

# Managing people – wac essay sample

[Psychology](#), [Success](#)



In 1981 after experiencing losses the company restructured to separate residential and Building Control Divisions (RCD & BCD). BCD shifted from traditional sequential development system to parallel development system. It housed marketing/sales, manufacturing and design in the same area, and made cross functional teams to accelerate product development. MOD IV was one of the most ambitious projects undertaken by the new development team. MOD IV wanted to replace the existing BCD motors that accounted for more than 30% of BCD profits. All 3 functions were involved in MOD IV development, but the project team was facing problems in design, development, meeting timelines as well as facing disagreement on features to be incorporated in it.

#### 1. What are the forces compelling changes at HVAC controls?

The reasons for developing a team-work dynamic came from recognizing changes in competition, technology and customer needs, as well as a concern over profit margin. From a market of 2 to 3 competitors the HVAC market had now small competitors ranging up to 150. This huge increase in competitors necessitated a faster product development cycle as HVAC needed to retain its product edge and answer to market demands faster. With a cross-functional team HVAC BCD division wanted to reduce a typical product cycle from 38 months to 14 months. In 1981 the Honeywell showed first time loss, to make sure this never happened again a structural change was implemented to manage different divisions separately, BCD was formed and all departments working for a product (engineering, manufacturing and marketing) were housed in the same building. In orders to increase profit margins a new motor design was thought that would be more generic, and

cater to different customer requirements as well as answer OEM needs for customization. All these above factors led to significant changes at Honeywell in general and HVAC in particular.

## 2. What are the major causes of conflict?

Functional level: Different departments had conflicting views about product development, features and timelines. The major conflict was between Engineering (which includes Design and Manufacturing) and marketing. From engineering perspective the major problem occurred when they moved from the norm of designing and testing a prototype first and then moving into production to combining the two. This meant that they had to resolve design issues on the production floor, this not only constrained their timeline but also affected their productivity and focus on other design issues like control modules. The marketing team from the start had not been very enthusiastic about the Mod IV as it was not driven by customer needs but by a company need to reduce costs. As marketing controlled the budget and timeline there were conflicts between engineering and marketing about timelines and project scope and deliverables.

At the same time although the team was designed to incorporate better communication between different functions there were still lingering resentment/ ill feelings across departments which led to the breakup of open communication, for e., g in the case of control modules marketing wanted to push them to be developed along with the main motor but for engineering this was not a major issue and they kept pushing it for later dates. Although engineering knew the design constraints and how to tackle them like

splitting the module in two parts, they did not share this information with marketing, at the same time marketing knew that control modules could be delayed to a later date and could be rolled out after the launch of the actual motors. Again they were unwilling to share this information with engineering as they feared this may cause engineering to postpone development on them for a later date. Leadership Issue: From the start MOD IV has been the baby of Engineering and was designed to be more generic to replace older motors design and reduce costs. This led Larry Rogers (Design Manager) to assume the role of leadership in terms of design and manufacturing and prioritizing work.

As marketing controlled the overall budget the marketing Director (Linda Williams) considered herself the GM of the project, her marketing team was new and was so far unable to reign in the engineering team. With the clear lack of leadership interpersonal conflict between Larry and Phil (Project Manager-marketing) came to a head on which direction the team should move in terms of features and prioritization. Managers Internal Conflict: Both Linda and John Bailey (General Manager) were "hands-on" type of leaders who wanted to control how the work got done, in case of John although he was not specifically involved in Mod IV but being GM the others looked up to him for direction.

John was trying to curb his autocratic instinct to allow teams to work in a more collaborative manner to make the new structure work but he was not entirely successful. This led to him giving mixed signals about his approach to the team members. This internal conflict of John's was clearly seen by the

teams and this created confusion in the team about how to handle work and project direction. They were unclear about when to communicate issues to higher management and how much scope and leverage they had in problem solving once they hit a snag. The compelling direction (Hackman 5 factor model) required for a great team to work was missing and managers were unable to provide it.

3. How would you assess Mod IV in terms of teamwork? In terms of achieving goals? The idea behind the Mod IV team was very good, cross functional teams could get the product development faster, everyone was involved and instead of focusing on departmental objectives the team could target the company objective as a whole and achieve success. The practice was satisfactory, open and honest communication between departments was missing. They protected their turfs religiously and did not consider the objectives of the others as their own. There was a clear lack of combined short term goals. All departments focused on attaining their own defined goals and disregarded timelines and objectives of the others. Applying Hackman's model to the Mod IV team it could be seen that 2 of the four factors which created a 'real team' were missing. While the team knew its boundaries and tasks they did not have the clear sense of authority and because of changing marketing team long term stability of the team were missing.

There was also a lack of long term goals and objectives, Marketing was still not confident about the Mod IV appeal to the customers and wanted to include additional features to improve product's targeted customer base,

engineering was still trying to iron out design problems in production phase constraining their timelines. The higher management was not overtly involved in the product development and the lack of shared goals and incentives were not communicated to team members. Goal achievement was also hampered by communication issues, the departments did not communicate effectively. There were still lingering resentment/ ill feelings across departments which led to the break of open communication. Lack of effective feedback was hampering the team's progress.

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4. Who is the team leader? What should he/she do to solve the modules' problem? Linda is currently the team leader, as she was heading the marketing department, but as Mod IV was initiated by the engineering departments Lary Rodgers felt himself responsible and de-facto leader in terms of product design and features as he had been involved in MOD IV since the . Intervention is currently required by the team leader in this case Linda to move the product development team from a storming stage to a

performing one. At the same time the enabling structure was already in place, the task direction has to be provided and goals need to be aligned by her so that team works efficiently. Open and honest communication needs to be established across functions so that all inherent doubts and misgivings are put on the table so and team members know about the feelings and apprehensions of others.

Ground rules for discussion feedback and behaviour need to be established so that effective communication can take place. The other crucial factor to be introduced as per Hackman's model is a sense of direction, right now as the different departments are moving towards disparate set of goals specially in terms of control modules, Linda needs to bring the team goals aligned so that individual department can work through the common goals. Short and medium term goals need to be set in accordance with prevailing marketing situations. These goals should be set taking all departments on board with a guarantee that all timelines and schedules would be strictly adhered to. The engineering department should be conveyed the importance of control modules but at the same time they should be told that the timeline can be relaxed slightly so that modules can be introduced within 3 to 4 months of motor launch.

A commitment needs to be taken from engineering to develop the modules within the prescribed time limit and all incentives and bonuses associated with the launch of Mod IV are tied to the timely delivery of control modules. The role of John Bailey is also important as he can provide the supportive organization context to the ModIV team by creating incentives and linking

them to the overall teams' performance rather than to focus on an individual or a division. The whole team should be communicated the importance of shared goals and the incentives and bonuses will be shared equally among all departments and failure of one department would be considered the failure of all.

By performing these actions, Mod IV team can be both successful and efficient in developing the desired product at the right time.

Exhibit 1: Key Stake Holders

Exhibit 2: Hackman Five Factor Model

Exhibit 3: Smart Goals Hackman Model

Exhibit 4: Hackman's 5 factor Model Applied to Mod IV Team