

WBS 6.6, Cerberus Corporation, A Case Study

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Abstract

During projects conflicts in priority become apparent. One element of the company may have a direct conflict with the desires, budget or vision of the project team. Understanding stakeholders needs before you approach them with project needs can help avoid conflicts. Flexibility is the key to dealing with the ever changing priorities in a business environment. Project managers need to be flexible to changes while stand up for their teams decisions. Changes to the standards of the project need to be re-address through the team before presenting them to the stakeholder. In this scenario, Jon was dealing with critical business related problems and not in a mind set to deal with the perceived trivial issues of moving furniture. Susan's response to Jon was inappropriate for the nature of the project and could have been handled differently. When conflicts do rise, depending on the critical nature of the project, the Project manager needs to deescalate the tension and find an appropriate time to discuss situations that places demands on the stakeholder.

Case Study Synopsis

Cerberus Corporation is a specialty chemical company that operates nine sites in the United States with multiple business units on each site. Each business unit operates separately reporting to the corporate headquarters and receiving support from other functional units. One of these functional units is the Facilities Group for which Susan Steele works.

Susan has been tasked by her boss to be the project manager for the replacement of the aging furniture in all the facilities with business standardized furniture having an emphasis on ergonomics. During their first project meeting her project team decided that the business units must cover the cost of new furniture and during the many moves within the company only business standard furniture will be authorized to move.

Jon Wood a 22 year planning manager was recently moved to the Photographic Chemicals Division to try and “sweep clean” the operations. With the popularity of digital photography, Jon’s business unit is losing money therefore money is tight. Part of Jon’s efforts to reenergize his division is a move to a more efficient building location. Jon brought with him, from his previous office, a large file cabinet which closely resembles the “business standard” except it has a wood grained top.

As Susan and her team approached Jon about the move, he received a phone call reporting that a subcontractor’s production was not going well and product was going to be tight for the next quarter. Susan and the team presented Jon with the plan and explained he would have to replace his cabinet instead of move it because it didn’t meet the standard business style.

Jon was upset and refused saying he wasn’t going to spend the additional \$2000 to replace a perfectly good cabinet just because the top was different from the standard. Susan replied that she wouldn’t authorize the movement. Jon made his stand and stated the only way

he would do it is if his general manager directed him to do so, which meant elevating a furniture decision to the corporate level. Then Jon demanded the team leave his office “so he could get some work done.”

Case Study Questions

If you were Susan, What would you do?

The question implies that the events as describe above have taken place. Susan must deal with the circumstances as they are and react to the conversation that has just taken place.

Jon is stressed about the upcoming move, production levels for the next quarter, trying to reduce costs and being told not only can he not move his favorite cabinet but he will have to spend more money to replace it.

If I were Susan I would excuse the team to try and reduce the tension in the room. Next I would tell Jon that we can find a way to work this out, then ask him to call me when he has time to discuss the subject further. We don't need to elevate this situation; we as managers can make these types of rational decisions. Lussier and Achua tell us, “The avoiding style [of conflict management] is appropriate to use when the conflict is trivial...and emotions are high.”(2013, p212)

By avoiding the conflict for the moment Susan will be able to discuss the one issue of replacing the cabinet with Jon when he is not saddled by all the other stresses. She may have a different outcome. If that doesn't work then they can negotiate a compromise.

What if anything, could Susan have done differently to avoid this problem?

First it is obvious that Susan's team didn't adequately evaluate Jon's needs as a stakeholder. The original charge for the project was to replace old outdated furniture specifically desks with “ugly green tops.” The question is what is critical to meet project objectives? Is

cabinet in question one that must be replaced? “Project managers have to be adaptable and responsive to events and outcomes that occur on the project. At the same time they have to hold the line at times...”(Larson & Gray, 2014)

Using the avoiding style earlier in the conflict management would have reduced the initial tension and may have made a difference. After the plan was relayed and Jon rejected the idea of having to replace his cabinet, knowing that Jon was already upset, Susan should have used the avoiding style instead of engaging him in the forced conflict style.

Susan’s stiff reply of “that’s the policy,” not only strengthens Jon’s resolve, it created an atmosphere for future conflict. Instead she should have explained that her team was available to help him with his move and ask Jon if there was a better time to discuss the more particular parts of the plan. In the interim, she should meet with her team and evaluated if the cabinet definitely had to be replaced.

Either way she shouldn’t have elevated the conflict. People tend to default to the most logical solution when dealing with what they perceive as low level problems, especially when there are more important things to worry about. Jon may have been more receptive to the idea of replacing the cabinet at a later time.

What could the management of Cerberus do to more effectively manage situations like this?

There are two specific things that would have avoided this situation. The corporation could have provided funding to replace the furniture. The Facilities group would have had to engage corporate management about increasing their budget but the conflict would have been avoided. It would have taken the Jon’s financial concerns off the table.

The next thing that corporate could have been done was to update the mission for the photochemical division. This would have provided funding for changing outdated production resource to meet a smaller market while researching ideas to advance into digital market supplies.

Conclusion

The nature of this problem can be dealt with using conflict management. We know that conflicts rise during projects. Managing those conflicts in a positive manor will develop more cooperation within the company and improve relationships currency for future projects. Susan's reaction created greater conflict and was inappropriate for the level and impact of project.

References

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