

# Case study goshe corporation

Business



Program Strategy and Tactics In Project Management Case Study – Goose Corporation I've called this meeting to try to find out why we're having a difficult time upgrading our EDP [Electronic Data Processing] Department to an MIS [Management Information Systems] Division," remarked Herb Banyan, executive vice president of Goose Corporation. Last year we decided to give the EDP Department a chance to show that It could contribute to corporate profits by removing the department from under the control of the Finance Division and establishing an MIS Dillon.

The MIS Division should be a project-driven division using a project management methodology.

I expected great results. I continuously get reports stating that we're having major conflicts and personality clashes among the departments involved in these MIS projects and that we're between one month to three months behind on almost all projects. If we don't resolve this problem right now, the MIS Division will be demoted to a department and once again find itself under the Jurisdiction of the finance director.

**BACKGROUND** In June 2007, Herb Banyan announced that Goose Corporation would be giving salary increases amounting to an average of 7 percent accompanied, with the percent distribution as shown in Exhibit I. The EDP Department, especially the scientific programmers, were furious because this was the third straight year they had received below-average salary increases. The scientific programmers felt that they were performing engineering-type work and therefore, should be paid according to the engineering pay scale.

In addition, the software that was developed by the scientific programs was shortening schedules and lowering manufacturing costs. The scientific programmers were contributing to corporate profitability. The year before, the scientific programmers had tried to convince management that engineering needed its own computer and that there should be established a separate engineering computer programming department within the Engineering Division. This suggestion had strong support from the engineering community because they would benefit by having complete control of their own computer. Unfortunately, management rejected the idea, fearing that competition and conflict would develop by having two data processing units, and that one centralized unit was the only viable solution. As a result of management's decision to keep the EDP Department intact and not give them a chance to demonstrate that they can and do contribute to profits, the EDP personnel created a closed shop environment and developed a very hostile attitude toward all other departments, even those within their own Finance Department.

**THE MEETING OF THE MINDS** In January 2008, Banyan announced the organizational restructuring that would upgrade the EDP Department. AY Grand, the EDP Department manager, was given a promotion to division manager, provided that he could adequately manage the MIS project actively. By December 2008, it became apparent that something must be done to remedy ten deteriorating relations Detente ten Atonally departments and the MIS personnel. Banyan called a meeting of all functional and divisional managers in hopes that some of the problems could be identified and worked out.

Herb Banyan: “ For the past ten months Vie watched you people continuously arguing back and forth about the MIS problems, with both sides always giving me the BBS about how we’ll work it out.

Now, before it’s too late, let’s try to get at the root cause of the problem.

Anyone want to start the ball rolling? Cost accounting manager: “ the major problem, as I see it, is the lack of interpersonal skills employed by the MIS people. Our MIS personnel have received only on-the-job training. The Human Resources Department has never provided us with any project management training, especially in the behavioral areas of project management.

Our organization here is, or should I say has been up to now, purely traditional, with each person reporting to and working for and with one manager. Now we have horizontal projects in which the MIS project leaders must work with several functional managers, all of whom have efferent management styles, different personalities, and different dispositions.

The MIS group just can’t turn around in one or two weeks and develop these necessary skills. It takes time and training. ” Training manager: “ I agree with your comments.

There are two types of situations that literally demand immediate personnel development training. The first situation is when personnel are required to perform in an organizational structure that has gone from the relatively simple, pure structure to a complex, partial matrix structure. This is what has happened to us.

The second situation is when the task changes from simple to complex. With either situation by itself, there is usually some slack time. But when both occur almost instantaneously, as is our case, immediate training should be undertaken.

I told this to Grand several times, but it was like talking to deaf ears. All he kept saying was that we don't have time now because we're loaded down with priority projects.

” Grand: “ I can see from the start that we're headed for a rake-Grand-over-the-coals meeting. So let me defend each accusation as it comes up. The day Banyan announced the organizational change, I was handed a list of fifteen MIS projects that had to be completed within unrealistic time schedules. I performed a manpower requirements projection and found that we were understaffed by 35 percent.

Now I'm not stupid. I understand the importance of training my people.

But how am I supposed to release my people for these training sessions when I have been given specific instructions that each of these fifteen projects had a high priority? I can just see myself walking into your office, Herb, telling you that I want to utilize my people only half-time so that they can undergo professional development training. ” Banyan: Somehow I feel that the buck just got passed back to me. Those schedules that I gave you appeared totally realistic to me.

I just can't imagine any simple computer program requiring more time than my original estimates. And had you come to me with a request for training, I

would have checked with personnel and then probably would give you the time to train your people. ” Engineering manager:” wish to make a comment or two about schedules.

I’m not happy when and MIS guy walks into my office and tells me, or should I say demands, that certain resources be given to him so that he can meet a schedule or milestone date that Vie had no input into establishing. My people are just not going to become pawns in the power struggle for s supremacy.

My people Decode very attentive IT tenure not permeate to participate in the planning activities, and I have to agree with them. ” Manufacturing manager: “ The Manufacturing Division has a project with the MIS group for purchasing a hardware system that will satisfy our scheduling and material handling system requirements. My people wanted to be involved in the hardware selection process. Instead, the MIS group came to us with proposal in hand identifying a system that was not a practical extension of the state of the art and that did not fall thin our cost and time constraints.

We in manufacturing, being nice guys, modified our schedules to be compatible with the MIS project leaders’ proposal. We then tried to provide more detailed information for the MIS team so that... ” Grand: “ Just a minute here! Your use of the word we is somewhat misleading. Project management is designed and structured so that sufficient definition of work to be performed can be obtained in order that a more uniform implementation can result.

My people requested a lot of detailed information from your staff and were told to do the work ourselves and find our own information.

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After all, as one of the functional employees put it, if we are going to pass all the responsibility over to you guys in project management; you people can just do it all. “ Therefore, because my people had insufficient data, between us we ended up creating a problem, which was further intensified by a lack of formal communication between the MIS group and the functional departments, as well as between functional departments themselves. I hold functional management responsible for this problem because some of the managers did not seem to have understood that they are responsible for the project work under their cognizance.

Furthermore, I consider you, the manufacturing manager, as being remiss in your duties by not reviewing the performance of our personnel assigned to the project. ” Manufacturing manager: mirror people designed a system that was way too complex for our needs.

Your people consider this project as a chance for glory. It is going to take us ten years to grow into this complex system you have created. ” Grand: “ Let me make a few comments about our delays in the schedule. One of our projects was a six-month effort. After the third month, there was a new department manager assigned in the department that was to be the rime user of this project.

We were then given a change in user requirements and incurred additional delays in waiting for new user authorization. “ Of course, people problems always affect schedules. One of my most experienced people became sick and had to be replaced by a rookie. In addition, Vie tried to be a ‘ good guy’ by letting my people help out some of the functional managers when non-

MIS problems occur. This other work ended up encroaching on staff time to a degree where it impacted the schedules. “ Even though the MIS group regulates computer activities, we have no intro over computer downtime or slow turnabout time.