GROUP PROJECT

Group	Topic	Ref
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Group 3	Case 2.1: Hector Gaming Company	Organization Strategy and Project Selection
Group 4	Case 2.3: Fund Raising Project Selection Case	Organization Strategy and Project Selection
Group 5	Case 3.1 Moss and McAdams Accounting Firm	Organization: Structure and Culture

GROUP 1: CASE 1.1: A DAY IN THE LIFE

Rachel, the project manager of a large information systems project, arrives at her office early to get caught up with work before her co-workers and project team arrive. However, as she enters the office she meets Neil, one of her fellow project managers, who also wants to get an early start on the day. Neil has just completed a project overseas. They spend 10 minutes socializing and catching up on personal news.

It takes Rachel 10 minutes to get to her office and settle in. She then checks her voice mail and turns on her computer. She was at her client's site the day before until 7:30 p.m. and has not checked her e-mail or voice mail since 3:30 p.m. the previous day. There are 7 phone messages, 16 e-mails, and 4 notes left on her desk. She spends 15 minutes reviewing her schedule and "to do" lists for the day before responding to messages that require immediate attention.

Rachel spends the next 25 minutes going over project reports and preparing for the weekly status meeting. Her boss, who just arrived at the office, interrupts her. They spend 20 minutes discussing the project. He shares a rumor that a team member is using stimulants on the job. She tells him that she has not seen anything suspicious but will keep an eye on the team member.

The 9:00 a.m. project status meeting starts 15 minutes late because two of the team members have to finish a job for a client. Several people go to the cafeteria to get coffee and doughnuts while others discuss last night's baseball game. The team members arrive, and the remaining 45 minutes of the progress review meeting surface project issues that have to be addressed and assigned for action.

After the meeting Rachel goes down the hallway to meet with Victoria, another IS project manager. They spend 30 minutes reviewing project assignments since the two of them share personnel. Victoria's project is behind schedule and in need of help. They broker a deal that should get Victoria's project back on track.

She returns to her office and makes several phone calls and returns several e-mails before walking downstairs to visit with members of her project team. Her intent is to follow up on an issue that had surfaced in the status report meeting. However, her simple, "Hi guys, how are things going?" elicits a stream of disgruntled responses from the "troops." After listening patiently for over 20 minutes, she realizes that among other things several of

the client's managers are beginning to request features that were not in the original project scope statement. She tells her people that she will get on this right away.

Returning to her office she tries to call her counterpart John at the client firm but is told that he is not expected back from lunch for another hour. At this time, Eddie drops by and says, "How about lunch?" Eddie works in the finance office and they spend the next half hour in the company cafeteria gossiping about internal politics. She is surprised to hear that Jonah Johnson, the director of systems projects, may join another firm. Jonah has always been a powerful ally.

She returns to her office, answers a few more e-mails, and finally gets through to John. They spend 30 minutes going over the problem. The conversation ends with John promising to do some investigating and to get back to her as soon as possible.

Rachel puts a "Do not disturb" sign on her door, and lies down in her office. She listens to the third and fourth movement of Ravel's string quartet in F on headphones.

Rachel then takes the elevator down to the third floor and talks to the purchasing agent assigned to her project. They spend the next 30 minutes exploring ways of getting necessary equipment to the project site earlier than planned. She finally authorizes express delivery.

When she returns to her office, her calendar reminds her that she is scheduled to participate in a conference call at 2:30. It takes 15 minutes for everyone to get online. During this time, Rachel catches up on some e-mail. The next hour is spent exchanging information about the technical requirements associated with a new version of a software package they are using on systems projects like hers.

Rachel decides to stretch her legs and goes on a walk down the hallway where she engages in brief conversations with various co-workers. She goes out of her way to thank Chandra for his thoughtful analysis at the status report meeting. She returns to find that John has left a message for her to call him back ASAP. She contacts John, who informs her that, according to his people, her firm's marketing rep had made certain promises about specific features her system would provide. He doesn't know how this communication breakdown occurred, but his people are pretty upset over the situation. Rachel thanks John for the information and immediately takes the stairs to where the marketing group resides.

She asks to see Mary, a senior marketing manager. She waits 10 minutes before being invited into her office. After a heated discussion, she leaves 40 minutes later with Mary agreeing to talk to her people about what was promised and what was not promised.

She goes downstairs to her people to give them an update on what is happening. They spend 30 minutes reviewing the impact the client's requests could have on the project schedule. She also shares with them the schedule changes she and Victoria had agreed to. After she says good night to her team, she heads upstairs to her boss's office and spends 20 minutes updating him on key events of the day. She returns to her office and spends 30 minutes reviewing e-mails and project documents. She logs on to the MS project schedule of her project and spends the next 30 minutes working with "what-if" scenarios. She reviews tomorrow's schedule and writes some personal reminders before starting off on her 30-minute commute home.

1. How effectively do you think Rachel spent her day?
2. What does the case tell you about what it is like to be a project manager?

GROUP 2 -CASE 1.2: THE HOKIES LUNCH GROUP

PART A

Fatma settled down for lunch at the Yank Sing Chinese restaurant. She was early and took the time to catch up on her e-mail. Soon she would be joined by Jasper and

Viktoria, two fellow 2014 grads from Virginia Tech in Blacksburg, Virginia.

Jasper worked as a software engineer for a start-up company that wanted to expand the boundaries of sharing economy. Viktoria was an electrical engineer who worked for a German healthcare company in San Francisco. They had met each other at a Silicon Valley alumni reception hosted by Virginia Tech. Each of them felt a bit like a fish out of water on the West Coast, so they decided to have lunch together each month. The lunch evolved into a professional support group. A major part of each of their jobs was managing projects, and they found it useful to share issues and seek advice from each other.

Fatma worked for a very successful Internet company whose founders believed that everyone in the firm should devote three days a year to community service projects. The company was partnering with several companies in the construction industry to renovate abandoned buildings for low income families. The next project was the renovation of an empty warehouse into eight two-bedroom apartments. Fatma was part of the core team in charge of scheduling and managing work assignments.

Viktoria and Jasper entered the restaurant together. Viktoria was the first to move to the Bay area. She was currently working on the next-generation neural stimulator ("PAX 2"). Neural stimulators are electronic devices that doctors implant in patients with wires connected to sources of pain in the patient's spine. In the past, patients would have to have an operation to replace the stimulator battery every 10 years. PAX 2 was being designed to take advantage of new battery technologies and use a rechargeable battery. In concept, this battery system would eliminate the need for replacement surgeries and allow the implanted battery to be recharged externally. Viktoria's team had just completed the second prototype and was entering a critical testing phase. It had been tricky trying to predict the life span of the new rechargeable battery without testing it in real time. She was anxious to begin seeing the test results.

Jasper was working for a start-up company after doing contract work for his first

nine months in San Francisco. He was sworn to secrecy about the project and all Fatma and Viktoria knew was that the project had something to do with sharing economy. He was working with a small development team that included colleagues from Bangalore, India, and Malmo, Sweden.

After ordering and chit-chatting a bit, Fatma started the discussion. "I will be glad when this week is over," she said. "We've been struggling defining the scope of the project. At first glance our project seems relatively simple, build eight two-bedroom apartments in an old warehouse. But there are a lot of unanswered questions. What kind of community space do we want to have? How efficient should the energy system be? What kind of furniture? Everybody wants to do a good job, but when does low income housing morph into middle income housing?"

Viktoria offered, "Scope defining is one of the things my company does very well. Before a project is authorized, a detailed scope statement is developed that clearly defines the project objectives, priorities, budget, requirements, limits, and exclusions. All of the key stakeholders sign off on it. It is really important to identify priorities up front. I know on the PAX 2 project that scope is the number one priority. I know no matter how long it takes it is imperative that my work is done right."

Fatma responded, "That's exactly what my Project manager is preparing for   Friday's meeting. I guess that is one of the things you have to do as a project manager is end discussions. He is going to make the tough calls and finalize the project scope so we can begin planning."

Jasper interjected, "You guys are so lucky, for the most part your scope remains the same. In my work the scope is constantly changing. You show the founders a feature they wanted, and they say well if you can do that, can you do this? You know it's going to happen, but you really can't plan for it."

Jasper went on to say, "We do know what our number one priority is: time. There are a lot of players trying to move in to the 'space' we are working on. We have to demonstrate we are ahead of the pack if we are going to continue to get VC funding."[2]

Jasper said that despite the pressure, his project had been a lot of fun. He especially liked working with his Swedish and Indian counterparts, Axel and Raja. They worked like a global tag team on their part of the project. Jasper would code and then pass his work onto Raja who would work on it and pass it on to Axel, who would eventually hand it off to Jasper. Given the time zones, they were able to have at least one person working on the code around the clock.

Jasper said it was hard at first working with someone you never met personally other than on a video screen. Trust was an issue. Everyone was trying to prove themselves. Eventually a friendly competition arose across the team. The programmers exchanged funny cartoons and YouTube videos. He showed Fatma and Viktoria a YouTube video about scope creep that got a chuckle from everyone.

They made plans to meet next at the New Peruvian restaurant on SE 8th Street.

PART B

The Peruvian cilantro/lime ceviche was a big hit at the next lunch. Viktoria began their discussion by reporting, "I have good and bad news. The bad news is that our first prototype failed its tests miserably. The good news is that I have a smart project manager. She knew this could happen, so she mitigated the risk by having us working on two alternative battery technologies. The alternative technology is passing all of the tests. Instead of falling behind months we are only days behind schedule."

This precipitated a discussion of risk management. Fatma reported that there had

been a two-day session on risk management for the renovation project. They spent the first day brainstorming what could go wrong, and the second day coming up with strategies for dealing with risks. A big help was the risk report that was generated after the last project. The report detailed all of the problems that had occurred on the last renovation project as well as recommendations. Fatma said, "I couldn't believe how much time and attention was devoted to safety, but as my project manager said, 'all it takes is one bad accident to shut down a project for weeks, even months.' "

Jasper reported that on his project they spent very little time on risk management. His project was driven by a build-test mentality. "Everybody assumes that daily testing eliminates problems, but when it's time to integrate different features, that's when the real bugs will emerge," Jasper said.

Jasper went on to say that things were not going well at work. They had missed their second straight milestone, and everyone was feeling the pressure to show results. "I even slept by my cubicle three nights ago," Jasper confessed. Fatma asked, "How many hours are you working?" "I don't know, at least 70, maybe 80 hours," Jasper answered. He went on to say, "This is a high stakes project, with a BIG upside if successful. I am doing some of my best programming and we'll just have to see what happens."

Jasper showed them a cartoon that was being circulated across his team. The caption read: "When did you want it done? Yesterday."

Fatma turned to her friends and said, "I need some advice. As you know I'm responsible for scheduling work assignments. Well, some of my colleagues have been pretty aggressive lobbying for choice assignments. Everyone wants to work alongside Bruno or Ryan. Suddenly I am everyone's friends, and certain people are going way out of their way to do favors for me. I am sure they think it will influence my decisions. It's getting awkward and I am not sure what to do."

"Quid pro quo," answered Jasper, "that's how the business world works. You scratch my back and I'll scratch yours. Within reason, I don't have a problem with someone taking advantage of their position to garner favors and build relationships."

Viktoria said, "I disagree. You don't want to be seen as someone whose influence can be bought. You need to think what's best for the company. You need to ask yourself what would Bruno and Ryan want you to do? And if you don't know, ask them."

After much discussion, Fatma left the restaurant leaning towards Viktoria's advice, but she wasn't sure what the guidelines should be.

PART C

It took two months for the Hokie lunch group to get together again. Jasper had canceled the last meeting because of work, so Viktoria and Fatma saw a movie together instead. Jasper was the last person to arrive and it was clear from the look on his face that things were not going well. He sat down, avoided eye contact, before blurting, "I'm out of work." "What do you mean?" Fatma and Viktoria cried. Jasper explained after months and months of work they had been unable to demonstrate a functional product.

Jasper went on to say, "Despite our best efforts we couldn't deliver. The founders couldn't get an ounce of second round venture funding, so they decided to cut their losses and kill the project. I just spent the best six months of my programming life for nothing."

Fatma and Viktoria tried to comfort their friend. Fatma asked Jasper how the others were taking the news. Jasper said the Swedish programmer, Axel, took the news very hard. He went on to say, "I think he was burning a lot of bridges at home with the long work hours and now he has nothing to show for it. He started blaming us for mistakes

we never made." Raja, his Indian counterpart, was a different story. "Raja seemed to shrug his shoulders." Jasper added, "He said, I know I am a good programmer. There are lots of opportunities here in Bangalore."

Fatma broke the silence that followed by saying to Jasper, "Send me your resume. My company is always looking for top notch programmers and it is a really great company. Can you believe it, the two founders, Bruno and Ryan, are working side by side with everyone on renovating the warehouse? In fact, people were amazed at how good Bruno was with sheet rock. A big part of my job now is scheduling their time so they can work with as many different people as possible. They really want to use the project to get to know their employees. This hasn't been easy. I have had to juggle their calendars, their abilities, and work opportunities."

Viktoria interjected, "You're using Microsoft Project to do this?" "Not really," responded Fatma. "At first I tried scheduling their work in Project, but it was too cumbersome and time consuming. Now I just use the Project master schedule and each of their calendars to schedule their work. This seems to work best."

Viktoria added, "Yeah, Microsoft Project is a great program, but you can get lost trying to get it to do everything. Sometimes all you need is an Excel sheet and common sense."

Viktoria felt awkward, given what had happened to Jasper. She was just wrapping up the successful PAX 2 project. She was also getting ready for a well-deserved holiday in Vietnam paid for by her project bonus. "I hate closing out a project," Viktoria said. "It's so boring. Document, document, document! I keep kicking myself for not tracking things when they happened. I am spending most of my time scouring my computer for files. I can't wait to take off to Vietnam."

Viktoria went on to say, "The only thing I liked doing was the project retrospective."

Jasper asked, "What's a project retrospective?" Viktoria answered, "It's when the project team gets together and reviews what went well, what didn't, and identifies lessons learned that we can apply to future projects. For example, one of the things we learned was that we needed to bring the manufacturing people on board a lot sooner in the design process. We focused on designing the very best product possible, regardless of cost. We found out later that there were ways for reducing production costs without compromising quality."

Fatma added, "We do that too at the end of our projects, but we call it an audit."

Fatma asked Viktoria, "Do you know what your next assignment will be?" "No," she replied, "I will probably go back to my department and do some testing. I'm not worried. I did good work. I am sure someone will want me for their project."

Jasper chimed in, "I sure hope someone wants me for their next project." Fatma and Viktoria immediately went into action trying to lift their friend's spirits.

A little while later, they walked out of the Tapa restaurant and gave each other hugs. Fatma reminded Jasper to send her his latest resume.

1. For each part (A, B, C), what phase of the project life cycle is each project in? Explain.
2. What are two important things you learned about working on projects from the case? Why are they important?

GROUP 3 -CASE 2.1: HECTOR GAMING COMPANY

Hector Gaming Company (HGC) is an educational gaming company specializing in young children's educational games. HGC has just completed their fourth year of operation. This year was a banner year for HGC. The company received a large influx of capital for growth by issuing stock privately through an investment banking firm. It appears the return on investment for this past year will be just over 25 percent with zero debt! The growth rate for the last two years has been approximately 80 percent each year. Parents and grandparents of young children have been buying HGC's products almost as fast as they are developed. Every member of the 56-person firm is enthusiastic and looking forward to helping the firm grow to be the largest and best educational gaming company in the world. The founder of the firm, Sally Peters, has been written up in Young Entrepreneurs as "the young entrepreneur to watch." She has been able to develop an organization culture in which all stakeholders are committed to innovation, continuous improvement, and organization learning.

Last year, 10 top managers of HGC worked with McKinley Consulting to develop the organization's strategic plan. This year the same 10 managers had a retreat in Aruba to formulate next year's strategic plan using the same process suggested by McKinley Consulting. Most executives seem to have a consensus of where the firm should go in the intermediate and long term. But there is little consensus on how this should be accomplished. Peters, now president of HGC, feels she may be losing control. The frequency of conflicts seems to be increasing. Some individuals are always requested for any new project created. When resource conflicts occur among projects, each project manager believes his or her project is most important. More projects are not meeting deadlines and are coming in over budget. Yesterday's management meeting revealed some top HGC talent have been working on an international business game for college students. This project does not fit the organization vision or market niche. At times it seems everyone is marching to his or her own drummer. Somehow more focus is needed to ensure everyone agrees on how strategy should be implemented, given the resources available to the organization.

Yesterday's meeting alarmed Peters. These emerging problems are coming at a bad time. Next week HGC is ramping up the size of the organization, number of new products per year, and marketing efforts. Fifteen new people will join HGC next month. Peters is concerned that policies be in place that will ensure the new people are used

most productively. An additional potential problem looms on the horizon. Other gaming companies have noticed the success HGC is having in their niche market; one company tried to hire a key product development employee away from HGC. Peters wants HGC to be ready to meet any potential competition head on and to discourage any new entries into their market. Peters knows HGC is project driven; however, she is not as confident that she has a good handle on how such an organization should be managed— especially with such a fast growth rate and potential competition closer to becoming a reality. The magnitude of emerging problems demands quick attention and resolution.

Peters has hired you as a consultant. She has suggested the following format for your consulting contract. You are free to use another format if it will improve the effectiveness of the consulting engagement.

What is our major problem?
Identify some symptoms of the problem.
What is the major cause of the problem?
Provide a detailed action plan that attacks the problem. Be specific and provide examples that relate to HGC.

GROUP 4. CASE 2.3: FUND RAISING PROJECT SELECTION CASE

The purpose of this "case exercise" is to provide you with experience in using a project selection process that ranks proposed projects by their contribution to

an organiza- tion's mission and strategy.

FUND RAISING PROJECT

Assume you are a member of a class on project management. Each student will join a team of 5–7 students who will be responsible for creating, planning, and executing a fund raising project for a designated charity. The fund raising project has two goals:

(1) raise money for a worthy cause and (2) provide an opportunity for all team mem- bers to practice project management skills and techniques.

In addition to completing the project a number of deliverables are required to com- plete this assignment. These deliverables include:

a. Project
   Proposal
b. Implementation
   Plan
c. Risk   Management
   Plan
d. Status
   Report
e. Project   Reflections
   Presentation
f. Project
   Retrospective/Audit

Approved projects will receive $250 seed money to be reimbursed upon completion of the project.

"MUST" OBJECTIVES

Every project must meet the "must" objectives as determined by the instructor. There are four must objectives:

1. All projects must be safe, legal and comply with university
   policies.
2. All projects must be capable of earning at least
   $500.
3. All projects must be able to be completed within nine
   weeks.
4. All projects must provide an opportunity for every member of the project team to experience and learn about project management.

Among the factors to consider for the last objective would be the extent there is mean- ingful work for every member of the team, the degree of coordination required, the extent the team will have to work with external stakeholders, and the complexity of the project.

"WANT" OBJECTIVES

In addition to the must objectives, there are "want" objectives that the instructor would like to achieve. The following is a list of these objectives:

1. Earn more than $500 for a
   charity

2. Increase public awareness of the charity
3. Provide a resume worthy experience for students
4. Be featured on local TV news
5. Be fun to do

ASSIGNMENT

You are a member of the class priority team in charge of evaluating and approving fund raising projects. Use the provided proposal evaluation form to formally evaluate and rank each proposal. Be prepared to report your rankings and justify your decision. You should assume that these projects would be held at your university or college.

FUND RAISING PROPOSALS

PROJECT PROPOSAL 1: HOOPS FOR HOPE

The project is a three-on-three basketball tournament to raise money for the Down Syndrome Association. The tournament will consist of three brackets: Co-ed, Male, and Female teams. There will be a $40 entry fee per team and additional funds will be derived from the sale of commemorative T-shirts ($10). Winning teams will receive gift baskets consisting of donations from local businesses and restaurants. The event will be held at the university recreational center.

PROJECT PROPOSAL 2: SINGING FOR SMILES

The project will hold a karaoke competition with celebrity judges at a popular campus night spot. Funds will be raised by $5 admission at the door and a raffle for prizes donated by local businesses. Funds will be donated to Smile Train, an international organization that performs cleft lip surgery at a cost of $250 per child. The event will feature pictures of children born with cleft lips and with every $50 earned a piece of a picture puzzle will be added until the original picture is covered with a smiling face.

PROJECT PROPOSAL 3: HALO FOR HEROES

The project will be a Halo video game competition to be held over the weekend utiliz- ing the College's big screen electronic classrooms. Teams of 4 players will play each other in a single elimination tournament with the grand prize being a Sony Play Sta- tion 3 donated by a local video game store. Entry fee is 24$ per team and individual players will be able to play in a loser's bracket for 5$. All proceeds will go to the National Military Family Association.

PROJECT PROPOSAL 4: RAFFLE FOR LIFE

Organize a raffle contest. Raffle tickets will be sold for 3$ apiece with the winning ticket worth $300. Each of the six team members will be responsible for selling 50 raffle tickets. All profits will go to the American Cancer Society.

PROJECT PROPOSAL 5: HOLD'EM FOR HUNGER

Organize a Texas Hold'em poker tournament at a campus dining facility. It will cost $20 to enter the tournament with a $15 buy-in in fee. Prizes include $300, $150, and $50 gift certificates to a large department store. Gift certificates purchased from entry fees. All players will be eligible to win two donated tickets to Men and Women basketball games. Funds raised will go to local county food shelter.

PROJECT PROPOSAL 6: BUILD YOUR OWN BOX

The purpose of this project is to raise awareness of plight of homeless. Students will donate 10 dollars to participate in building and living in a cardboard city on the univer- sity quad for one night. Building materials will be provided by local recycling centers and hardware stores. Hot soup will be provided by the team at midnight to all partici- pants. Proceeds go to the local homeless shelter.

Project Priority Evaluation Form

Must objectives	Must meet if impacts	1	2	3	4	5	6	7
Be safe, legal, & comply with University Policies	Y = yes N = no							
Earn at least $500	Y = yes N = no							
Can be completed within 9 weeks	Y = yes N = no							
Opportunity to learn Project Management	Y = yes N = no							
Want objectives	**Relative Importance 1–100** / **Single project impact definitions**							
Earning potential — 90	0: 500–750 1: 750–1500 2: >$1500 3: >$2000							
Fun — 30	0: None 1: Some fun 2: A lot of fun							
Increase awareness of charity — 30	0: No potential 1: Low potential 2: High potential							
Resume worthy — 40	0: No potential 1: Low potential 2: High potential							
Be featured on local TV news — 40	0: No potential 1: Low potential 2: High potential							
Total weighted score								
Priority								

Bruce Palmer had worked for Moss and McAdams (M&M) for six years and was just promoted to account manager. His first assignment was to lead an audit of Johnson-ville Trucks. He was quite pleased with the five accountants who had been assigned to his team, especially Zeke Olds. Olds was an Army vet who returned to school to get a double major in accounting and computer sciences. He was on top of the latest developments in financial information systems and had a reputation for coming up with innovative solutions to problems.

M&M was a well-established regional accounting firm with 160 employees located across six offices in Minnesota and Wisconsin. The main office, where Palmer worked, was in Green Bay, Wisconsin. In fact, one of the founding members, Seth Moss, played briefly for the hometown NFL Packers during the late 1950s. M&M's primary services were corporate audits and tax preparation. Over the last two years the partners decided to move more aggressively into the consulting business. M&M projected that consulting would represent 40 percent of their growth over the next five years.

M&M operated within a matrix structure. As new clients were recruited, a manager was assigned to the account. A manager might be assigned to several accounts, depending on the size and scope of the work. This was especially true in the case of tax preparation projects, where it was not uncommon for a manager to be assigned to 8 to 12 clients. Likewise, senior and staff accountants were assigned to multiple account teams. Ruby Sands was the office manager responsible for assigning personnel to different accounts at the Green Bay office. She did her best to assign staff to multiple projects under the same manager. This wasn't always possible, and sometimes accountants had to work on projects led by different managers.

M&M, like most accounting firms, had a tiered promotion system. New CPAs entered as junior or staff accountants. Within two years, their performance was reviewed and they were either asked to leave or promoted to senior accountant. Sometime during their fifth or sixth year, a decision was made to promote them to account manager. Finally, after 10 to 12 years with the firm, the manager was considered for promotion to partner. This was a very competitive position. During the last five years, only 20 percent of account managers at M&M had been promoted to partner. However, once a partner, they were virtually guaranteed the position for life and enjoyed significant increases in salary, benefits, and prestige. M&M had a reputation for being a results-driven organization; partner promotions were based on meeting deadlines, retaining clients, and generating revenue. The promotion team based its decision on the relative performance of the account manager in comparison to his or her cohorts.

One week into the Johnsonville audit, Palmer received a call from Sands to visit her office. There he was introduced to Ken Crosby, who recently joined M&M after working nine years for a Big 5 accounting firm. Crosby was recruited to manage special

consulting projects. Sands reported that Crosby had just secured a major consulting project with Springfield Metals. This was a major coup for the firm: M&M had competed against two Big 5 accounting firms for the project. Sands went on to explain that she was working with Crosby to put together his team. Crosby insisted that Zeke Olds be assigned to his team. Sands told him that this would be impossible because Olds was already assigned to work on the Johnsonville audit. Crosby persisted, arguing that Olds's expertise was essential to the Springfield project. Sands decided to work out a compromise and have Olds split time across both projects.

At this time Crosby turned to Palmer and said, "I believe in keeping things simple. Why don't we agree that Olds works for me in the mornings and you in the afternoons. I'm sure we can work out any problems that come up. After all, we both work for the same firm."

SIX WEEKS LATER

Palmer could scream whenever he remembered Crosby's words, "After all, we both work for the same firm." The first sign of trouble came during the first week of the new arrangement when Crosby called, begging to have Olds work all of Thursday on his project. They were conducting an extensive client visit, and Olds was critical to the assessment. After Palmer reluctantly agreed, Crosby said he owed him one. The next week when Palmer called Crosby to request that he return the favor, Crosby flatly refused and said any other time but not this week. Palmer tried again a week later and got the same response.

At first Olds showed up promptly at 1:00 p.m. at Palmer's office to work on the audit. Soon it became a habit to show up 30 to 60 minutes late. There was always a good reason. He was in a meeting in Springfield and couldn't just leave, or an urgent task took longer than planned. One time it was because Crosby took his entire team out to lunch at the new Thai restaurant—Olds was over an hour late because of slow service. In the beginning Olds would usually make up the time by working after hours, but Palmer could tell from conversations he overheard that this was creating tension at home. What probably bothered Palmer the most were the e-mails and telephone calls Olds received from Crosby and his team members during the afternoons when he was supposed to be working for Palmer. A couple of times Palmer could have sworn that Olds was working on Crosby's project in his (Palmer's) office.

Palmer met with Crosby to talk about the problem and voice his complaints. Crosby acted surprised and even a little bit hurt. He promised things would change, but the pattern continued.

Palmer was becoming paranoid about Crosby. He knew that Crosby played golf with Olds on the weekends and could just imagine him badmouthing the Johnsonville project and pointing out how boring auditing work was. The sad fact was that there probably was some truth to what he was saying. The Johnsonville project was getting bogged down, and the team was slipping behind schedule. One of the contributing factors was Olds's

performance. His work was not up to its usual standards. Palmer approached Olds about this, and Olds became defensive. Olds later apologized and confided that he found it difficult switching his thinking from consulting to auditing and then back to consulting. He promised to do better, and there was a slight improvement in his performance.

The last straw came when Olds asked to leave work early on Friday so that he could take his wife and kids to a Milwaukee Brewers baseball game. It turned out Springfield Metals had given Crosby their corporate tickets, and he decided to treat his team with box seats right behind the Brewers dugout. Palmer hated to do it, but he had to refuse the request. He felt guilty when he overheard Olds explaining to his son on the telephone why they couldn't go to the game.

Palmer finally decided to pick up the phone and request an urgent meeting with Sands to resolve the problem. He got up enough nerve and put in the call only to be told that Sands wouldn't be back in the office until next week. As he put the receiver down, he thought maybe things would get better.

TWO WEEKS LATER

Sands showed up unexpectedly at Palmer's office and said they needed to talk about Olds. Palmer was delighted, thinking that now he could tell her what had been going on. But before he had a chance to speak, Sands told him that Olds had come to see her yesterday. She told him that Olds confessed that he was having a hard time working on both Crosby's and Palmer's projects. He was having difficulty concentrating on the auditing work in the afternoon because he was thinking about some of the consulting issues that had emerged during the morning. He was putting in extra hours to try to meet both of the projects' deadlines, and this was creating problems at home. The bottom line was that he was stressed out and couldn't deal with the situation. He asked that he be assigned full-time to Crosby's project. Sands went on to say that Olds didn't blame Palmer, in fact he had a lot of nice things to say about him. He just enjoyed the consulting work more and found it more challenging. Sands concluded by saying, "I told him I understood, and I would talk to you about the situation and see what could be done. Frankly, I think we should pull him from your project and have him work full-time on Crosby's project. What do you think?"

1. If you were Palmer at the end of the case, how would you respond?

2. What, if anything, could Palmer have done to avoid losing Olds?

3. What advantages and disadvantages of a matrix type organization are apparent from this case?

4. What could the management at M&M do to more effectively manage situations like this?