

diminishes their chances. The market will be less appreciative of their knowledge and they will be less able to adapt."

She doesn't answer. Five minutes later, she puts her hand on his. "Can you please return to the airport. I can still catch the six o'clock flight."

They drive in silence.

When she leaves, she kisses him on the cheek, "Bernie, you are a good friend."

Chapter 8

There's a knock on my door. I raise my eyes from my work and see Jim already coming in with a stack of papers in his hand. "It's beautiful," he says, and drops them on my desk. "With your twenty-six cases on top of the ones I've gotten in the past two years, we now have plenty for a good article."

He pulls up a chair. "Here are my suggestions for the various sections." He thumbs through the pile and at last hands me a handwritten page. I'm an expert at deciphering Jim's handwriting, but this one is stretching the limit.

"Overdue and overruns," I finally guess the first subtitle. "Rick, there is a lot of research published on the subject, and I suggest is that you assemble the exact numbers. So, what and we'll report that our findings confirm the previous research."

So far it translates into a minimum of two boring days in the library, I note to myself, wondering what is still to come.

"The emphasis should be on categorizing the official and the

unofficial reasons for the snafus," he continues. "I've scribbled a list of sections. Feel free to add."

So these serpents are the sections. I hand him back his page, saying, "It's better if we discuss each one of them."

After about twenty minutes I have the full list. I estimate that there are about seventy reports in the pile. How much time will it take me to go over all the reports, doing such an elaborate content analysis? A lot. It's boring work, but I have to do it. I can't give it to one of Jim's Ph.D. students.

But that was the deal. I teach the course and I do the dirty work. Then I have the honor of writing the first draft of the article and the second and the . . . And on each draft Jim's name will appear before mine.

I'd better not think this way. It's actually his course and his idea, and I do need to publish articles. I must stop these negative thoughts and be thankful for the opportunity.

I tell him about the pattern the class discovered: the lower the position of the manager the more the finger points not just outside the company but inside as well.

"Interesting," he comments. He thinks for a little while and then grabs the pile and starts going through it. I turn back to my work. At least ten minutes go by. Jim puts the pile down and starts to pace the room.

"Interesting," he finally says. I refrain from commenting that he had the same opinion fifteen minutes ago.

"Rick, I think that we should make this very interesting finding the center of the article. Our cases certainly back it up. Forty-four different organizations, ranging from non-profit service organizations to industry; seventy-eight different projects, ranging from less than thirty thousand dollars to over three hundred million, and the same pattern appears in almost all of them. Rick, it's great! At last we have something important around which to center this impressive, in-depth survey. We should even choose the title in accordance."

Making so much fuss about such a minute point. But he is the

expert on how to dress up an article, so I'm not about to argue. Still . . .

"Jim," I hesitantly start, "there is something else I've noticed, going through the reports." I rifle through the pile trying to find Fred's pages. "Where is it?"

As Jim is about to lose his patience, I find it and hand it over. "Read the financial status."

He locates it quickly. "Okay. 'Due to budget overruns (sixteen point two percent) and delays in production, the original estimate of three years payback is now modified to five.' Typical. What's your point?"

"The budget overrun, being only sixteen point two percent, cannot possibly change the original estimate for the payback period by more than half a year."

"So?"

"But they had to increase the estimated payback period from three years to five. By the way, the person writing it is a project auditor and he claims that his friends are already pushing to change the official estimate to seven years."

Jim still doesn't get it. It's not like him. Patiently, I continue, "If the budget overrun can't possibly cause such a change in the payback period, it must be caused mainly by the delays in completing the project."

"So it seems." He starts to pace again. "So it seems," he repeats. "Let me see. What you claim is that the major, negative financial ramification does not stem from spending too much money."

"Financially, the overruns are much less important than the overdue," I stress.

"In this particular case you are right."

"I found it in six more cases."

"What about all the others?" Jim isn't overly enthused.

"I don't know," I admit. "As you said, for many cases we don't have the numbers for the overruns and overdues, not to mention the payback period."

"Pity," he says, and puts back Fred's report. "It could be an interesting addition, but never mind, we have enough."

"Jim, forget the article for a minute. I think that it is an important point. Important enough to highlight it to the students."

"Peculiar maybe. But important? In what way?"

"In the same report," I don't give up, "it's indicated that they chose the cheap vendors over the more reliable ones. How much do you think they saved?"

"How do I know? Maybe five percent. Can't be much more."

"You can also see," I continue, "that delays in getting the machines from those vendors was the prime reason for the delay in completing the project."

"I see what you mean." He picks up Fred's report again and looks at it intently. Finally, he says, "So they saved about five percent on the machines, which is, probably, less than three percent of the total investment in the project." Very slowly he continues, "And this savings caused them to turn a three-year pay-back project into . . ." He stops.

"Saving a miserable three percent caused them to turn a very good project into a loser," I summarize.

"Rick, calm down. We have made a lot of assumptions. It's not so simple."

I don't know what he is talking about. The effect is clear. Companies are so immersed in the mentality of saving money that they forget that the whole intention of a project is not to save money but to make money.

Out loud I say, "It's a simple fact that they try to cut the budget by a few percent and cause the payback period to double."

"Yes, I give you that, but it's not so simple. We have to assume a distribution of investment throughout the lifetime of the project. Then we have to assume another distribution of net income from the result of the project, the profit of the Malaysian plant in this case. We should also factor in interest and inflation. Depreciation of the machines and the lifetime of the products that the plant in Malaysia produces. The mathematical modeling

will be quite involved." He raises his hand to stop me from replying.

Then he sits down and says, "Tell you what. It's a good idea. Too good to let it pass without checking. Find out what is already published on that subject and if we can find a crack I'll persuade Johnny to do the mathematical work. You know how good he is at that. It might work. Yes, it might."

"Don't you think that we should add it to the survey article? It will enable us to support the mathematical model with some real-life examples."

"We don't have to combine the two things into one article in order to support the model with case studies. As a matter of fact, I can make some telephone calls to my students from last year and you can ask your students. Maybe we can gather enough of the missing data to write a third article."

I'm uncomfortable with it. It shows, because Jim bursts out laughing. "Rick, Rick, when are you going to grow up? Join the real world? You never combine two articles into one; you always try to turn two into more."

He comes around to pat me on the back. "One day we'll make a mensch out of you," and he heads out. As he opens the door to leave he asks, "Did the class rebel because of the homework assignment you gave them?"

"Almost," I smile.

"It will be another excellent article. We are cooking." And with those words of wisdom, he leaves my room.

"Jim, wait a minute. Jim." He doesn't hear. I hurry after him, catch him near the elevators (it's amazing how fast he walks), take him aside, and ask the question that has bothered me since my last brief discussion with Miriam.

"I heard there are some rumors about a budget cut," I'm careful not to reveal my source. "Do you think it might jeopardize my chances of getting tenure?"

"Don't worry, Rick."

"But, I am. You know how important it is to me. I'll never get a third chance."

"Richard, it's okay! You'll get your tenure. You earned it fair and square. Everybody thinks so. I personally checked with everybody on the committee. It's not the tenure that should bother you, it's the promotion to full professor. You are way behind on publications. So will you start to concentrate on what counts? Work on those articles. They are your future."

"And what about the budget cuts?"

"Relax. There are some games between B.J. and the dean. High politics. But, I assure you, it has nothing to do with you." And he disappears into the elevator.

Chapter 9

"How many of you are familiar with PERT and Gantt techniques?"

Almost everybody raises their hand. "What do you mean by 'familiar'?" Ruth asks.

For lack of a better answer I say, "Good working knowledge."

"Then, I'm afraid, I'm not familiar."

"Ruth, I don't mean that you did a Ph.D. dissertation on it. Have you ever come across a Gantt chart?"

"Yes, more than once. Still a brief review would be helpful." From the look on the other students' faces, I see that Ruth is not the only one who would like a review. Frankly, I didn't expect this; they should have learned the basics in undergraduate courses. I have such a good collection of real charts, with which I could demonstrate every possible configuration. It's a pity I don't have them with me. Should I go to my office to fetch them? It's a waste of valuable time. I'll improvise. No big deal.

"Let's take a very simple example, just enough to demonstrate the concepts."