

# DEC Is Dead, Long Live DEC

## The Lasting Legacy of Digital Equipment Corporation

By Edgar H. Schein

with Paul J. Kampas, Peter S. DeLisi, and Michael M. Sonduck

- One-time industry giant Digital Equipment Corporation (DEC) pioneered a new, unprecedented corporate culture. This model remains the dominate culture in high tech companies today
- This is the most comprehensive case study ever written detailing the life of a major company from beginning to end—and it's told from an inside perspective. Author Edgar Schein consulted with DEC almost from the beginning and had rich access to the company's story as it unfolded over the course of four decades
- Shows how the unique culture of DEC was responsible both for its early rise *and* for its ultimate downfall—a real-life classical tragedy
- Edgar Schein is one of the original founders of the Organization Development field—he is also a widely respected scholar and a bestselling author

There is a culture that is unique to technology firms. Casual but hardworking, anti-establishment but fiercely driven. Where did this culture come from? Not from IBM or Apple. Not from Microsoft. The blueprint for computer technology firms came from Digital Equipment Corporation (DEC), the pioneering company led by entrepreneur Ken Olsen.

*DEC Is Dead, Long Live DEC* is a 40-year case study and a drama of epic proportions. It tells the story of the creation and demise of one of the Computer Age's leading companies. It explains in detail how an organizational culture can become so embedded that the organization is unable to adapt to changing circumstances even though the need is clear to all. For DEC, the evolution of technology, organization, and culture intertwined into a complex system that left the organization unable to cope. *DEC Is Dead, Long Live DEC* shows clearly the price of success and growth and the problems that organizational maturity creates.

Over DEC's lifetime of forty years it reached the Fortune 50. At its peak, DEC had sales of over \$14 billion, and it was the number-two computer maker behind IBM. DEC created the minicomputer, networking, local area networking, the concept of distributed computing, speech recognition, and other innovations. But ultimately, DEC failed as a business and was sold to Compaq Corporation.

*More...*

DEC developed a set of engineers and managers that went on to populate the computer industry of today. Most of these people consider their time at DEC to have been a great experience from which they learned a tremendous amount. Many went on to reproduce the DEC culture in their new companies.

***DEC Is Dead, Long Live DEC*** shows how a powerful entrepreneur, Ken Olsen, created a culture, and how his value system was itself shaped by both his occupation as an engineer and his personal background. DEC is a unique case history of a culture of innovation—how it was created, how it evolved, and how it ultimately led to the company's downfall.

Drawing on first-hand experience, ***DEC Is Dead, Long Live DEC*** explains DEC's success and downfall. It examines how a culture could create a great company and how the members of the organization could become so attached to that culture that they would fail to adapt to radical changes in the technological and business environment.

**Edgar H. Schein** is Sloan Fellows Professor of Management Emeritus at the Sloan School. He is the Founding Editor of *Reflections, the Journal of the Society for Organizational Learning*. He has authored 14 books, including *Organizational Psychology* and *The Corporate Culture Survival Guide*. **Peter S. DeLisi** is Founder and President of Organizational Synergies, a strategy-consulting firm. He is also Academic Dean of the Information Technology Leadership Program at Santa Clara University. **Paul J. Kampas** is founder and principal of Kampas Research, a strategic analysis and technology-planning firm. He is also a Senior Research Fellow at Babson College. **Michael M. Sonduck** is the president of Leadership For Change, Inc., a management-consulting firm. He also leads groups of CEOs for The Executive Committee. He worked at DEC as an organization development consultant from 1976 to 1981.

\*\*\*\*

***DEC Is Dead, Long Live DEC: The Lasting Legacy of Digital Equipment Corporation***  
By Edgar H. Schein with Peter S. DeLisi, Paul J. Kampas, and Michael M. Sonduck  
Published by Berrett-Koehler Publishers, Inc. ISBN: 1-57675-225-9  
Cloth \$27.95  
Number of Pages: 317 Publication Date: September 30, 2003