THE HAMPSHIRE COMPANY:
Management by Philosophy

(Two years ago, the late John H. Hampshire, founder of the Baltimore-based contracting firm that bears his name, provided a prophetic message to readers of his column in an in-house publication.

“One of the most difficult things for some people to learn,” he wrote, “is to delegate authority. They simply don’t let go; can’t learn to trust those under them.”

Mr. Hampshire cited the obvious advantages of adopting such procedures and concluded: “. . . the art of delegating authority lies at the very heart of leadership.”

Whether the eminent construction leader realized just how essential this philosophy of leadership would be to his own business is unimportant. The fact that he and his two sons, John D. Hampshire and Paul K. Hampshire did believe in management by delegation, though, is quite significant.

For this reason, John H. Hampshire, Inc., founded 66 years ago, continues to be a prosperous and growing organization, even in the aftermath of a tragic sequence of deaths that stripped the company of these three Hampshire principles.

Last October, the 86-year-old founder and Chairman of the Board died. His son Paul, 60, had died only a few months before. The other son, John, 60, had passed away in 1974.

At the time of their deaths, both the Hampshire sons had occupied top executive positions. Paul Hampshire had been named president of the firm following his brother’s death.

A New Team

Today John H. Hampshire, Inc. is led by a five-member executive committee that comprises the top tier of management. Maintaining a yearly sales volume figure of between 18 and 20 million dollars, Hampshire normally employs over 600 men and women.

Included in the top group are Richard L. Jackson, Robert C. Keamey, John H. Gimbel and two third-generation Hampshires, John H. Hampshire, II and P. Kenneth Hampshire, Jr. Outside people were not needed to fill the vacant leadership posts.

Jackson, who has the president’s title, has worked for the company nearly 30 years, most recently as vice president and general manager of the Washington D.C. branch office.

Kearney has been with the (Continued on Page 27)
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Hampshire organization for almost 23 years. He is involved with sales management and promotion, in addition to being executive vice-president, secretary and general manager of the Baltimore operation.

Gimbel has been associated with the company’s financial affairs since he joined the firm 27 years ago. He has been treasurer for 21 years.

John H. Hampshire, Jr. was named assistant branch manager in Washington early in 1976. P. Kenneth Hampshire, Jr. was named to a similar position for the Baltimore office also at that time. Both have been promoted to full management responsibilities.

The concept of an executive committee was actually first adopted about five years ago, says Dick Jackson. “The Hampshires realized that we had to commit ourselves to a type of operation that could endure future growth without being totally dependent on any one or two individuals.”

“Since the recent demise of the Hampshires,” he continued, “the company has formalized the system that we’ve been using for these past five years.”

Alignment Recognized

Apparently creditors and industry resources recognized the new Hampshire alignment in this perspective. Had they viewed the shuffling at Hampshire as a whole-

sale changing of the guard, it is doubtful the company would have been able to survive the early stages of transition.

Since trust is an essential in the construction industry, reputations and past performances are keenly monitored. Through careful planning and an eye to the future,

Robert C. Kearney
Executive Vice President

Hampshire has been able to maintain its widely respected image in the industry.

Although the implementation of the present style of management at Hampshire is unique to construction, it has been successfully instituted in non-related industries.

Charles McCormick, founder of the spice and food company of the same name, is generally credited with the formulation of the team management concept. He labeled it Multiple Management.

In accordance with Multiple Management theory, the Hampshire organization includes a junior board of directors.

“It was started about three years ago” notes Jackson. “We use it as a kind of sounding board.” The junior board is comprised of seven young members who are appointed on a basis of management potential.

Among its most vital functions, the junior board performs the task of a research and evaluation group. New products and procedures are considered by board members and then appropriate recommendations are forwarded to the executive committee.

As a standing committee at the disposal of top management, the junior board is often assigned special projects, such as a review of existing operations in a specified department.

Communication within the Hampshire organization is also promoted by the junior board. Aside from formulating its own proposals, the board can be used as an intermediary device by employees who want their suggestions or complaints presented to management.

Promotes Control

Since the introduction of Multiple Management, explains Jack-

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son, “we have been able to better break our business down and separate its functions.”

“Administration, construction, estimating and sales are still the four basic components of our business,” he adds, “but by better defining our roles, we have been more successful in selecting the right people for the right jobs.”

Although Jackson emphasizes that Hampshire did not jump into the new system overnight and without initial resistance, he cites several tangible benefits already reaped in the transition period.

“We have improved our field operations, collection procedures and centralized our estimating functions.”

**Electronic Accounting**

The company is also installing an electronic accounting system. The new system, according to Gimbel, provides a complete information program with additional reports on a more efficient basis.

Another apparent benefit, notes John Hampshire, is increased company communication. “We are now getting vital feedback from secretaries, clerks, everyone in this company, in addition to groups like the junior board.”

“Also,” adds Jackson, “we have active participation among all our branch offices. In fact, we have monthly managers’ meetings and one or two of us from the executive committee are regularly visiting the branches.”

“It’s the exact opposite of absentee management,” points out Gimbel, something that he notes is too often the case in the construction industry.

John H. Hampshire, Inc. includes five branch offices besides its Baltimore home base. They are located in Washington, D.C., Richmond, Norfolk and Roanoke, Va. and Charleston, W. Va.

Each office has its own equipment, warehousing and performs the day-to-day functions of any contracting business, while allowing Hampshire to penetrate markets in 10 states in the mid-Atlantic region.

“The construction industry has changed drastically in recent years,” observes Jackson. “We have always been able to adapt new ideas because our management has always been committed to staying ahead of whatever was the current trend in the industry.”

“Not too long ago, everyone was talking about diversification,” notes Mr. Gimbel. “We’ve been diversified for 25 years.”

**New Techniques**

“New production techniques are very apparent today,” says Mr. Kearney, “and we’ve been able to stay abreast of this new knowledge. It’s imperative that our people be able to walk into customer meetings, capable of talking about things like ‘fast tracking’ and ‘critical paths’.”

“And no longer are we selling products,” he continues. “We’re selling systems, whether it be wall systems, flooring systems or integrated ceiling systems.”

Hampshire Commercial Interiors was a division added to the Hampshire organization in 1973. This service provides space planning, interior design and the installation of interior furnishings, particularly in the commercial field.
“It was only natural that we should get into that,” recalls Ken Hampshire. “We were putting up the walls, the floors and the ceilings, so why not just continue into a related service that’s in a natural progression.”

The basic Hampshire services are: lathing and plastering, dry wall systems, acoustical and integrated ceiling systems, resilient flooring, movable partitions, radiant ceiling systems, and industrial-institutional floors.

Also, poured-in-place roof decks, carpeting, sports recreation surfaces, sprayed-on fire proofing, exposed aggregate panels, precast floor decks, raised floors, and wood flooring.

“Hampshire has always held the philosophy that to be successful in the subcontracting field it is necessary to pursue an aggressive promotion and sales program”, says Kearney. “John Hampshire started this himself in the early ’30s in selling the then relatively unproven acoustical tiles for ceilings.”

“In an increasingly competitive market we have tried to emphasize the services and products that can give us an edge in negotiating contracts. Our System Promotion Group actively works with architects and owners in writing specifications for the deck, ceiling and wall systems which we sell and install. As a subcontractor we estimate and contract for this work, then install it with our own labor forces. We feel we have good credibility with our customers in regard to costs and installation techniques.”