in a few people from outside the family to serve customers, sell, or help with fabrication or inventory. “It is a personally rewarding model and was successful for some, including the Willets, Hausers, and Phillipses,” says owner Phillips, “but the model has limitations when you’re trying to grow a company.”

The problem, in Phillips’ view, is that smaller entrepreneurial studios can be very good at some things, but they are wearing too many hats. One person or family group must cover the responsibilities of salesperson, artist, craftsman, bookkeeper, installer, Web designer, accountant, marketer, and inventory control clerk. But adequately covering that range of responsibilities does not allow one to be great at any one thing. A typical pothole is the artist who lacks business acumen. The people who are brought in to help can feel left out of the central organizing principle of the business, which is the family.



Jane Collins, designer, Samuel Clemens window, 7' x 3.5', 2010. Elmira College Chapel, Elmira, New York. Photo by Willet Hauser Architectural Glass.



Faceted window, in situ, Southminster Presbyterian Church, Centerville, Ohio.

Rewards for Transitioning

The reward for moving beyond a family business to an external unifying focus is that the quality gets better and better and better. “We have the funding, materials, resources, and tools to allow each artist, craftsman, painter, designer, or installer to be the best that he can be. We have great people and great performers in all of those niches. We’ve been able to create a business entity that operates with a life of its own. Bringing an organization to that professional level is a leap from the mom-and-pop business model.”

Inspiration for how to standardize processes came from an unlikely place. “My friend, Steve Garner, brought me a copy of an operating manual from a well-known national fast food business. We discussed it in relation to software, and I began to consider their more clearly defined approach to jobs as compared to the jack-of-all-trades approach typical of a family studio. Looking at the McDonald’s manual clued me in to the value that standardization can bring—greater efficiency that increases profit and customer service by reducing waste and enabling growth. Don’t criticize the employee; criticize and improve the systems that they use.”

Doesn’t a business lose excellence as it becomes larger and less personal? Phillips insists that is not a necessary outcome. “When you create a situation where people communicate with ease, have respect for and value each other’s opinions, and feel they can all contribute their best, you don’t lose quality. Associated Crafts has 100 percent customer satisfaction. Every new job becomes a referral.” All of which is not to say that the emerging model will not be challenging.

“Will an artist be questioned about a budget item? Absolutely. Every day. The team is always searching for a better way to get better quality and more efficiency.”

Reflections

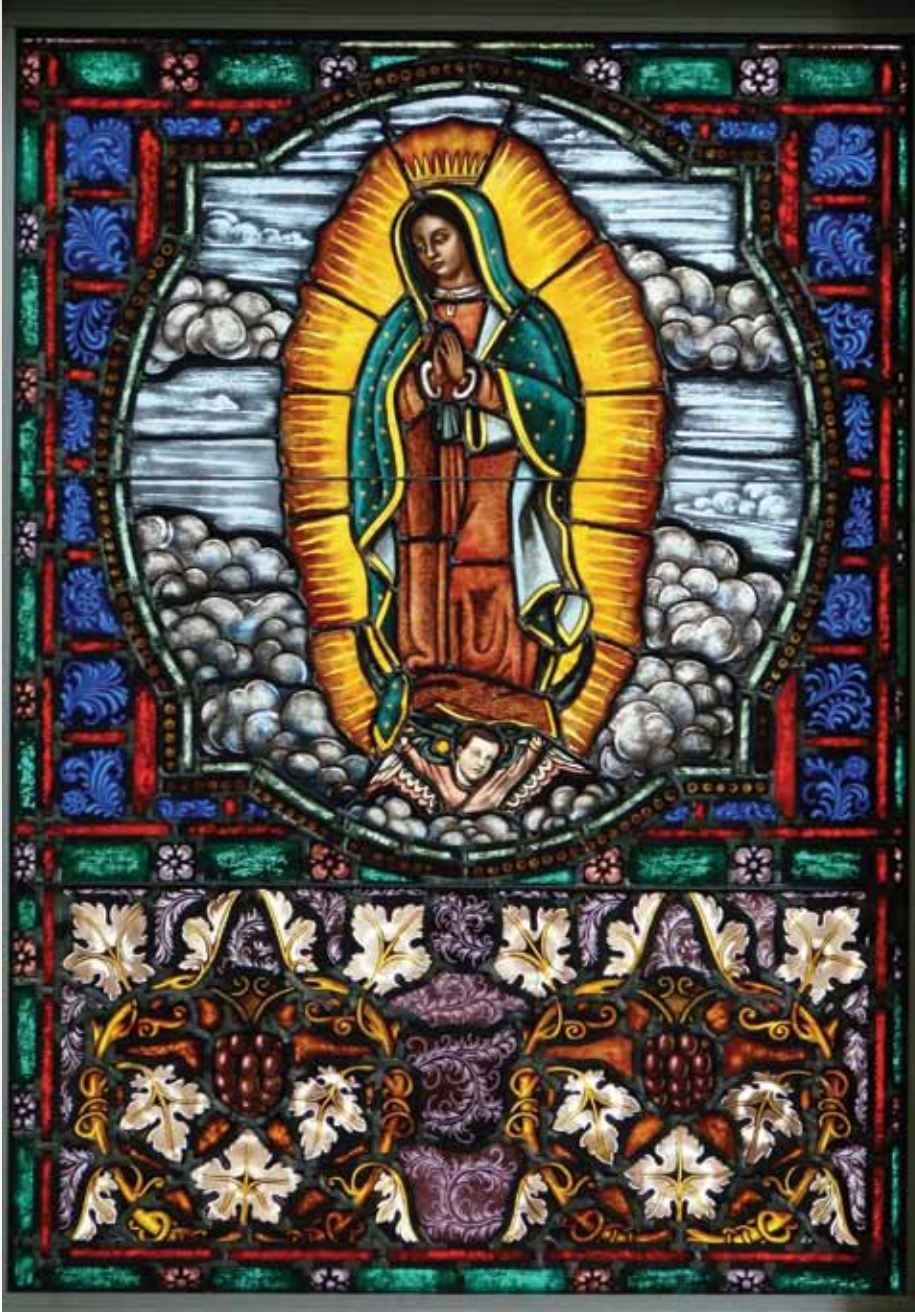
Asked to reflect on the contraction and challenges that face the glass industry as a whole, Phillips is a bit tone deaf. He feels that glass was something of an inevitable choice for him, as a young man who was steeped in it early and lacked enough money or education to pursue another course. His own experience in growing a company to one of the largest glass studios in the country during the throes of a recession feeds his conviction that the keys to success are hard work and willingness to release what is no longer effective.

“When people kept asking me why we were growing during a recession, I told them I never got the memo that there *was* a recession. People who want to succeed have to work hard and keep the client as the central focus. Those who use the resources around them to the best of their ability, who employ good people and facilitate those people doing well, who make good decisions and learn from bad ones will grow and prosper. Others will fail. It is the same for glass as for any industry.”

Pushed a little further, Phillips observes that many glass studios are trapped by the factors that defined their mom-and-pop roots. “People think on such a small scale.” Family identification can constrain a business geographically, in terms of available skill sets or in the number of family members it can support.

Furthermore, family businesses can have family problems. As the founders age and their kids have kids who have kids, some family members, who may have been groomed for critical roles in the enterprise, gravitate toward other interests and get out of the business altogether. “When Dad takes his last breath with a paint brush in his hand, the business can lose its vital inspiration and talent.”

Importantly in Phillips’ mind, those descendants who stay with the enterprise often envision the same size business and the same essential mission that inspired their parent. Then there is generational malaise. Second generations may step up to run a business, but third generations tend to lose traction as they feel more removed from the originating vision. Family businesses commonly grow complacent and stagnate as they move across successive generations.



Restoration project for Our Lady of Guadalupe panel.



Colum Sharkey, designer, Psalm 107 window, in situ, 9.6' x 4', 1985. Mountain Brook Baptist Church, Birmingham. Alabama. Photo by James A. Hauser.

Letting Go to Grow

People who hang on too tightly to the status quo during these times will stagnate or lose ground, Phillips says. “I want to keep operating a business that is bigger than I am and bigger than my family. If something happens to me, I’m confident that my business is structured, with policies and procedures and investments in technology and systems, to allow the rest of the company to operate a profitable enterprise.”

Phillips sees the systematic standardization of work product and process as key to both protecting annual profit in a glass studio and preserving its value during a sale. “I watched a business sell at a far-devalued price, because the seller had no uniform way of pricing inventory or custom work. When the buyer asked how he set his prices, Dad responded with pride, ‘It takes experience.’

“Dad relied on experience, and he had enough of it to be confident about his decisions. But I watched the buyer’s face and watched his offering price slide. From the buyer’s perspective, that necessary experience was walking out of the studio with the seller. That exchange sparked the idea in me that a business needs to be bigger than what is in my head, my dad’s head, or my wife’s head.”

Phillips maintains that Associated Crafts has eluded two of the pitfalls of standardization—the turnover and lower craftsmanship that accompanies loss of personal investment. “We do not have much problem with turnover. Most of our guys have been with us a long time. They love what they’re doing, get paid well, and enjoy the community atmosphere and togetherness that we work hard to build. Our craftsmanship is the best, because we provide incentives for doing excellent work. And in the end, making stained glass windows isn’t a bad way to spend your day.”

You’ll find more about the recent acquisition of Willet Hauser by Associated Crafts and learn how owner John Phillips, Jr. plans to grow both areas of his business in the July/August 2014 edition of Glass Art.

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