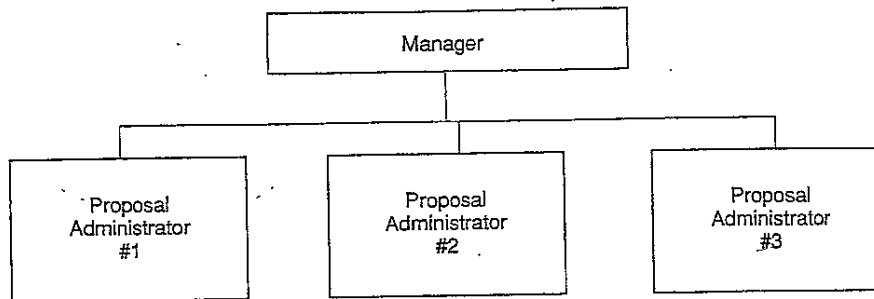


Figure 10-13 Organization Chart for King Electronics

**Diagnosis**

2. What problems did you encounter in reaching an agreement? Why?
3. Evaluate the effectiveness of conflict resolution in this situation.

Reprinted with permission from "Conflict Management" by Randolph Flynn and David Elloy, National Institute for Dispute Resolution (Washington, D.C.), Working Paper, 1987.

Activity
 10-4
Dorothy Morison

Step 1: Read the Dorothy Morison case.

Dorothy Morison, a manager in the Information Services Division of the Ace Aerospace Company, had experienced little success in her efforts to guide and coordinate division projects. As manager of Systems Engineering, Dorothy's job was to work with personnel in other departments on the planning and implementation of certain programs. Managers from these departments had made it clear, however, that they regarded her attempts at teamwork as interference. Dorothy, and her boss, Bill McNulty, found that the only plans accepted were those which were in the "blue sky" area. As McNulty put it, "As soon as we get anywhere close to today's operation or even next year's operation, we are stepping on their turf."

Dorothy's most pressing problem was a project with the acronym ISAC. This project, which involved the development of a new control system, was regarded by the director of Information Services as an opportunity to develop a new product with company-wide application. Hence Dorothy was directed to form a team of analysts from other departments who would do the actual technical work, while she and her staff monitored their progress.

From the beginning other division managers had been reluctant to let their technicians work on the project. As a result project ISAC, which was originally envisioned as a short-term operation, had taken two years and cost several

million dollars. As of early 1985, moreover, ISAC was estimated to be at least two years from completion.

**ACE AEROSPACE AND THE
 INFORMATION SERVICES DIVISION**

Ace Aerospace Corporation was one of the top fifty industrial companies in the United States. The corporation, which had existed since the 1920's, designed and built spacecraft, aircrafts, and ships, as well as various specialized electronic systems used for both defense and industrial purposes. Approximately 20,000 of Ace's 80,000 employees were either scientists or engineers.

With the exception of the Information Services Division (ISD) all Ace divisions existed to produce a particular product—a new space telescope, for example. ISD was a support organization providing a number of computer services for other Ace divisions. Each of the ISD departments was responsible for an area of computer support, such as administrative programming or computer graphics. Typically managers and technicians from Information Services worked in a matrix structure with their counterparts in a product division to develop the kinds of programs and services required. For example, a division working on the development of a new ballistic missile would engage Information Services people to design the attendant financial control system. (Because so much of Ace's business was government-sponsored, and hence subject to rigorous re-

porting requirements, the design of such in-house control systems was an integral part of new product development.)

The five ISD departments were Information Systems Applications, Information Systems Services, Technical Computing, Office and Reprographics Services, and Systems Technology. The last department, within which Dorothy worked, differed from the other four in that it was designed to provide support services within the division. The Systems Engineering segment, of which Dorothy was manager, was intended to serve as a planning and integrating mechanism for projects underway in the other product-oriented departments.

HISTORY OF SYSTEMS ENGINEERING

The director of the Information Services division, Mr. William James, had taken over as division manager six years earlier. Bill James, Dorothy's boss Bill McNulty, Dorothy, and several other managers had come to Information Services from an Ace product division. As the volume and pace of product development increased over the years Ace management had recognized the need for a more company-wide perspective with regard to information services. The new ISD team had been charged with creating systems that would integrate every facet of product development, and do so in such a way as to have company-wide applicability. Personnel in ISD, however, tended to work on a project-by-project basis, tailoring systems to fit a particular situation. James' strategy was to introduce the more generalized approach, called "systems engineering," to the Information Services division.

As part of this effort James formed the Systems Engineering department. He described his intentions for this new department as follows:

In Information Services we need to be moving toward the future. That's what the Systems Engineering group is supposed to do. Its job is to coordinate and play a liaison role on new projects that involve other groups in ISD and to represent a planning and systems orientation on these projects.

Dorothy, who was the third person to manage Systems Engineering, elaborated on the systems engineering concept:

Systems engineering is a concept of overview design, setting the direction, setting the parameters within which a project will be conducted. It requires monitoring of the project, giving guidance and technical direction.

This is a system which is used extensively in other Ace divisions. But within ISD it is something new and different.

According to Dorothy her responsibilities were the following: "To perform top-level strategic planning and other staff work for the director (James), to act as project coordinator, and to assist in planning on new projects." Figure 10-14 is a more detailed statement of these duties.

The concept of systems engineering, then, implied that Dorothy and other ISD personnel would work together, frequently in teams, to bring a more global perspective to division activities. In attempting to fulfill the necessary planning and integrating functions, Dorothy came into conflict with the existing management system. For a variety of reasons ISD managers proceeded to resist Dorothy's efforts to work with them and their supervisors and technicians. The managers of two areas in particular—the Applications department and the Services department—were opposed to any outside intervention.

SYSTEMS ENGINEERING AND ISAC PROJECT

The project that best exemplified Dorothy's management problems was the ISAC project. ISAC, which was the acronym for "Information Services Asset Control," was a project begun in the fall of 1982. The objective for this project was to implement a computer hardware inventory control system for the entire Information Services Division. Dorothy provided the following rationale for this project:

The Information Services Division is responsible for managing certain company assets: computing hardware, the big IBM systems, the terminals, the printers, and the peripheral equipment. There are leases, purchases, buy options and lease option credits. Because we are a government contractor, the way we manage these assets is monitored. It is significant business problem and the ISAC project involves a data processing system that will help us manage and control this asset base.

A team was assembled for the ISAC project that had personnel from Dorothy's area to oversee it and technical people from the ISD and Applications department to do systems analysis. The ISAC project called for technical assistance from all six disciplines within the Applications department. According to Dorothy problems in forming the ISAC team began right at the start:

Management (from Applications) would not sign up to working as a team. Mr. James had to direct that the people working on the project be allowed to attend meetings in our area. The Applications managers were willing to do what was needed to be done as long as the requirements were spelled out in black and white and "thrown over the transom." These managers claimed that their people got in trouble when anybody but their managers or supervisor directed them. They would work on the project only if they were the ones supervising their project.

OTHER MANAGERS' VIEW OF ISAC PROBLEMS

Jim Gardner was the director of the ISD Applications department. Jim was relatively new to the directors' job; however, he had served as a supervisor and then as a manager

Figure 10-14 Job Description**Basic Objective**

Provide a systems engineering discipline to the planning, coordination, and implementation of computer-based information systems.

Functions and Responsibilities

-
1. Develop, prepare, and maintain the Information Services Strategic Plan and the ACE Office Automation Strategic Plan. Integrate the plans of the Information Services service centers.
 2. Analyze the requirements, coordinate implementation planning, and provide status for system level activities that involve more than one directorate within Information Services. Specify systems requirements for Information Services.
 3. Develop, maintain, and/or integrate architectural models as flexible tools for analyzing, planning, and integrating information systems. Conduct the Preliminary Design Review/Critical Design Review for the planning and implementation of architectural changes.
 4. Perform systems assurance assessment of the quality of service provided by Information Services. Maintain standards for business systems development and conduct system assurance reviews for compliance.
 5. Analyze new information technologies that could be a major enhancement to services provided by Information Services.
 6. Evaluate, plan, and coordinate advanced technologies and standards for ACE's automated office systems. Participate in Corporate automated office system activities and obtain approval of any ACE deviations to standards.
 7. Apply systems engineering disciplines in formulating recommendations regarding the technical aspects of accessibility, internal accounting, and controls for information systems as requested by the Director of Information Services.
-

W. E. McNulty, Director
Systems Technology

Approved: W. A. James
Director of Information Services Division

in the business applications area for over twenty years. Most of the managers who reported to him had been in their jobs four years or less, having worked for Jim previously as supervisors and technical contributors. Jim believed that relationships within his organization were good. His management philosophy was to hold his managers accountable for their own work and the supervision of their people, not telling them *how* to go about it, but only looking at results. Jim described Applications as a very structured organization, where all layers were held accountable. Boundaries were respected, and for this reason Systems Engineering presented a problem. In his words, "System Engineering gets involved in things that supposedly cut across area lines. They step in to coordinate things between two organizations that feel no need for their coordination."

Jim Gardner claimed that his people did not like to work with Dorothy, not only because she spelled out solutions, but because people felt that if they didn't agree with her, she would immediately refer the problem to Bill James. He expanded on this perception as follows:

To my knowledge she has never influenced Bill to make a policy decision contrary to what I've advocated. She and I have differed, but I have never lost on a single item of importance. I am constantly trying to put a lid on the perception that she runs to Bill to get what she can't do herself. But when a secretary gets a call ordering her manager to attend a meeting with Dorothy's people and she says that Mr. James ordered it, well, it doesn't do a great deal to improve relationships.

Jim Gardner also explained that Dorothy Morison wanted to be assured of staffing in ISAC. She wanted to know who, by name, would be assigned to the project, and who would work on it for its duration. This was not the way Jim wanted his area to operate:

Our responsibility is for the work. It is our management's responsibility to assign the people to do the work. You will tell us what the job is, and we will complete it. Whom we use is not your business. They

want meetings with workers. My managers say no, you work through us.

Tom Boone, Jim's manager for Systems Analysis, had been directly involved in the ISAC project. The lack of success on the project stemmed, Boone felt, from the objectives set for it:

Systems Engineering views ISAC as an exercise in developing a whole new system of inventory control. If you give me a technical assignment like this new control system, we have a pretty good method for doing it for at least two years; we've put a couple of hundred programs up. Now, if I'm on schedule, I don't feel I should have to explain or conduct an orientation program about why I did something just so they can document it. When they put out a schedule and I'm committed to meeting it, I'll use the methodology I know best.

People from Systems Engineering don't seem to have the same commitment to schedule that we do. In Applications we in management instill in our personnel a commitment to schedules. Schedules are a must for applications development, because there is no value to the end user unless the application is functional and making data available. That's what we get paid for.

Tom also said that Systems Engineering interfered with the way he and his people did the technical work. He felt that they should be monitoring the schedule and the budget. Instead, he protested:

They come in and ask methodological questions, like, "Why are your people doing logical access maps for the screen view?" Why are they asking me that? How to do the technical work is my job. If I'm not capable of it, fire me.

These problems were common in all project work, Tom explained, but were exacerbated with ISAC because they were taking place within the ISD family. Tom believed that that made resolution of conflicts more difficult.

If I have these kinds of differences between myself and the manager in a user division, I'll get resolution. If I can't do it by negotiation or by force of personality, then we'll elevate it to the director. Within Information Services, however, what happens is that it gets elevated to Mr. James immediately. He's a busy man and he doesn't have all the information, so he can't pay much attention to it. So there isn't much follow-through and differences never get resolved.

Paul Martin, the director of Central Data Systems, made the following observation:

When the situation escalates to James, he sometimes circumvents the layers of management and orders people to comply with Systems Engineering requirements.

This leads to perceptions that Systems Engineering has an inordinate amount of influence with top management, and in turn creates mistrust between our technical people and personnel from Systems Engineering.

SYSTEMS ENGINEERING AND THE SERVICES DEPARTMENT

Dorothy Morison had also worked with the ISD Technical Services departments on certain projects. One recent project involved efforts to standardize computer user identification codes within the Ace Corporation. Dorothy's department was to play a liaison role between ISD and Ace corporate headquarters. One manager with whom she was supposed to work, Chuck Dinsmore, had informed Systems Engineering that such standardization was not feasible in his department. He had provided written documentation for this position but said later he believed that his views would be disregarded: "That standard is going to come out as directed by Dorothy. All the comments we made were ignored by her. She will solicit our input and then ignore it."

Chuck Dinsmore also expressed resentment at Dorothy's wish to be involved in technical matters, such as was implied in a recent letter that he had received stating that Systems Engineering planned to review for approval all new business software. Although Chuck's group had always tested and introduced new business software, the recent concern with organization-wide compatibility prompted the directive that new software be cleared with Dorothy's office. Chuck proceeded to ignore this clearance procedure, introducing a new office automation package without notifying Systems Engineering. He expressed his views on this subject as follows: "To coordinate with corporate headquarters and to approve software are two very different matters."

Dorothy expressed her own frustrations with regard to the issue of the standardized user identification codes. She responded as follows to Chuck's claim that she ignored his position:

We don't ignore their input, but it is generally so negative that when you consider all the ramifications you proceed with the best recommendation a composite of all the information. All their reasons for rejecting the plans were in terms of their own convenience. It wasn't as if they proposed an alternative.

From Chuck's perspective standardization will not benefit his department. Therefore, to him it is not a good idea. His attitude is short-range operational, get the job done today, spread my limited resources in the most effective way. The nice thing about Chuck is that he is consistent. We wind up agreeing to disagree.

While all of the above quoted managers concurred that the Information Services Division was generally a positive place to work, they agreed that problems of coordination with Systems Engineering persisted. Dorothy summed up

her own perspective on the various areas of disagreement as follows:

They—the managers in Applications and Technical Services—manage for today. That's their job. But if we follow their line, I fear that we sacrifice tomorrow. And, although Mr. James accepts our planning and future-oriented role in theory, we don't get his backing on a day-to-day basis. Even when the planning position should win out, it doesn't. Ideally we should be able to make a trade-off between today and tomorrow, and get the optimum decisions given all the factors. What generally happens, however, is that today is the winner.

DOROTHY MORISON AND MANAGEMENT STYLE AT ACE

A manager who had worked with Dorothy in the past and who had since moved to another division was interviewed on the subject of management style within the company. He gave the following overview:

I can't speak for an awful lot of companies, so maybe Ace is somewhat unique, but I would think not. I don't see an awful lot of backstabbing mentality at Ace. But, on the other hand, I don't see a lot of cooperation either. One of my managers describes us as a bunch of feudal fiefdoms. I've heard managers say, "Let them go ahead and pass that standard, I'm not going to follow it anyway."

So with that environment, if you are supposed to come up with some standards or integrate across divisional lines, this fiefdom attitude makes your job extremely difficult. Twenty-year managers are strong willed, and if they want to be an adversary, they make a strong adversary.

What did this manager think was the particular source of Dorothy's problems?

I think the problem is mainly Dorothy's background. She is out of the scientific and engineering area of the company, which means that most of the Information Services people think that she doesn't know what they are about. Dorothy is in a rather difficult position. She has a relationship with McNulty and James that causes her some problems. People feel that she has a pipeline to the top. And they feel that she uses it, whether she does or not. So that's a problem, added to the fact that she's in a very difficult assignment. Nobody understands what her assignment is. Including me. . . . It's James' pet organization in that it was put there to do special things for him. But I wouldn't be surprised if he ignores it. So Dorothy doesn't seem to have the authority or back up she needs.

Alluded to were certain aspects of Dorothy's own management style which exacerbated current problems:

She is willing to see something that needs to be done and then go out and try to do it. That often runs counter to something that someone else is working on.

(Another manager, Jim Gardner, had described this tendency differently: "She's a perfectionist. She wants things done the way *she* thinks they should be done. So she gives her own opinion on *how* problems should be solved rather than seeing that they *are* solved.")

PROSPECTS FOR THE ISAC PROJECT

Originally Dorothy Morison and Bill McNulty had viewed ISAC as a simple project. But in late 1984 ISAC had been running two years and was, they estimated, at least two years from completion. Other managers felt, however, that if coordination issues were resolved, ISAC could be implemented in less than a year.

SUPPORT FROM THE IS DIRECTOR

Both Bill and Dorothy agreed that they had not received adequate support from Bill James. The responsibilities of Systems Engineering had not been communicated effectively to other ISD managers. Dorothy gave the following example of a situation in which she felt stymied by behavior and attitudes resulting from this failure to make others aware of the scope of her department's responsibilities. (This situation was referred to earlier. It concerned the new procedure for clearance of new software, a procedure with which the manager involved declined to comply.) In mid-1984 Dorothy's department had assimilated planning for systems software, while the actual design of training, counselling, and evaluation programs for software remained under Chuck Dinsmore. Bill James had issued a memo detailing the responsibilities for each department. Dorothy felt that this directive was not sufficiently clear, and so she prepared a written description of how the two organizations should work together. According to Dorothy her efforts at clarification were futile:

What I did was describe how I thought it ought to work. My first opinion was that all of it—systems software, counseling, and everything to do with office automation—should be put in Systems Engineering. It's too immature a technology, the culture is not right here at Ace; we can't have this territorial rights issue within the organization and do anything decent for the user community. You really need to consolidate it, and that's still my opinion.

But, given that that was not going to be done, I recommended how it should work. Bill James gave the department manager and Chuck two weeks to analyze it and come back with a rebuttal. They didn't even look at it. They came to the meeting with Bill James and mumbled some words and waved their arms. They had done nothing to assess it. So Bill James said, "OK, this is in effect." In a way he slapped their hands for not doing their homework. I talked with him later, and I

Figure 10-15 Memorandum

TO: Dorothy Morison
 FROM: Diane Petrocelli
 SUBJECT: ISAC Team Meetings

Yesterday afternoon, Phyllis told me that Dick was directed by Jim to tell Phyllis not to attend any more of the ISAC Team working meetings. She objected to this saying that meetings like these are how we share and discuss things. She intends to talk to Jim about this. At the next team meeting, it would seem that only team personnel will be able to attend. The other five will not be there. Dorothy, I don't see how we can hold this together and meet our objectives in this continuing environment of conflict. You will remember that things turned to hell in about March. There appears to be no way to shelter the troops, let alone direct my planning efforts and leadership towards an ISAC product. Most of my time is spent in underground one-on-one meetings on approved subjects with precise and limiting boundaries. Coordination and cooperation can only be achieved on a skirmish by skirmish basis. Let's step back and examine the ISAC project impact. It has to be enormous. Each week there is more lost time, increased embittered attitudes, and new petty prerogatives that undermine our ability to work together to produce an ISAC system—one that some of us believe is in the best interest of our division and company.

said, "Bill, if I had come to a meeting as prepared as those guys were, you would have had my hide." And he said, "I did, didn't you notice?" And I said, "They didn't."

So Bill had to write a letter. He had me write the letter. It went to Chuck's manager, but Chuck didn't get a copy directly. So he's just ignoring it. Two weeks ago a new version of the software arrived, and Chuck wrote a highlight report and said we are going to implement it on the first of April. That was the first I heard of it. What do I do about this? I pretend that it is working. I send out notes to the people in other companies saying I'm coordinating this new release of the software. I send copies of that to Chuck so he knows what I am doing.

Day-to-day problems continued to cause delay in the ISAC project. Dorothy described the most recent example:

Last week we had an ISAC working meeting and the people from Systems Analysis were directed not to come. I learned today that one person on loan from Support Data Systems, who had been working on ISAC for two years, was told not to attend any more meetings. This is a perfect example of their attitude, which is, "Don't you dare direct our people."

Figure 10-15 is a copy of a memo from one of Dorothy's subordinates on the subject of this most recent incident.

Step 2: Prepare the case for class discussion.

Step 3: Answer the following questions, individually, in small groups, or with the entire class, as directed by your instructor:

Description

1. Describe the interaction among the groups working on the ISAC project.

Diagnosis

2. Is there functional or dysfunctional conflict between the groups?
3. What level of conflict exists?
4. At what stage is the conflict?
5. What causes the conflict?
6. How do intergroup relations contribute to the conflict?

Prescription

7. What options are available to improve the situation?

Action

8. What costs and benefits probably will result from implementing the prescription?

Step 4: Discussion. In small groups, with the entire class, or in written form, share your answers to the questions above. Then answer the following questions:

1. What symptoms suggest that a problem exists?
2. What problems exist in the case?
3. What theories and concepts help explain the problems?
4. How can the problems be corrected?
5. Are the actions likely to be effective?

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