

# The sundale club



**ASSIGN  
BUSTER**

The Sundale Club Problems A. Macro Organization structure 2. Leadership B. Micro Personal characteristics 2. Emotions I. Causes Chuck Johnson, who is a friend of Ted Ellis, has been hired by him. Ted Ellis sides with Chuck Johnson in conflicts regardless of who is in the wrong.

2. Bob Watis, the Director, is retiring in one year's time and does not wish to rock the boat by intervening in conflicts.

3. Pat is both very emotional and ambitious. She expects to be the one promoted when Frank quits. After a confrontation with Ted, she poured into tears.

## II. Systems affected

1. Structural: Work groups - Ted Ellis and Chuck Johnson begin to form 1 group, while Carol tries to form another group with all the other department managers. Authority - Because of Chuck Johnson's personal relationship with Ted Ellis, Frank Havens, who reports to Ted Ellis and to whom Chuck Johnson reports to, does not have authority over Chuck Johnson.

2. Psychosocial: Attitudes - Ted is defensive about Chuck. Perceptions- Pat perceives herself as being the most qualified for Frank's position. Leadership- Watis is due to retire in one year and does not want to rock the boat.

Interpersonal relations-Relationships in the athletic department are strained.

3. Technical: Knowledge: Chuck might not have the knowledge in the business. Otherwise, the membership list would not have been exhausted.

4. Managerial: Controlling - Frank loses his control over Chuck.

5. Goals: Individual goals - Alice is into modeling. Pat has been supportive of her in this regard. With Pat gone, Alice's personal goal is at stake.

## III. Alternatives

1. Appoint a successor for Watis, who will be in a more willing position to

intervene.

2. The managers of all the departments join forces to talk with Watis.

3. Pat collects evidence against Chuck and shows it to Ted to substantiate the rumors.

4. Give the hiring and firing decision to Frank.

5. Eliminate the position of Assistant Athletic Director.

#### IV. Recommendations

1. Appoint a successor for Watis, who will be in a more willing position to intervene. Obviously, Watis does not want to intervene or solve conflicts anymore. A successor at this point will give the organization direction.

2. Pat collects evidence against Chuck and shows it to Ted to substantiate the rumors. If there is some evidence, Ted might be in a better position to fire Chuck.

3. Give the hiring and firing decision to Frank. After all, these staff report directly to him. He would not be caught in between had he have the power to fire Chuck.

#### Western Utilities Company

##### Problems

##### C. Macro

1. Organizational performance

2. Performance evaluation

##### D. Micro

1. Feelings of unfairness of management by objectives

2. Strains in relationships

##### V. Causes

1. The standards for management by objectives have been set slightly too

high.

2. The standards set are cost, which have not been met in order to maximize customer service.

3. The company is faced with financial inefficiencies resulting from an expansion of its facilities.

#### VI. Systems affected

6. Structural: Tasks-Employees pay more attention to cutting costs rather than enhancing customer service. Information flow-Information flows two ways. Both employees and managers set the goals together. Managers can detect trouble spots faster. Rules-Higher than normal standards are set in management by objectives.

7. Psychosocial: Human resources-Higher standards are set for performance evaluation. Attitudes-Many feel that management by objectives is unfair. Perception and motivation-In the first year, the goals are still perceived as being attainable and are attained. Not so in the following years though.

8. Technical: Techniques-Management by objectives as a way of evaluating employees and setting goals.

9. Managerial: Goal setting-Goals are set higher than normal. Controlling-Management by objectives seeks to control problem areas.

10. Goals: Overall goals-The overall goal is to cut financial inefficiencies.

Group goals-The group goal is affected due to the desire of the consumer department to maximize customer service.

#### VII. Alternatives

1. Incorporate other goals into management by objectives that might affect financial results, such as customer service.

2. Use management by objectives as a goal setting tool but not as a

performance evaluation tool.

3. Set a lower and achievable standard for management by objectives.

4. Use a different goal setting tool and performance evaluation tool, such as the balance scorecard that incorporates all aspects of performance.

5. Use better indicators.

#### VIII. Recommendations

1. Incorporate other goals into management by objectives that might affect financial results, such as customer service. The various departments should have set customer service as one of the objectives if they feel that it is important.

2. Use a different goal setting tool and performance evaluation tool, such as the balance scorecard that incorporates all aspects of performance. This is quite similar to the setting multiple goals for management by objectives, but allocates weight to the more important performance dimensions such as costs.

3. Use better indicators. For example, the consumer department is not a cost center. So it is unfair to measure its performance based on cost alone. The consumer department has responsibility over revenue too. It is thus a profit center and should be evaluated using profits.