

Xerox case analysis essay

Business



**ASSIGN
BUSTER**

Dear Fred, One and one-half (1 ½) years after joining Xerox, you achieved your primary short-term goal of becoming senior staff within five (5) years. Confronted with the current organizational restructuring in this your 6th year, you must intelligently navigate the political landscape to maintain the considerable power and influence you have acquired in order to achieve your ultimate goal of becoming a corporate officer and board member. The crossroads of the situation presented to you by Fred Hewitt has challenged the momentum of your meteoric rise at Xerox. I have examined your current situation, identified the keys to your power and spheres of your influence, and made the appropriate recommendation. Entering an area of high uncertainty, you identified the MDC as a group that could cope with organizational uncertainty in logistics of the Xerox supply chain. Preserving Xerox's financial resources proved most fundamental to your success. This strategy allowed you to create interdepartmental dependency, which led to the MDC becoming a non-substitutable part of the operating budgets of many departments.

At a time when other departments were cutting back, you allocated greater resources at the MDC, which broadened your influence within the organization. The centrality of the MDC, along with its objective to achieve corporate inventory optimization, allowed you to satisfy strategic contingencies and increase Xerox's ROA (a directive of Mr. Kearns). With these successes, you gained additional formal authority, and a track record of expertise. Your diligent approach to creating a network of alliances, evidenced by dining with Tom Gunning and wooing the Multinational Steering Committee, built loyalty and goodwill, which have allowed you to be

the benefactor of reciprocity. When the situation dictated it, you twice made direct appeals and politically bargained to maintain or enhance your power base, evidenced most recently when you influenced Frank Pipp to have MDC moved to the Corporate Information Management group to avoid the budget cuts in the USMG.

As a manager, you were cautious and respectful in handling the interdepartmental conflict, especially when task interdependence and limited organizational resources caused Mr. Hewitt himself to question the MDC's importance and relevance. The clannish culture you created as the ' founder' of the MDC is notable for its strong internal integration and your use of symbols and rituals. These observable behaviors have been reinforced by the underlying values of empowerment and autonomy, and as a result you have built trust and loyalty in your staff. You have real power and influence through the strength of your relationships, not manipulative political maneuvering. However, your use of power is not obvious, which is most effective for perpetual organizational influence. My recommendation is to accept the position of Manager of Multinational Logistics Optimization rather than take a forced two (2) years of stagnancy at MDC.

Hewitt offered you a prominent role in advancing functional strategy for company-wide multinational logistics and asset management, as well as increased departmental responsibility for QA and HR. Alternatively, Hewitt has long been in favor of minimizing the importance of the role played by the MDC, has recently asked you to cut the budget by 25%, and is taking over primary responsibility for resource allocation. This restructured MDC is no longer the sphere of influence you created.

Remaining as head of MDC would significantly diminish your ability to rise to corporate officer. Should you continue to allocate power and implement it judiciously in this new role, it will be your bridge to a much larger platform than MDC could provide, and in turn offer you a greater sphere of influence at Xerox. Best of luck.