INTEGRATIVE CASE 5.0
First Union: An Office Without Walls*

Meg Rabb was a self-made woman. Having started her full-time career at 18, she was at the pinnacle of her career as vice president of training for First Union Federal, a large (fictitious name) savings and loan association located in the eastern United States. Meg's division was responsible for both employee training and management development, and the services that her staff provided were very visible in the organization. Her unit was known as a "staff" one in the organization; that is, the training and development division served the needs of other units that were directly tied to serving consumers. These later "line" divisions were closer to final customers and, therefore, enjoyed high status in the organization.

Having recently survived several years of financial crisis and regulatory scrutiny, First Union was embarking on a new customer focus that it took very seriously. Significant amounts of financial resources were directed to employee training. All branch delivery mechanisms and systems were aimed at the achievement of a single service target: meeting consumers' changing financial needs. New approaches to service focused on customers' convenience needs and on the delivery of consistently high-quality personal service. At the same time, attention to cost containment was necessary to avoid further financial crisis and to please the board of directors; the organization spent resources available for internal programs very carefully. In sum, then, the fact that the training and development division was getting a big slice of the available resources gave it some stature in the organization as well as the clout that went with it, even though the division was still a staff function and not involved in direct customer interactions or service delivery.

Meg's achievements were financially rewarding and personally satisfying. She was very good at both the design and implementation phases of the training process, and the 12 trainers and management development specialists under her charge were highly qualified and respectful of her developmental and caring leadership style. Vice president titles at First Union Federal were hard to get, and Meg had only recently been promoted to the position of vice president. Five years ago, when she had been hired at the level of assistant vice president, not a single woman enjoyed the VP rank and title and only a handful of men were VPs, out of a total work force of 1,700 employees. After five years of hard work and measurable success in her job, Meg was promoted to the level of vice president. One week after the announcement of her promotion, her boss, Dan Cummings, told her that she would receive a new office and that new furniture would be available to her should she be interested in replacing her existing desk and other fixtures, lamps, and equipment.

The Office as an Incentive

Being a VP at First Union brought certain perquisites, or nonfinancial rewards. An office, a travel allowance, a larger share of human and other departmental financial resources, and a parking space in the corporate lot—all of these traditionally accompanied an assistant vice president in the trip up the corporate ladder to vice president.

Meg looked forward to the privacy that her new office would afford. That, above all other nonfinancial perquisites, was to be cherished in her very busy office. The office was characteristically noisy, with lots of people shuffling in and out of the office area all day long to attend training sessions or to schedule programs.

The physical office layout in her department was uncomplicated. Each employee, in a total staff of 12, had his or her own section, a partitioned area walled off with movable screens. Employees had variable quality office furniture within their areas, depending on their level in the organizational hierarchy. All areas had desks; however, the lowest-level employees received cheaper-quality furniture of the hand-me-down variety, a desk chair, and possibly a guest chair. Lower-level employees typically had just enough room to move around in their space and often had to share space within screened-off areas with other employees. Meg herself had been seated within a screened-off area located in the corner of the work area; this space had two floor-to-ceiling glass walls that overlooked the expansive city, 10 stories below. Her plan was to make this same space her office.

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The Walls Came Down

The construction of the office was completed quickly, within three weeks of her promotion. The office was simply decorated, with grey carpet and sparse decorations that included some tasteful (but inexpensive) modern prints, a desk lamp of modern design (selected from an office supply catalog), and utilitarian desk accessories of simple design. Meg planned on using her existing office furniture in order to economize. The old furniture suited the décor of the new office, and she felt good about saving money for First Union. Her own preference was for modern décor—a stark contrast to the other executives' offices, which were decorated in conservative colonial décor. She occupied her new office space comfortably for one day.

Upon arriving at work the following morning, she was summoned into her boss's office. Dan Cummings was the senior vice president of human resources. He was well liked and was very accurately "tuned in" to the political rules of the game; his influence in the organization seemed to blossom after he organized the first annual "Dan Cummings Golf Invitational," now in its fourth year of operation. Golfers from the old guard at First Union, those VPs and assistant VPs close to the senior management group, always felt honored by their invitations. Invitations denoted status in the organization. Meg had taken golf lessons this past summer in hopes of being included in next year's tournament, despite the fact that no female employees had ever received an invitation to the tournament. Even though her boss knew about her golf lessons, she had not been invited that year, and she'd never voiced her disappointment over not being included to anyone.

Upon entering Dan's office, Meg was perfunctorily informed that the president of First Union had expressed concern over the size of Meg's office. A close friend of the building manager, the president had strolled down to the construction site two days ago to meet the manager for lunch. The bottom line was this: the president had ruled that the office was too large. Meg was told that the existing office would have to be modified to conform to new building regulations set in place just that week. The plan was to tear down her office walls and to rebuild them using the proper 10 feet by 10 feet specifications detailed in the new regulations. Her office, unfortunately, had been built using 12 feet by 12 feet specifications deemed by the building manager to be appropriate.

Meg's immediate reaction to this troubling news was one of anger. She masked her true feelings behind a demeanor of cooperative resistance. She was very concerned about what this decision would mean to her employees—how they would take the news and how she could present it to them to mitigate damage to her department's normally healthy morale. She had other concerns, too. She worried that this event would cause her to lose power and esteem among her peers. Meg questioned the building manager later that morning to try to get a handle on how and why such an expensive mistake had been made. He told her that the 12 feet by 12 feet specifications that had been used for her office were set in place by him personally to take advantage of the view and to make the best use of the surrounding building structure. Other contacts told her that the former building regulations that were more lax than the current ones, yet were similar to the existing ones, had been frequently ignored to suit individual employees' tastes. She couldn't help but feel sorry for the building manager. He had used his skills in office design to try to match form with function, and his friendship with the president had apparently not been enough to shield him from personal repercussions. The tone of his voice and his eagerness to end their telephone conversation suggested that he was annoyed about the entire affair. Her empathy for him was joined with confusion. Had he not taken risks in the past by deviating from strict adherence to the regulations? Had he not already considered these risks? And, why was she the first person to fall victim to strict adherence to this regulation?

The Culture and Power Base at First Union

The overall culture of the bank was marked by conservatism. As one might expect when money is involved, cautiousness and conservatism were valued, as was care in retaining tight financial control over depositors' money. Power and influence at First Union were clustered primarily in the line units and at the executive levels of the organization. The mortgage division was particularly powerful. First Union had only recently remodeled the floor on which the mortgage division was located. As the "bread and butter" arm of the organization, the mortgage division enjoyed substantial power because of the revenues it generated and its contribution to the bottom line. Visitors to the newly remodeled offices never failed to remark on the beauty of the mortgage offices and on their distinctiveness from the rest of the bank. Rumor had it that the president of the bank was disturbed about the cost of the renovations but failed to act on the matter due to the high share of profits that the division generated.

In terms of power distribution across genders, First Union had no ranking female executives at or above the level of vice president prior to Meg's promotion. This fact prompted intervention from the Equal Employment Opportunity Commission, which encouraged First Union to seek out qualified female managers for promotion to executive status. The EEOC's scrutiny was public information, and Meg often felt awkward about being the first female to pave the way. Meg did not have a mentor at a higher rank than she was in the organization.

Her philosophy had always been that hard work pays off, and she was not particularly sensitive to social and political cues in the environment. Her male counterparts were very active and visible across the political terrain at First Union, as her boss's golf tournament activities attested. Friendships mattered a lot in the organization, and many of her male counterparts in other divisions were socially connected with their superiors outside of work.

Some of the artwork at First Union seemed to be very telling of values held to be near and dear to the organization. One lithograph was particularly indicative of the gender values in the organization. It featured a series of free-floating female breasts arranged in a decorative manner. The print was located in the president's conference room and was visible to board members, outside clients, and internal staff members who attended regular meetings in the room. One lower-level female manager who visited the room perhaps 15 times had never deciphered the objects in the lithograph. A higher-ranking male colleague proudly pointed out the identity of the shapes to her, laughing as he said, "Hey, did you see what this print is made up of?" She was embarrassed by his remark but joined in his laughter to get past the moment.

What Should She Do?

Meg sat down and made notes about how she would proceed. One thing was sure: If she was going to survive at First Union, she would have to learn how to play ball. As a VP in a staff unit, she had to do what she could to elevate her political status in the organization. Her worst fear was that she might lose her job; her very survival might depend on developing more political savvy. She had no one to turn to in the organization for advice and felt that she couldn't afford to make even a single mistake. Meg resolved to supplement her golf lessons with a crash course in organizational politics.