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CIS 410 - 50

Midterm Paper

March 16, 2021

Compaq vs. Burlington Northern

When comparing these two companies and situations, multiple factors need to be looked at. First we can look at the organizational structure and IT architecture that both companies utilize. Secondly, we can view the culture that the companies have. Finally, we can view that problems that both of these companies are facing and how it relates to each other and their inner structures.

Burlington Northern has a very outdated organizational structure as well as a lack of sufficient technology needed to succeed. Management does not have a grasp of what needs to be changed and why. This has allowed the IT to fall behind their competition and basically the rest of the evolving world. Compaq's structure was fine especially considering how they were doing, but they were questioning if fine is good enough. They may need more controls and overhead on what they were doing. They thought their employees were intrinsically good and honest, and giving them flexibility would work in the long run (Morgan 111). And it was much better than divisional structure which could lead to divisional issues that hurt production and advancement (Morgan 160). On a technology level, they were at the top. Their items were dependable because they utilized known technology that was proven to work, not just technology that was the newest. Compaq's task environment though, is correct which allows them to succeed (Cash).

The culture that Burlington Northern has seems to be very lax. They are in no rush to change or update their outdated issues. As said in the article about apes, "because that's the way it's always been around here" (Apes). This may stem from the fact that they're one of two big railroad shipping companies who hold a large portion of the

market. Because of this they do not see a need to change anything quickly, which can lead to a lazy culture. Many of these problems stems from something Morgan says: "It is often difficult to organize any other way" (Morgan 10). Meaning inside organizational changes are hard which is why many ignore them. The culture of Compaq was extremely loose, which goes right along with Burlington Northern, but for them it was working better. There were overhead controls put in place but were often changed in order to allow what was needed for Compaq.

Finally, the problems that Burlington Northern were facing all stemmed from their culture and lack of technology. Because of this, in order to make large strides in the right direction, the solution was the possibility of new technology for a huge sum of money. Therefore they had to decide whether or not to implement an expensive ARES system. Like Goldratt pointed out, even with the correct technology, things could still fail (Goldratt 26). Because they didn't have the cash on hand, full implementation was a huge and difficult decision (Tanwar 16). Compaq's issues had nothing to do with technology like Burlington Northern's did. Instead, it was all about their organizational structure and their controls.

As for their positioning's, Compaq is currently setup better. Because they don't necessarily need a change and look like the will continually be well, they have a better outlook. Burlington Northern on the other hand needs to implements changes in order to survive further into the future. But changes can be made, because "there is potential for growth and improvement" in all organizations (Goldratt 3).

Wal-Mart vs. Netflix

Wal-mart is a superstore that sells almost everything. Netflix was the leader of online streaming for years. Each has held a massive portion of their sector up until this point. When looking toward the future, the question asked is who is set up better? Both speaking about the near future and 10-15 years out.

One initial thing to look at is how both companies faired during COVID-19. Since COVID-19 shut down thousands of companies and shops and made people decide what their money should really be going to, it is a good gauge of how both companies will be within the near future. According to Reuters, Wal-Mart "posted record online sales" during the pandemic (Fares). This is a huge factor to look at especially since Amazon is such a large player in the online purchasing realm. As for Netflix, they also posted record numbers with over 15 million new paid subscribers (Owens). Each company shows promise to keep pushing into the future based off of sales during a tough time. When it comes to looking at these stats, both companies look like they'll have a nice time gliding into the near future.

Another thing to look at is the competitors each have. For Wal-Mart there is a shorter, yet dense list of Target, Meijer and Amazon mainly. Target is the company that's as close to Wal-Mart as it gets, offering almost the same exact services both in person and online. Meijer does the same but their locations are more sporadic. Amazon is of course all online and is a huge competitor to Wal-Mart in that area. When it comes to Netflix, they have a much longer list, even after this past year. Disney+, Hulu, Paramount, HBO, Showtime, the list goes on and on. Every company that produces movies and shows seems to be entering the field as a new streaming service. Given the conditions of competitors, Wal-Mart seems to be better positioned for the future. The differen-

tiation between streaming services is low and what streaming service to purchase is very opinion based. Wal-Mart on the other hand is absolutely everywhere and has some of the lowest prices out there, with their price matching. Add that to their low amount of competition, and readiness of products, the future looks brighter for Wal-Mart when it comes to competition.

The last thing we can look at to determine longevity for 10-15 is the companies future visions. Netflix and Wal-Mart cannot go into the future without a plan in an ever changing market. Therefore, if we examine what they believe their future holds, we can guess on the state of the business way down the road. The next thing Walmart wants to do is bring fourth a subscription based service to rival what Amazon is doing (Murphy). If this is the case, it is a giant leap for Wal-Mart as an online store. Not only would their online store be streamlined and quicker. But with their price matching guarantee they would be able to match the prices of all their competitors. For Netflix, their goal is to focus on consumers and what they want. Consumers should always be thought of in every instance (Goldratt 50). Netflix knows consumers have a lot of streaming options and for now there is not much they can do to differentiate themselves like they did back when they switched from renting DVDs to streaming. The people in charge of Netflix believe if they continue to listen to customers and make originals that their customers are interested in, they'll remain as the top streaming service (Choudhury).

Comparing these two it appears that both Wal-Mart and Netflix are both primed and ready to go for the near future. Netflix continues to lead the streaming services with their subscribers and grand original content which means internal resources are needed (Cash). While Wal-Mart continues to be a monster in the store and order industry. As for

10-15 years on, Wal-Mart definitely holds the edge. Not only are they competing with less companies, but they do not need to worry about how they can better themselves and keep up. If they can implement the subscription service like they plan to, they are an even larger threat to Target and finally officially, to the likes of Amazon.

Midwest RBU

Midwest RBU is a pharmaceutical company that is asking for their controls to be evaluated. Looking at there presentation there are three things that need to be evaluated. First, we must look at their core competencies, then view their rating scales, and finally the differentiators. Properly evaluating these allows their processes and responses to be bettered.

The core competencies needs some work. For starters, the direction of what they're trying to say is well done. It is clear what their goals are but it is not communicated very well. The slide itself is an absolute mess and does not look good. These should each have more time to grasp each concept. There should also be full sentences and a uniform look. Looking at this now is hard and makes people ignore the information. With that being said, the information itself is well done, just needs to be rewritten and the looks reworked. The best part is the accountability aspect because "Information often gets distorted, as people hide errors and the true nature and magnitude of problems for fear of being held responsible" (Morgan 29).

Secondly, is the rating scales. This portion is well laid out and made to look like what people are used to. Each category is clearly labeled about what is being talked about and reasoning for something to be in each category and score. It is uniform

throughout and most people will have seen a rating scale like this. The only issue is the numerical values scores are given. Not many scales are from 0-6, most are from 0-5 or 0-10. To avoid confusion and also allow individuals to remain knowledgable, the scale should be changed to 10. It would not be a massive change and should work well with the company.

Thirdly, we must look at the differentiators. Differentiators will show how a colleague has the magnitude of Influence, Competency, Approach, Commitment and Consistency. Management Control Systems are the primary control for results control (Cash 97). These include measures of performance, criteria for comparing measures against standards, and processes for obtaining measures which are all used actively in performance evaluations (Cash 97). These differentiators are well laid out and allow evaluations to be completed fully.

Cash states that "Determining an appropriate performance measurement time interval is largely a function of determining how long it takes for an identifiable trend to show up and at what point can constructive action reasonable be taken" (Cash 96). Overall, the content of what Midwest RBU is trying to get across is well done. The core competencies should be broken up and presented in a better, uniformed manner. They should also contain full sentences and not broken fragments of them. The rating scales and differentiators are extremely well done, but should be changed to reflect a scale from 1 to 10. 1 to 6 is too messy and confusing and nobody is used to a scale like that. These minimal changes will allow for a significantly better process.

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