

CASE 16

Ethical Leadership at Cardinal IG: The Foundation of a Culture of Diversity*

BACKGROUND

Cardinal Glass Industries, Inc., is a corporation that specializes in the design and manufacture of high technology insulating and solar glass. It is organized as a privately held S corporation with 70 shareholders, all of whom are employees. From the corporate offices in Eden Prairie, Minnesota, CEO Roger O'Shaughnessy oversees two research facilities and 29 manufacturing subsidiaries in 16 states. Cardinal Glass is the largest company of its kind in the world. Its 5,500 employees serve customers throughout the United States, Canada, Latin America, Europe, Asia, and the Middle East.

In any organization, ethical leadership is paramount to success, and by all accounts Cardinal Glass Industries is a successful corporation. Although the corporation as a whole has been profitable since inception in 1962, one of its manufacturing plants, Cardinal Insulating Glass (Cardinal IG) in Fargo, North Dakota, consistently outperforms all others in production efficiency and financial performance. Its workforce is the most diverse of any Cardinal subsidiary. The company consists of over 50 percent New American employees (many who speak limited English and recently arrived from unfortunate circumstances in their home country).

This case study explores the main factors contributing to the Fargo plant's success through the stories of plant manager, Dave Pinder, his leadership team, and the Cardinal IG employees.

THE CARDINAL IG STORY

It is an amazing story when you think about it. A diverse group of people, who knew very little about making glass, started up an insulating glass manufacturing plant in Fargo, North Dakota. In a very short period of time, they earned all of the business and

*This case was developed by James Legler, Associate Professor, Offutt School of Business, Concordia College, Moorhead, Minnesota, and Mary Leff, Organizational Development Consultant, Sanford Health System, Fargo, North Dakota © 2012. This case was prepared for classroom discussion rather than to illustrate either effective or ineffective handling of an administrative, ethical, or legal decision by management. All sources used for this case were obtained through publicly available material and interviews with Cardinal IG management.