



CASE STUDY

Carris Reels Governance and Management Design

Carris Reels has been a unique player in the ESOP community for its participatory management and governance structure. Bill Carris initially sold part of his company to the ESOP in 1995 and eventually transitioned the company to 100% ESOP in 2008. Carris envisioned deep involvement of employees at all levels of the company, including its governance. Since then, the company has been progressing towards how to implement that vision effectively. Carris Reels has worked with Praxis over a number of years on three key projects to clarify its governance and management structure and determine how to effectively integrate regular non-management employees in these structures.

For over half a century, Carris Reels has provided its customers with high-quality cable reels and spools including plywood reels, plastic reels and nailed wood reels for the wire and cable industry. Started in 1951 by Henry Carris with just two employees, today Carris includes eight divisions nationwide, including two permanent assembly/warehouse sites and eight temporary facilities.



Organization Type

Employee-Owned,
Manufacturing

Number of Employees

450

Client Since

2008

Services Delivered

Governance and Employee
Ownership

Website

www.Carris.com

Goals of Engagement

Review, re-envision, and clarify the role of the corporate steering committee (CSC). The CSC at Carris Reels is a shared management body that exists below the CEO, consisting of 1/3 corporate representatives, 1/3 site managers, and 1/3 elected employee shop floor reps—all with equal authority.

Design and facilitate a process to clarify trustee selection in order to provide meaningful election, adequate skills and continuity for trustees. At the beginning of Carris' work with Praxis, trustees were elected by the CSC.

Determine a process for appropriately and effectively training and putting employees onto the board.

Design processes for making these decisions that reflected the principles and values of high participation and democracy.

Results

Clarification about the CSC's role in the company. The CSC was given direct decision-making authority over a small number of issues and vested with general oversight for the management team's accountability to its values, culture, and long-term plan

Developed charter, rights and responsibilities for the CSC

Reaffirmed that keeping elected employees as trustees remained important to the company's democratic values

Developed appropriate selection and training mechanism to ensure longer terms and a group of trustees capable of fulfilling ERISA responsibilities

Currently developing process for determining how to put employees on the board, including educating the CSC on board responsibilities