

# Case Study: Changing a Corporate Culture by Implementing a Compassionate Ministry Plan

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**ABSTRACT:** As CEO of Ultimate Support Systems, Inc., Jim Dismore, one of the original founding officers of Wal-Mart, developed a compassionate ministry plan, which became an integral part of the company's business plan. Each year the company set aside one percent of gross receipts as "first fruits" to be used for ministry purposes. A corporate ministry team, comprised of 14 employees, determined how the ministry funds would be used both internally and externally. The compassionate ministry plan helped transform the culture of the organization and enabled Ultimate Support Systems to become an industry leader while truly functioning as a "business in ministry."

## INTRODUCTION

For centuries Christians have discussed the purpose of business and the relationship of business and the Christian faith. In recent years, Christian business scholars and practitioners have talked increasingly about topics such as social entrepreneurship and hybrid organizations. Social entrepreneurship has been defined as "a revenue-generating, innovative, and unique approach to solving a social problem where profits are reinvested in the mission regardless of the distinction between nonprofit or commercial enterprise" (Lucas, 2010, p. 5). Hybrid organizations have aspects of both for-profit and nonprofit organizations and they have both market-oriented goals and social goals (Gillespie and Lucas, 2012, p. 11).

The relationship of business and the Christian mission can take many forms. Sunki Bang, director of the Business Ministry Institute in Seoul, Korea, has described several possible relationships between business and missions. In his book, *Doing God's Business*, R. Paul Stevens referenced Bang's five suggested relationships between business and missions, which are as follows:

1. Business and mission — Business is secular work whereas mission activity is a religious work, and no connection is made between the two.
2. Business for mission — Business profits can be a source of financing for mission work.
3. Mission in business — Businesses can hire non-believers and offer chaplaincy services with the goal of leading employees to Christ.
4. Business as a channel of mission (or platform for mission) — Business can be a means of getting missionaries (called businaries) into areas of the world where they would otherwise not be allowed to do mission work.
5. Business as mission — Business and the activities of business are seen as part of the mission of God in the world (Stevens, p. 80).

These proposed relationships describe several ways in which business and mission may relate, but these suggested relationships do not provide for another possibility: a for-profit business existing for the purpose of mission. This case describes Jim Dismore's creation of a new hybrid model through Ultimate Support Systems, Inc., which can best be described as a "business in ministry."

## JIM DISMORE

James A. Dismore was born in Sellersburg, Indiana, on September 18, 1937, and was reared by his grandparents. His grandparents led him to faith in Christ at a young age and instilled in him fundamental Christian beliefs that have always served as the basis for his core principles.

While attending the University of Indiana, Jim Dismore went to work for J. J. Newberry Variety Stores, where he worked in the positions of stock boy, assistant store manager, and store manager before becoming the merchandise and marketing manager for 400 stores in the corporate office in St Louis, Missouri. Jim then assumed a similar role in Britt's Department Stores, which was a division of J. J. Newberry.

In 1962 Sam Walton opened a new discount store called Wal-Mart in Rogers, Arkansas. In 1964 Jim Dismore was personally recruited by Sam Walton to join Wal-Mart. At that time, Mr. Walton had three small stores in northwest Arkansas, and when Jim joined Wal-Mart, he became the seventh employee of the company. Jim began with Wal-Mart as the manager of merchandise and marketing and was soon put in charge of operations.

When Wal-Mart incorporated in 1969, Jim Dismore was one of the original eleven founding officers of the corporation. During his tenure with Wal-Mart, Jim served as senior vice president over the three divisions in the company and reported directly to Sam Walton. When he resigned from his role as an officer at Wal-Mart in 1976, Wal-Mart had grown to 276 stores with annual revenue of more than \$1 billion.

In his role as senior vice president, Jim was known as the "hatchet man" at Wal-Mart. He was the officer to whom Sam Walton turned to troubleshoot and deal with problems related to stores, projects, or personnel. As the hatchet man, Jim was feared by many people within the organization, and no one at Wal-Mart wanted to receive a phone call from "Dizzy," a nickname given to Jim by Mr. Sam.

During the mid-1970s, Jim began paying more attention to his personal relationship with God, and he realized that he had drifted from his core beliefs and the Christian principles that had been so important earlier in his life. Jim was well compensated as an officer of Wal-Mart. He had a high salary, good benefits, and the opportunity to purchase Wal-Mart stock at discounted prices. He was quite successful from a worldly standpoint, but he knew that he was not living his business life in a manner that was pleasing to God.

It was at this point that Jim began regularly attending church services again and focusing on renewing his relationship with the Lord. He devoted himself to studying the Bible and spending a significant amount of time in prayer. He also began thinking about how large businesses like Wal-Mart were changing the world. He began contemplating the significant impact that large business organizations have on the lives of their employees, customers, suppliers, competitors, and entire communities in which they operate. Jim began to understand how large business organizations could change the world for good if they operated according to biblical principles and sought to honor God in all of their activities and operations. After several months of spiritual growth and soul searching, Jim felt God leading him to leave Wal-Mart and somehow demonstrate how to more intentionally and effectively honor God and apply biblical principles in the marketplace (Knoblauch & Opprechth, 2005).

## ULTIMATE SUPPORT SYSTEMS

After leaving Wal-Mart, Jim Dismore worked in various positions, including serving as CEO of several regional discount stores including Howard Brothers, Roses, and Bill's Dollar Stores. In 1989 Jim joined Ultimate Support Systems, located in Fort Collins, Colorado, as President and CEO. Ultimate Support produced and sold a variety of stands for musical instruments and speakers. Ultimate Support Systems had been founded in 1977 by Darrell Schoenig, who remained the chairman of the company until 1994, when Jim Dismore acquired a controlling interest in the company. Darrell was a Christian and the organization's core values and operating philosophy were based on Christian principles. Jim thought that Ultimate Support Systems was an organization that he could use as a platform for ministry and a company that could be used as a model of how to operate according to biblical principles.

Under Jim's leadership, Ultimate Support's revenues grew from \$6 million in 1989 to more than \$20 million in 2006. The company became the recognized leader in providing support systems for the music industry, and the company launched a division that designed and manufactured bicycle repair and storage stands. Their systems were known for high quality and superior customer support, including a lifetime warranty on products. The company adopted the motto, "Ultimate stands for life," which communicated the concept of the lifetime warranty but also made reference to the "life" that was available through

Jesus Christ, which Jim Dismore wanted to make known to everyone that dealt with the organization.

In leading the company and trying to integrate the concepts of business and ministry, Jim coined the phrase “business in ministry” and used this term to describe the operations of Ultimate Support Systems, Inc. Under Jim’s leadership, the company adopted the following mission statement:

Ultimate Support Systems, Inc. is a business in ministry which markets, designs, and distributes quality support solutions while seeking to know Jesus Christ, to be like Him, and to share his life and love with the world.

Their catalogs and other corporate materials also included the following statement:

Ultimate Support’s mission is our internal compass, directing our corporate objectives and daily operations; therefore, we measure our successes and failures by its standard. We share this mission so our customers understand the principles and guidelines by which we strive to conduct our business. Ultimate Support recognizes that there are many beliefs and respects your right to express your beliefs as you choose.

Having redefined the organization as a “business in ministry,” Jim and the other leaders of the organization then faced the difficult task of changing the organizational culture of the company and determining how to actually involve everyone in the organization in ministry through the business entity. Jim realized that if he, as the majority shareholder, took corporate profits and dedicated those funds for ministry efforts, this would be seen as his own ministry rather than the ministry of the organization. Jim’s passion was to go beyond using the business as a personal platform for ministry and to develop a business entity that was actively involved in ministry. The “Compassionate Ministry Plan” developed and adopted by Ultimate Support Systems became the driving force that changed the organizational culture and enabled the company to realize Jim’s dream of leading a “business in ministry.”

### THE COMPASSIONATE MINISTRY PLAN

In order to begin developing a ministry plan, Jim Dismore put in writing what he desired to see happen at

Ultimate Support. His desire was to go beyond creating an employee assistance program or a care plan for employees. Jim wanted to make ministry a fundamental part of the ongoing operations of the organization. This would include ministry to employees, customers, suppliers, and the community, in this order of priority.

After drafting a document describing his intentions, Jim asked his key officers for input, with no limits or restrictions as to what they could say. After making revisions to his initial document based on input from those key officers, he then asked for input from the employees. As with the input solicited from the officers, employees were encouraged to speak their minds and provide open and honest feedback. Based on the feedback from the internal stakeholders, a final document was prepared to create a structure that would allow the organization to be actively involved in ongoing ministry.

In order for Ultimate Support to be involved in significant ministry efforts, Jim Dismore knew that resources would be needed. Jim looked to the Bible for guidance about funding the ministry plan and decided that the company should set aside “first fruits” to fund the ministry efforts of the business.

In the Old Testament, the offerings brought as “first fruits” were an expression of thanks to God for his goodness and an acknowledgement by the nation of Israel that everything they possessed had come from God. The Israelites brought a portion of the fruits that ripened first as an offering to God and these first fruits were looked upon as an expectation of God’s future blessings through the coming harvest. The offering of first fruits was made on behalf of both the nation of Israel (Leviticus 23: 10, 17) and on behalf of individuals (Exodus 23:19; Deuteronomy 26:1-11). The first fruits were used for the support of the priesthood (Tenney, 1967).

Jim decided to dedicate a portion of the organization’s resources for the purpose of ministry in the three areas of time, talent, and treasure. With regard to time and talent, employees were encouraged to be involved in ministry and service activities each year on company time, and the employees were compensated while they were involved in such activities. Employees could be involved in activities such as serving meals at the Salvation Army, working on United Way projects, or going on mission trips with churches. This approach also allowed employees to be involved in consulting or counseling with other businesses or nonprofit organizations at no charge to those organizations. With regard to treasure, Jim Dismore committed to

annually allocate money, services, and products to be used for ministry purposes by establishing a ministry fund as an offering of first fruits. This fund would enable the organization to financially plan and support the anticipated ministry and works of service.

Each year Ultimate Support set aside as first fruits one percent of gross sales to use as funds for ministry. The establishment of the ministry fund was a part of the regular corporate budgeting process. The funds were made available for disbursement through monthly appropriations. Fifty percent of the ministry funds were to be used for internal ministry (inreach) and fifty percent of the ministry funds were to be used for external ministry (outreach). The members of the Ministry Committee determined how the funds would be used internally and externally. A benevolence fund was part of the ministry fund. The benevolence fund supported employees in times of emergencies and crises. Other ministry funds were used in ways as diverse as funding mission trips, supporting missionaries, providing for annual company outings for employees and their families, funding worthwhile community projects, and supporting a Boy Scout troop. In addition, during the years the ministry plan was in place, Ultimate Support Systems supported dozens of children in third world countries through Compassion International. Ultimate Support also made numerous in-kind contributions to nonprofit organizations that needed equipment produced by the company.

Over time the company's annual sales grew from about \$6 million to more than \$20 million. Using one percent of gross sales as the measure of first fruits meant that the company's annual funding of the ministry plan grew from about \$60,000 to more than \$200,000.

Once the annual funding level for the ministry plan was determined, it was never diminished due to budget cuts. Budget cuts had to come from other areas of operations. In addition, bonuses for employees were not negatively impacted because the company had set aside one percent of gross receipts for the ministry plan.

In order to ensure that Jim Dismore or other officers were not dominating the annual ministry plans, a ministry committee was created to oversee the process. The committee consisted of a cross section of 14 employees, and no officers were allowed to serve on the committee. To involve as many employees as possible, four people rotated off the committee every six months and were replaced by new committee members. Over time, the spots on the ministry committee became the most desired positions at the company. Jim Dismore retained the final right for

executive override to ensure that ministry plans were in keeping with orthodox Christian purposes, as well as supporting the Company's mission statement. That executive override privilege was almost never used.

Ultimate Support held a monthly company meeting where Jim and other officers updated employees about the corporation's performance and explained their strategic direction and decisions by management. They utilized Character First training materials in these monthly meetings to promote character development. Character First training tools describe good character and talk about the attitudes a person needs in order to improve relationships and make ethical choices. The character vocabulary helps colleagues challenge and applaud one another for good character ("In the Workplace: Character First," 2013). Once the ministry committee was operational, it met each month immediately after the regular company meeting.

#### **RESULTS OF IMPLEMENTING THE COMPASSIONATE MINISTRY PLAN**

Jim Dismore credits the implementation of the compassionate ministry plan with changing the corporate culture at Ultimate Support Systems. The employees started interacting with one another in new ways and began to function as a more cohesive team. They began to take a new level of ownership in all aspects of the organization and there was increased input and participation in decision making. As a result, the company saw marked improvement in efficiency, productivity, and profits. In addition, Ultimate Support had a significant reduction in turnover, which can be attributed to an increase in unity among the employees as they began to care more and more for one another.

The culture initially began to change as a result of improved attitudes of employees. Attitudes improved because the employees perceived themselves as an important part of what the organization was doing. Ultimate Support had been defined as a "business in ministry" and the employees had a major role in carrying out the ministry. Due to their participation in the ministry plan and personal contributions of time and effort, the employees developed a stronger sense of ownership in the company and they had a new understanding of the purpose of the organization. They were able to better understand that profit was not the most important objective of Ultimate Support Systems. Profits were of paramount importance because without profits, the organization could not remain a going concern,



but enabling people within the organization to learn and grow and doing good to help others were clearly seen by the employees as real priorities of the organization.

### CHALLENGES

The new mission statement of Ultimate Support Systems allowed the company to acknowledge Christ (or make Christ known) as Jim Dismore felt directed to do by Proverbs 3:6. The compassionate ministry plan that was designed by Jim Dismore and implemented at Ultimate Support Systems provided a vehicle for the company to do good to all people as directed by Galatians 6:10. The employees had begun to care for one another and love one another in new ways and they now had the opportunity to reach out to the community and do good deeds that would benefit people who were not employees or customers of Ultimate Support Systems. The new culture of making Christ known and ministering in the name of Christ that eventually permeated the organization, however, did face significant challenges at times.

Not long after the company adopted the new God-acknowledging mission statement and included it in the company's marketing materials, one of their largest customers, a retail company with a CEO who was not a Christian, decided that they would no longer purchase products from Ultimate Support Systems because of the wording of the mission statement in the new catalogs. This customer accounted for approximately 20 percent of Ultimate Support's annual sales.

The salesperson responsible for the account reported this to Jim Dismore and asked that the wording in the mission statement about being a "business in ministry" and "seeking to know Jesus Christ, to be like him, and to share his life and love with the world" be removed from the catalogs in order to retain this customer. Jim Dismore knew, however, that acknowledging Christ and making him known through their marketing materials was the right thing to do, even if it cost the company sales in the short run. The statement remained in the marketing materials and the customer stopped purchasing products from Ultimate Support Systems. Ultimate Support Systems continued to operate under its new mission statement and to look for ways to minister to people and make Christ known through its business operations.

Several months later, Jim Dismore and the CEO who had stopped purchasing from Ultimate Support Systems, were both attending a trade show in Southern California.

While they were at that trade show, the CEO came to the Ultimate Support Systems booth and apologized

to Jim for his actions. He acknowledged that Ultimate Support Systems produced the highest quality support systems in the industry. He also recognized that Ultimate Support operated with integrity and was the only company in the industry with a lifetime warranty and they always stood behind their products. The CEO realized that Jim had a right to practice his faith through the business and was not going to let the differences in their belief systems stop them from doing business with each other.

There were many other challenges that the company faced while operating as a business in ministry. Through all of those issues, however, Jim Dismore and the other leaders of the company remained committed to the philosophy of operating the business as a ministry according to biblical principles while "seeking to know Jesus Christ, to be like him, and to share his life and love with the world."

### EPILOGUE

As Jim Dismore approached his seventieth birthday, he determined that he needed to retire as CEO of Ultimate Support Systems. He also wanted a return of the capital he had invested to become the majority stockholder of the company. During 2008 and 2009, Jim Dismore sold all of the divisions and assets of Ultimate Support Systems to other organizations and investment groups.

Jim Dismore now teaches leaders of other companies the importance of having a compassionate ministry plan. While serving as CEO of Ultimate Support Systems, Jim launched a ministry designed to assist other Christian leaders called Kingdom Way Companies (KWC). KWC exists to assist Christian-led companies, nonprofits, and churches in implementing biblical principles into their operational structure and to influence biblical, cultural changes in the workplace to the glory of God ("Who We Are: Kingdom Way Companies," 2013). Jim believed that there were many ministries that were effective in promoting evangelism, discipleship, and leader education in the workplace. KWC is distinct in that it ministers to business leaders by coming alongside with counseling to aid with their enduring success organizationally, financially, and spiritually ("Who We Are: Kingdom Way Companies," 2013). KWC does this by providing leaders training with regard to the five Kingdom Way principles, which include: (1) establishing a clear mission statement and purpose, (2) forming a compassionate ministry plan, (3) developing a comprehensive business plan, (4) forming a council of advisors, and (5) measuring up to God's standards ("Five Principles: Kingdom Way Companies," 2013).

Many organizations that are owned and operated by Christian leaders have followed the counsel Jim gives through KWC and have implemented ministry plans similar to that of Ultimate Support Systems. Most of these organizations have seen similar results in terms of improved corporate cultures, increased productivity and profitability, lower employee turnover, but more importantly, they have seen lives changed by the love shown through these ministry plans.

Jim Dismore believes that if Christian business leaders will effectively incorporate biblical principles into their operations, they will have a greater impact on their sphere of influence and help fulfill the Great Commission. Jim often says, "If we can change the way the world does business, we can change the world." Jim Dismore is confident that companies that adopt a compassionate ministry plan can play a major part in changing the world for Christ.

### SUGGESTED TEACHING APPROACHES AND QUESTIONS

Students should learn about the importance of a good corporate culture and learn how caring for one another and taking ownership in an organization can lead to improved organizational performance. This case, based on an actual business, can be used in undergraduate or graduate courses in strategy, organizational theory and change, organizational behavior, or entrepreneurship. In addition to the questions below, a comprehensive set of teaching notes with suggested answers is available from the author.

#### Questions

1. What is an organizational culture or corporate culture?
2. What are some benefits of having a healthy corporate culture?
3. What is an employee assistance program? What is an employee care program? How did Ultimate Support System's ministry plan differ from an employee assistance program or a care program?
4. How is Ultimate Support Systems' concept of being a "business in ministry" different from the five relationships between business and mission suggested by Sunki Bang?
5. How is the concept of Ultimate Support Systems being a "business in ministry" similar to and different from other organizations with which you are familiar? Perhaps similar to or different from organizations that could be considered "hybrid" organizations or organiza-

tions who identify themselves as "business as mission" entities.

6. Is it appropriate for one's faith to impact the work environment?

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*Unless otherwise noted, all information used in this case came from personal conversations with James A. Dismore. The information was formally documented during the personal interview listed in the references section.*