

**Organizational Analysis
Cordoba Case Analysis**

**For: Professor. Turner
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Organizational Behavior**

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Part 1: Cordoba Case Analysis:

1-A: Power, Influence, and Leadership

One of the first significant OB challenges in this case is how to address the existing power dynamics of Pla, his influence over decision making, Maria's ability to influence Pla, and how these power structures impact the overall organization. This situation exists because of Pla's historic ability to coordinate strategy, internal management functions, and performance evaluations of his staff. Pla's development of entrepreneurial norms and open communication channels between him and his staff resulted in a divisional hierarchy with Pla himself on top. The existing behavior patterns of VP seeking Pla's approval, and Pla's resistance to formalized processes, help to explain why the organization has been resistant to establishing formal guidelines, financial controls, and personnel procedures as it grows. Pla is 'low' in his willingness and readiness to push project management functions fully onto Maria and more importantly he is not ready to give up his power.

It is vital to review these facts since power, influence, and leadership as they now stand present formidable barriers against producing trust and alignment of Maria and the division VPs. Maria feels empowered through the acceptance of the COO yet unable to perceive how the VPs view her position and authority since she has little sense of this herself. The existing norm of individualism indicate that communication will become increasingly ineffective as the VPs start arguing for project approval, going behind Maria's back, and Pla starts overriding Maria's position and decisions.

I would rectify the situation by having Pla eliminate the COO post and institute an "operating committee" composed of all the VPs. I accept that Pla would be resistant to

this decision but there is no other way to rectify the operational issues that will result from the COO post. I say this definitively because the players are questioning one another's qualifications, Pla is executing decisions against his VP opinion, and Maria is firing key players without taking the opportunity to further her analysis and learn from Hoffman what he considers the key issues. These actions will result in increased dissatisfaction and people leaving the firm. The only other possibility is to hire an external COO as more fully discussed in section 1-C.

To correct this, Pla should grant the operating committee the authority for reviewing, debating, and engaging in project approval. This would allow Pla to become the strategy architect while not threatening the 'managerial freedom' he has provided to his senior people. The operating committee's debate and voting structure would allow issues to be discussed, prioritized, and dealt with in a far better system than that which Maria could provide. Drawing from the concepts outlined in "The Discipline of Teams" we find this approach would increase accountability, encourage open discussions, and permit shared leadership roles. From "How to Choose a Leadership Pattern" we can surmise that Pla's current use of power is ineffective in his leadership role since he has created an environment of uncertainty, broken confidence (the rejection of Telles's analysis) and has compromised the team's future effectiveness by allowing Maria to fire Hoffman. The committee would be a start towards change.

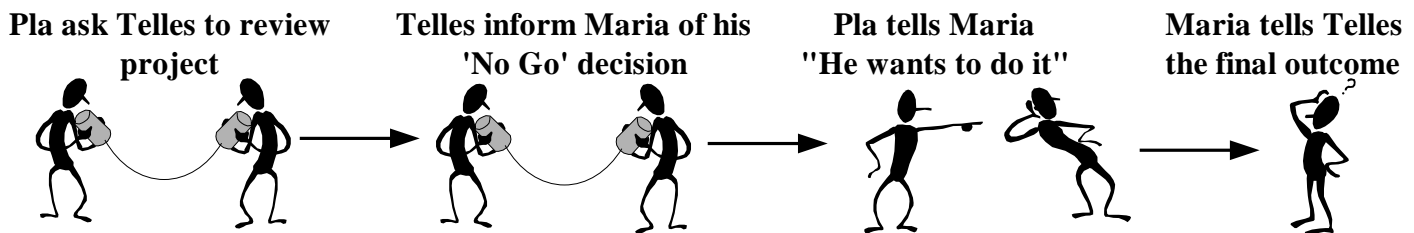
In addition to this, Pla would need to recognize and execute the formation of financial controls, performance systems, and a minimal degree of formal guidelines. The committee would serve as a means for getting this done if Pla verbally commits to it and if the committee includes Sam Maynez. Pla would need to exercise his power to make

this happen, and it must happen as increasing organizational size, breadth of projects, and poor internal financial processing grows. From ‘An OB note on Action Planning and Action Taking’ we learn that the myth of individual action taking and planning is not as good as forming an action oriented multi-dimensional, multi-person, and multi-time environment. Cordoba’s existing individualist culture can not produce desired levels of organizational effectiveness without these instituted changes. The operating committee would have everyone on board so such a program could filter throughout the company.

1-B: Interpersonal Communication

Interpersonal communication is an issue as reflected in how Maria administered the firing of Hoffman and the serpentine communication pattern illustrated in the commitment towards the Mega Center project. The Hoffman issue can be assessed on multiple OB fronts but I have chosen to review it in this section.

The diagram below summarizes the communication of the Mega Plex review:



Result: Maria’s authority is compromised, Pla alienates Telles, and Telles’ respect of Pla is altered by not having his opinion formally recognized.

This simple communication pattern explains how ineffective both Pla and Maria are becoming in their joint roles as leaders. Pla’s divergent interests and his assumption that Maria is functioning at 70% of her capacity suggest that Pla wants to validate Maria’s role but is unwilling to develop a new pattern of behavior for engaging in project selection. Pla’s communication is also ineffective since he may be using Maria,

unconsciously, to avoid conflict. This situation exits from Pla's mentor model of development. His past experiences inform him that he is capable of training Maria, but this is weakened by his not listening to the other VP's concerns that Maria may not be right for the job for several reasons. This informs the reader that the team may be willing to accept and work with a COO who was objective and didn't require as much training.

We can assess from the case that Pla would have accepted the Mega Plex deal regardless of Telles' analysis as part of his long-term corporate positioning strategy. It would have been more effective for him to manage the potential conflict with Telles directly instead of undermining his sense of trust. We learn from Senge's work in 'Building Effective One-on-One Work Relationships' that Pla's assumptions and beliefs would be difficult for Telles to decipher as Pla's behaviors are changing. Pla is becoming increasing ineffective as a leader as his communication behavior patterns change.

Analyzing Maria's firing of Hoffman illustrates a different communication dynamic. It doesn't seem logical that Pla would allow for Hoffman to be fired considering that case cites historic operational losses with the divisions. Perhaps Pla was displeased with Hoffman for another reason? Considering that Maria has limited computer system skills, and operations training, one can assess she was able to effectively communicate and influence Pla. The issue is that she was reluctant to seek Hoffman's analysis of his division's difficulties. The summation of ineffective communication patterns is resulting in organization disharmony.

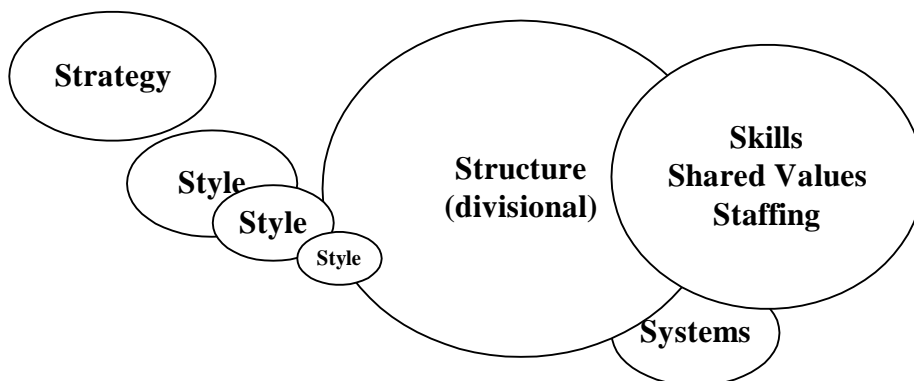
In agreement with my solution in section 1-A, I would form the operating committee and eliminate the role of COO. If at this time Hoffman was fired, a new person would be hired internally for Hoffman's role. Pla would then charge the committee with identifying

key operational issues and determining what could be done to improve bottom line performance. In agreement with, “Successful Change Programs Begin with Results” the team would function based on an ‘activity-centered’ program rather than a ‘point your finger and blame’ program.

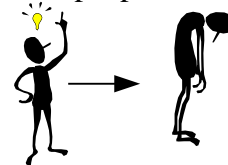
1-C: Organization Effectiveness

The organizational effectiveness of Cordoba is challenged from multiple fronts. Drawing from the concepts in, “Organizational Alignment: The 7-S Model” we see that Cordoba is structured in divisions each with specialist and VPs claiming that no one understands their operation better than them. Corporate strategy and projects have been initiated from the front office, but now Pla’s different interests have compromised strategy formation. Formal organization systems are lacking and likely contributing to resource under or over utilization. The staff seems highly competent and motivated to perform the work and the organization core competency of executing quality projects is apparent. However, changing organization values are creating holes in the foundation.

From a visual perspective (below) we see strategy and systems moving away from changing style and more strongly interconnected structure, skills, shared values and



Result: Separate divisions with individualistic environments overshadow the development of system coordinating functions. As style erodes, from an unfocused strategy, a system of highly competent people become less effective.



staffing. A less effective leader is not only affecting strategy but also existing and future

patterns of behavior. Unless Pla works on harnessing internal coordination, more separatism will grow as smaller offices open up. Shared values will also shrink.

This situation exists because Pla has been the primary driver of securing contracts and the sole leader of the organization. Going under the assumption that Pla would be interested in not being the sole leader my addition to the operating committee would be to hire an external person to perform the COO position. I am still insisting on the formation of the operating committee, but in this case the COO would be the chair. The COO's primary function would reside in aligning Pla's strategy with the project approval process. The COO would administer final decisions and act as a judge, if you will, by hearing out a project's arguments. My reasoning for hiring an external COO is to prepare for the event that internal group dynamics would not be ready or really willing to develop an operating committee.

In addition, the COO would be responsible for running the morning meetings, communicating performance results and so forth. The goal would be to get an administrator capable of forming strong relationships while also being able to hold a higher degree of objectivity than Maria may ever hold. The executive search would be initiated by Pla, and finally approved by Pla, but all VPs should be involved in order to bring them on board to the process.

1-D: Organization Change

The Cordoba organization has a lot of flexibility to accept an organization change effort. Pla's leadership and influence has in fact primed the pump towards gathering a strong coalition if an effort materialized. From the case, it can be seen that one of the largest barriers to change is Pla himself. If the company found itself in dire straits, or

they in fact hired a COO with the capabilities of forming a ‘powerful guiding coalition’ a successful change effort could take place. The people believe in the company, their work, and seem interested in succeeding. All this energy can be harnessed towards aligning internal and external strategies if the players could learn how to change their entrepreneurial culture and small working groups towards a more corporate work-team culture.

Once again, this would require that Pla learn and understand how his behavior is causing distress in the organization. Without such an understanding, or at least an acceptance of a different amount of power, organization change will not result.

Part 2: OB Course Highlight:

The article and ideas that had the great importance to myself was “Understanding Another Person,” not because it was written by the class professor but rather because it is simple paradigm that is very useful for identifying my perspective in an interpersonal communication situation. And how, when armed with this understanding, I can move towards thinking about another’s behavior, and how their past experiences, assumptions, perceptions, and feelings impact out interaction.

As a consultant, it is very important for me to develop an understanding of the person I am working as quickly as possible. This involves forming a level of trust, illustrating degrees of competence, and learning what the other person values. Without such information the project work can be compromised and disengaged.

The identification and building of assumptions, perceptions, and feelings is easy to accomplish with another person over the course of a couple conversations. Generally

non-threatening types of questions are apt to bring forward this information. Armed with this paradigm I can understand how to increase the client's level of satisfaction in our engagement. This results in the visualization and development of tools the client will benefit from. It also increases my satisfaction by exceeding their original expectations. This does not always happen but it helps make it happen.

The following example (Exhibit 1) is of an engagement with a department unprepared for an upcoming audit illustrates my point. As background information, the senior manager of the unit was simply demanding that the department manager be prepared for the audit. The senior manager knew the department was disorganized so she hired us to help her administer the preparation. The senior manager's only focus was on the upcoming audit.

As a result of our time there, the procedures in fact got written but the entire list of procedures was determined and agreed upon amongst all three parties. We ended up developing a workbook for the auditors to utilize to minimize their department interaction and decrease the number of department resources that would be required to get the auditors up to speed with the organization. This was considered value added by the department manager because her department was already understaffed and stressed in other manners.

By understanding that the senior manager was interested in maintaining her performance level, we were to illustrate how quickly we could absorb her operations and produce meaningful documentation. As a result, we found that she needed this form of coordination across her other departments. We helped her meet her performance levels while understanding that this was most important to her.