



## CASE STUDY: THE SHIPPING INDUSTRY ACCOUNTING TEAM

For the past five years, I have been working at McKay, Sanderson, and Smith Associates, a mid-sized accounting firm in Boston that specializes in commercial accounting and audits. My particular specialty is accounting practices for shipping companies, ranging from small fishing fleets to a couple of the big firms with ships along the East Coast.

About 18 months ago, McKay, Sanderson, and Smith Associates became part of a large merger involving two other accounting firms. These firms have offices in Miami, Seattle, Baton Rouge, and Los Angeles. Although the other two accounting firms were much larger than McKay, all three firms agreed to avoid centralizing the business around one office in Los Angeles. Instead, the new firm—called Goldberg, Choo, and McKay Associates—would rely on teams across the country to “leverage the synergies of our collective knowledge” (an often-cited statement from the managing partner soon after the merger).

The merger affected me a year ago when my boss (a senior partner and vice president of the merged firm) announced that I would be working more closely with three people from the other two firms to become the firm’s new shipping industry accounting team. The other “team members” were Elias in Miami, Susan in Seattle, and Brad in Los Angeles. I had met Elias briefly at a meeting in New York City during the merger, but have never met Susan or Brad, although knew that they were shipping accounting professionals at the other firms.

Initially, the shipping “team” activities involved emailing each other about new contracts and prospective clients. Later, we were asked to submit joint monthly reports on accounting statements and issues. Normally, I submitted my own monthly reports which summarize activities involving my own clients. Coordinating the monthly report with three other people took much more time, particularly since different accounting documentation procedures across the three firms were still being resolved. It took numerous emails and a few telephone calls to work out a reasonable monthly report style.

During this aggravating process, it became apparent—to me, at least—that this “teams” business was costing me more time than it was worth. Moreover, Brad in Los Angeles didn’t have a clue as to how to communicate with the rest of us. He rarely replied to emails. Instead, he often used the

telephone voice mail system, which resulted in numerous irritating episodes of telephone tag. Brad arrives at work at 9:30 a.m. in Los Angeles (and is often late!), which is early afternoon in Boston. I typically have a flexible work schedule from 7:30 a.m. to 3:30 p.m. so I can chauffeur my kids after school to sports and music lessons. So Brad and I have a window of less than three hours to share information.

The biggest nuisance with the shipping specialist accounting team started two weeks ago when the firm asked the four of us to develop a new strategy for attracting more shipping firm clients. This new strategic plan is a messy business. Somehow, we have to share our thoughts on various approaches, agree on a new plan, and write a unified submission to the managing partner. Already, the project is taking most of my time just writing and responding to emails, and talking in conference calls (which none of us did much before the team formed).

Susan and Brad have already had two or three “misunderstandings” via email about their different perspectives on delicate matters in the strategic plan. The worst of these disagreements required a conference call with all of us to resolve. Except for the most basic matters, it seems that we can’t understand each other, let alone agree on key issues. I have come to the conclusion that I would never want Brad to work in my Boston office (thank goodness, he’s on the other side of the country). While Elias and I seem to agree on most points, the overall team can’t form a common vision or strategy. I don’t know how Elias, Susan, or Brad feel, but I would be quite happy to work somewhere that did not require any of these long-distance team headaches.

### Discussion Questions

1. What type of team was formed here? Was it necessary, in your opinion?
2. Use the team effectiveness model and related information in this chapter to identify the strengths and weaknesses of this team’s environment, design, and processes.
3. Assuming that these four people must continue to work as a team, recommend ways to improve the team’s effectiveness.

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## TEAM EXERCISE: TEAM TOWER POWER

**PURPOSE** This exercise is designed to help you understand team roles, team development, and other issues in the development and maintenance of effective teams.

**MATERIALS** The instructor will provide enough Lego pieces or similar materials for each team to complete the assigned task. All teams should have identical (or very

similar) amounts and types of pieces. The instructor will need a measuring tape and stopwatch. Students may use writing materials during the design stage (see instructions). The instructor will distribute a “Team Objectives Sheet” and “Tower Specifications Effectiveness Sheet” to all teams.