

Confessions of a Rookie Consultant

By Mark Dillof, Ph.D. © 2006

“Ah, Monsieur Dillof, your ideas for organizational improvement are most excellent! My managers and I shall implement your bold and brilliant recommendations immediately. You are truly a consultant extraordinaire!” What awoke me from that delightful fantasy was actually getting hired as a management consultant. I shall now recount to you the story of that rude awakening.

My first consulting job was really a graduate school internship, with a company called TSW, Inc.* It was supposed to last three months, for that was all my school required, but since that company continued to see a need for my services, they kept me on for twenty. My internship was to serve as a laboratory to explore the psychological dynamics that occur in an organization, and to test the validity of various management theories in that light. Furthermore, it was an opportunity to learn to help an actual organization uncover the root causes of its particular problems, and to work with them to overcome those problems. Most of the real knowledge that I gained from my internship came from some encouraging successes, and a number of disillusioning failures —but I shall get into that shortly.

Management consultants are usually called to solve particular problems, such as conflicts between people, low morale, problem employees or managers, cultural conflicts due to a merger or acquisition, communication problems, inefficiencies of all sorts, difficulties marketing its products, etc. Quite often, what management believes to be the essential problem — which is the reason why they seek the services of a consultant — turns out to be substantially different from what the consultant’s

* The names of the people working for TSW have been changed, as has the name of the company itself.

diagnosis determines to be the real problem. I realized that that sort of discrepancy between perception and reality existed in the minds of the management of TSW, and it was my task as a consultant to help them to see this.

As I came to realize — and as so many other consultants have similarly reported — getting a company to see the real source of their difficulties can be a very tricky affair. It is not that managers do not understand the consultant's analysis, for most senior managers are quite bright. It is that there is an emotional resistance to seeing the true source of their organization's difficulties. Why should this be so? There is usually a psychological investment in attributing the etiology of the company's problems to a particular cause, simplistic and naïve though such analysis may be. Overcoming the resistance to change is a major part of any management consulting assignment, as Peter Block, in *Flawless Consulting* (Jossey-Pfeiffer, 2000) makes very clear.

My work with TSW, my conversations with Dr. April Boyington Wall — an experienced management consultant, who was assigned by my college to be my internship mentor — and my scholarly readings, lead me to conclude that troubled organizations are often like dysfunctional families. In such families, there can be an emotional investment in assigning blame to a particular family member. That is what family systems theory tells us. Similarly, in an organization, there may be an emotional investment in blaming a certain employee, manager, or an entire department. Scapegoating, in this fashion, serves to mask the real problem, which stands in the middle of the room like a giant elephant, and which no one dare name.

I have come to realize that it is the task of the consultant to call management's attention to that elephant, and to expect that management will often be intent on continuing to deny its existence. Thus, if consultants are to be organizational healers, it requires that they are able to get management to see what must be seen, which requires that they combine the philosophical trickery of a Socrates with a deep understanding of the psychological dynamics of resistance of a Freud. What also is needed is a fair

amount of courage combined with diplomacy, as well as the ability not to take personally the sometimes angry vituperation lodged at the consultant. And a sense of humor is a valuable blessing in any line of work involving advisement, for it is much better if one can get the advisee, i.e. management, to laugh while telling them one's not always delightful diagnosis. Only when the consultant possesses such artfulness is there a possibility that he or she can intuit how to express what must be said in the best possible way — to the right person, at the right time, and in the right circumstances — so that insight can happen. All this I learned from my internship; albeit I am now a journeyman, and not yet a master of the consultant's art.

What I also learned is that no matter how skillful the practitioner of the consultant's craft may be, there is still an imponderable involved with any consulting assignment: the degree to which the client is open to hearing the truth. Consulting is like psychotherapy in that regard.

Canst Thou Administer to an Organization Diseased?

In order to understand what my role was as consultant, it is necessary to understand something about TSW, Inc. Their initials stand for "The Sheltered Workshop for the Disabled." It is a curious hybrid of an industrial organization and a not-for-profit human services organization. In regard to the latter, it is a job shop. It specializes in doing a variety of subcontracting work, mostly in the area of cable and harness, and molded wire. It bids against other such companies to do this and other type of work, but does not create the end product. Over the years, the company has had some major contracts with IBM, Kodak, Lockheed Martin, Alstom, and other Fortune 500 companies.

The mission of TSW is only secondarily to create well made products for industry. Its primary mission is to create jobs for people with disabilities. Originally, when its founder Chester B. Lord created it in 1943, those people predominantly

consisted of World War II veterans. TSW, then and now, consisted of building large factories where employees were trained in a variety of skills, some simple assembly line skills, and some requiring more developed abilities, such as machine operations. Over the years, the employee population changed to include people who were not veterans, but who were either physically, emotionally, or intellectually disabled. It also included a fair amount of people in the area who simply needed work, and were willing to settle for a minimum wage job.

TSW has a large staff of job coaches to help its disabled employees maintain their employment. Part of the job of the job coaches is to seek to find work in the community for many of the more skilled people who sought work with TSW. The job coaches work for a division of TSW, called VRS (Vocational Rehabilitative Services). The funding for VRS comes from state and federal contracts, which are mandated to help social programs of this sort for people with disabilities.

TSW has suffered a decline, especially since its heyday in the early 1980s when it had large contracts with IBM. Like many companies in the city where I lived, it really had become way too dependent upon IBM. Consequently, when IBM went into decline, so did TSW. Fortunately, TSW managed to survive, due to a large cash reserve. The various contracts that VRS obtains every year help TSW's cash flow, but TSW had not produced a profit since the 1980s. This is unfortunate, for in a non-profit organization such as this, any profits are returned to the employees, in the forms of bonuses amounting to thousands of dollars, and there has not been any bonuses since then. Instead, there have been pay cuts and an erosion of benefits.

Over the years, the company had quite a few presidents — some fairly good, but most remembered, by some of the senior employees, as mediocrities. Most of them failed to take effective measures to stem the tide of decline, let alone to resuscitate the company. The current president, Harry Charpit, had been hired a year before I began my internship. He had been an engineering manager at IBM for thirty years, and had

served on the board of directors of TSW —previously in the position of CEO — before taking office as president of TSW. Harry was determined to turn the company around, or so he seemed, and to produce a profit for the first time in many years. But he was experiencing a very bumpy road, and a series of setbacks initially made him open to new ideas. He had a strong business relation with his head of human resources, Fiona Stagervelt, who had been hired around the time when Harry began.

Fiona welcomed the idea of hiring a management consulting intern, for she saw that there existed a good deal of interdepartmental conflict that was having a divisive effect on TSW. Also newly hired was Danny Lonovan, who was the operations manager. Danny stated that he had worked at many companies, but that he had never seen as much in-fighting, and lack of mutual cooperation, as at TSW. There were many types of conflicts, but the most egregious conflict was between the industrial division of TSW and the human services division, i.e. the job coaches, and their supporting staff.

Fiona was interested in my background, which included having worked in business and having worked as a psychotherapist. She, therefore, saw me as having one foot in each world, and perceptively concluded that I could be utilized in the area of conflict resolution. Management also sought my help in the area of team-building, for that is an activity that requires an understanding of people, and of interpersonal dynamics.

TSW's Internecine War

On my first day at TSW, I met with three managers: Fiona Stagervelt, Corry Lassy, who was the head of VRS, and Danny Lonovan. They explained to me that there existed a long standing conflict between the company's two divisions —manufacturing and human services. Basically, the employees of each division neither liked nor trusted the employees of the other division. (There were even two separate Christmas parties every year, one for each of the warring divisions.) Each side contended that senior

management was favoring the other side. Each division cooperated, at best begrudgingly, with the other division. As a result of this divisive conflict, it seemed to many people that there were really two separate companies operating independently under one roof.

Everyone realized that this continual bickering and infighting was counterproductive. For one thing, management was finding it to be emotionally exhausting, for every time something was purchased—a new printer, for example—the other side would complain to management about favoritism. A more serious conflict between the two divisions concerned the treatment of those employees who worked in the company's on-site factories, especially the treatment of those employees who were disabled, who were referred to euphemistically as “consumers.”

The human services division accused the management of the industrial division of lacking sympathy, and thus driving the consumers too hard for their limited abilities. The industrial division contended that quite the contrary was the case, that the human services division was molycoddling the consumers, failing to teach them responsibility, and thus failing to prepare some of them for jobs in the community.

Furthermore, it was necessary to serve the needs of the consumers, but it was also necessary to make money so as to stay afloat as a company. Both were necessary, but each division accused the other division of not respecting the requirement. In any case, all sides agreed that something had to be done to abolish this divisive rift. Naturally, Corry, being director of VRS, championed the sympathy side of the issue. And Danny, being head of industrial operations, championed the responsibility side of the issue. All the same, Harry, Fiona, Danny, and Corry hoped that I could get both sides to realize that they were working for the same company.

In the weeks that followed, I had the opportunity to meet with many of the managers and employees in both divisions of the company as I struggled to come up with a plan of action. I contacted my advisor for the internship, Dr. Wall, and she

recommended that I conduct interviews with the relevant employees to access what they perceived to be the problems of their organization. She recommended that I ask everyone three questions. They were: 1. What do you like about this organization. 2. What don't you like about this organization? 3. What ideas might you have for organizational improvement?

With the permission of Harry, the president, I scheduled individual interviews with the staff of VRS. Each interview, on average, took me longer than I had anticipated; they averaged over an hour each. I recorded the data in a notebook. These interviews proved to be very productive. The staff offered me a plethora of criticisms and suggestions, much of it quite useful, and some of it rather innovative.

There were also hidden benefits to the interviews. As Peter Block perceptively notes, "...The act of interviewing itself changes an organization."[†] Why would this be so? According to Block, "The mere act of asking questions can stimulate people to rethink what they are doing. Your questions express to them without ambiguity what you think is important to focus on in solving the problem you are working on. Clients can learn a lot from your choice of what to investigate."[‡] I think that the interviews had another value that Block does not mention. It showed clients that management valued their opinion and their intelligence.

I discovered, though, that there are certain dangers to interviewing. For one thing, the very act of interviewing can enflame passions, opening the floodgates to the voicing of discontent by the mere bringing of discontent to the surface before an interviewer. Secondly, it can potentially create a sense of cynicism if the suggestions for improvement are not, in due time, acted upon. As it turned out, management did take the data very seriously, and did act on it, much to their credit.

[†] Peter Block. *Flawless Consulting: A Guide to Getting Your Expertise Used*. Jossey-Bass Pfeiffer. San Francisco: 2000. Page 189.

[‡] Ibid. Block. Page 197.

Much of the data that I collected had to do with complaints about poor supervision. For example, Corry, the director of VRS, was accused of favoritism, of having a clique. Harry, for example, was accused of micromanaging. One very serious form of micromanaging consisted in Harry chastising Corry in front of Corry's staff. This embarrassed and then angered Corry's staff and made them abhor Harry. In any case, many of the suggestions that I obtained from my interviews, consisted of improvements that could be made by management at no economic cost to the company. Of course, having people change their management style is never easy, and is more often than not, next to impossible.[§] It was not the last time that Corry showed favoritism, nor the last time that Harry embarrassed his managers in front of his staff, but at least it made them aware of their faults as managers, and may have at least mitigated these problems at bit.

It occurred to me that although there were many factors contributing to the conflict between VRS and the manufacturing division of the company, the root cause of the conflict was epistemological; it involved, in other words, a conflict of worldviews. I arranged a meeting with the staff of VRS, which included the job coaches, the executive director of VRS, and the president of TSW. The situation was one wrought with tension since the staff of VRS did not like or trust the president of the company. I began the meeting by explaining that any company will have a variety of departments. In a large corporation, such departments might include: finance, operations, marketing,

[§] During my tenure as management consultant intern with TSW, I helped Fiona arrange to have a local community college offer a six week series of supervisor training seminars to be held at TSW. Each seminar, which was approximately four hours long, was taught by various management consultants and management professors. The seminars were all very interesting, with plenty of audience participation, and with plenty of informative handouts. Most of the participating TSW supervisors and managers found the seminars to be quite excellent. Alas, as I observed, and as did Fiona, the seminars had no effect at all on improving the quality of supervision. We speculated on why this was so. Part of the reason was that some of the supervisors who needed it the most did not attend. Another problem was that there was no follow-up to the seminar sessions, reinforcing the lessons. Some months latter, I met for lunch with a man who had worked over twenty-five years as an internal consultant for a large hospital group, and he told me that they had had the same disappointing experience with supervisor training. In any case, this disappointing experience with the supervisor training seminars opened up for me many questions regarding education and training, but I am very far from having resolved them.

engineering, maintenance, human resources, corporate communications, investor relations, etc.

It is the case that certain types of people are attracted to certain types of jobs, and will find themselves in certain departments. Each department becomes, more or less, a homogenous group of people with a similar way of seeing the world, a similar way of thinking, similar values, a similar way of relating to other people, and a similar way of making sense of their experience. That is what is meant by an organizational culture. It is also commonplace that one culture will have a hard time understanding another culture. Writing about how engineers view those people whose role in a company is more human services oriented, Edgar Schein states:

They prefer systems, machines, routines, and rules that are automatic and totally reliable. The need to do "real engineering" or basic design drives them toward simplicity, elegance, and routinized solutions that often ignore the social realities of the workplace...Engineers tend to view the need for complex human teams, the need to build relationships and trust, and the need to elicit the commitment of employees as unfortunate and undesirable derivatives of "human nature" to be circumvented, if possible, because they are so hard to manage and control.**

The road beyond organizational culture conflict lies in the ability to understand, and perhaps then to empathize, if not to sympathize, with people who have another way of seeing the world. In pursuit of this mutual understanding, I drew a chart to illustrate the differences in the corporate cultures of the organization.

** Schein, Edgar H. "Culture: The missing concept in organization studies." *Administrative Science Quarterly* v41n2 (Jun 1996): 229-240 ISSN: 0001-8392 Number: 02872018 Cornell University 1996. Page 11.

Human Services	Manufacturing and Engineering
People oriented	Product and Profit oriented
Feeling	Thinking
Emotionally Present	Emotionally Distant
Holistic, right brained thinking	Analytical, left brained thinking
Process oriented	Results oriented
Focus on particularities of people	Focus on generalities, on numbers
Maternal care: unconditional love	Paternal care: conditional love, i.e. the recipient of love must become responsible & accomplish tasks.

I then returned to the common accusation that management doesn't care about the consumers. We explored, in this regard, the traditional distinction between maternal and paternal love. Maternal love is unconditional; the recipient is not required to accomplish anything to earn maternal love. Paternal love, on the other hand, is conditional; it must be earned through accomplishments and through assuming responsibilities. Both forms of love are necessary to produce an emotionally developed human being. I explained that the managers in the manufacturing sector were, for the most part, showing the type of care for the disabled consumers that fathers do for their children, and that this was a source of conflict with the VRS staff, the job coaches, who, for the most part, saw the disabled consumers in the way that mothers see their children. Their love is unconditional.

Did my mini-seminar produce a change of heart in the staff of VRS towards the president of TSW? I did a second set of interviews at VRS, and it appeared that the attitudes of the job coaches to Harry had improved.

Let me return to the interviews for a moment. Some months latter, at a dinner for the board of directors, one of the directors commended me on being able to obtain valuable information that previous interviews had not been able to obtain. She asked me how I was able to get employees to open up. I was not really sure, but I told her that I think that they trusted me. I used humor, and many of them remembered my comical magic show at TSW's summer picnic at which I had volunteered to perform; that sort of humanized me. But, most of all, I think that they could detect that I genuinely liked them, and that I was looking after their best interest.

The Stress Involved with Being Right & The Paranoid Cometh!

Relations between VRS and the rest of the company did improve, but after several months they declined again. It was like the patient had suffered a relapse. Much of the reason for this was that Harry did not like Corry, the manger of VRS. Corry had his leadership abilities, but paperwork abilities, and an understanding of managerial budgeting and accounting, were not part of his skill set. Consequently, Corry was intellectually challenged when it came to such tasks as creating a budget for VRS. There were endless sessions between Harry, Corry, and Lou, TSW's head of finance, in which Harry harshly criticized Corry's reports. It was causing both Harry and Corry a good deal of grief, and making them ill.

Harry suggested that I assist Corry, which I offered to do, but Corry, out of some sort of pride, politely refused my help. I then suggested to Harry that rather than going through all the grief that he was going through with Corry, that he have Lou create Corry's budget each year. It would take Lou a day or two and it would be worth it. But Harry told me that it was Corry's job to do the budget. For Harry, it was not a matter of expediency; he felt that he was right, and that was all that counted.

Finally, Harry tried to fire Corry, but Corry went to the board of directors and complained that Harry was unfair. The board sympathized with Corry, and Corry kept

his position. That turn of events greatly frustrated Harry, who then did all that he could to make things difficult for Corry, in the hope that Corry would leave. Corry in turn created a siege mentality at VRS. He convinced his staff that Harry was out to destroy VRS. One could not walk down the corridors of VRS without sensing the tension, indeed the paranoia in the air. It was obvious to me that Corry had created this us/them sense of things to guard his position at VRS. Corry had never really been part of the management team at TSW. He acted more like he was a union leader. But now it was no exaggeration to say that Corry's style of management was becoming like that of a besieged cult leader. As a matter of fact, in an executive coaching session that I had with him I told him exactly that. He laughed, and agreed with me to some extent, but justified it. And perhaps he had a point, for it has been said that, "Sometimes paranoids are right."

Harry was determined now to have the company start carefully documenting everything that Corry did, particularly the mistakes that he made. I, personally, did not think that it made sense to get rid of Corry. So I wrote up a consulting report, which I delivered to Harry. In it, I concluded that although Corry was deficient in certain areas, all of Harry's effort to get rid of him was distracting Harry from other matters that were far more important than those revolving around Corry. I stated that the most important and pressing matter was the faltering sales department. The sales department was not making sales, which meant that there would soon need to be layoffs. I told Harry that management, like politics, was, "the art of the possible." Needless to say, telling a company's president that his time is not being well-spent will not earn a consultant kudos from the president.

My efforts to redirect Harry's energies were to no avail. Eventually, due to a good deal of time that Harry and the HR department devoted to this issue, management did acquire the documentation necessary to fire Corry, without the threat of legal repercussions. Once again, Corry complained to the board of directors. This

time the board did not reinstate Corry, but the board had many unpleasant questions for Harry, and made life very, very difficult for him. Thus it turned out that Harry's efforts to get rid of Corry was like setting fire to a house to get rid of a mouse. At any moment, I expected Harry to walk down the halls like Captain Queeg, demanding, "Who stole my strawberries!?" I was beginning to suspect that the Harry's primary mission was neither to maximize profits, nor was it to improve the working conditions of those who were disabled. His primary mission was to prove that other people were wrong, and that he was right.

There was another disturbing aspect of this conflict between Harry and Corry that I noticed. Harry, in his madness, had a powerful enabler who encouraged him, pandering to his continual need for vindication, suggesting that he was right to hound Corry, and to feel frustrated and angry. That enabler was Fiona, the HR director. Over time, I realized that Fiona — although friendly and often charming, and often very humorous, in a satirical sort of way — held a rather negative view of people. Part of the problem was that Fiona had retired from being a regional manager with a top-notch insurance firm. Consequently, she became contemptuous about the less able employees and managers at TSW.

During her daily lunch meetings with Harry, Fiona would pander to Harry's dark view of people, often spreading malicious gossip. This served Fiona well, for in addition to discharging her own bile, she got to be closer to Harry by virtue of having common antipathies. In her book on executive coaching, Mary Beth O'Neill^{††} writes about the tendency of a manager who is feeling stress — because of another manager or employee, who is getting on their nerves — to form a triangle, i.e. to bring another person into the picture in an effort to relieve that stress. The problem, of course, with this triangulation is that it aids and abets the stressed-out manager in their madness. The manager then feels justified in feeling anger, and the possibility that the manager

^{††} Mary Beth O'Neill. *Executive Coaching with Background and Heart*. Jossey-Bass. San Francisco: 2000. Page 52.

will examine what he or she brings to the situation to cause the difficulty is aborted. Thus Harry never got to examine what he did to precipitate the problem with Corry.

This drama between Harry and Corry, and many other such events that I shall only touch upon here, was very eye-opening for me, for I had originally hypothesized that a management consultant, unlike a psychotherapist, dealt with relatively rational people who are focused on a particular practical goal, but my experiences at TSW—which had become my management science laboratory—were invalidating my assumptions about the rationality of managers.

TSW Business Process Consulting (The Rookie Imagines that He Is Ascending into the Stratosphere of Consulting. Alas, He Is Really Descending into the Corporate Inferno)

Due to the wealth of valuable information that was obtained from my VRS interviews, Harry and his staff requested that I conduct interviews with the business side of TSW, Inc. These departments included, sales, purchasing, finance, engineering, maintenance, manufacturing, and shipping. I also interviewed such support staff as office managers and secretaries. I did not interview the entire staff, but a good number of representative staff from each department. I also interviewed all of the supervisors and managers.

From these interviews, I was able to gather a wealth of useful data. There was, though, one item that kept on coming up, and that surprised me, to say the least. It was the allegation—by general staff as well as supervisors, in several departments—that TSW, Inc. was selling products below cost! I was a bit skeptical, at first, for how can a company stay solvent if that is their business practice? So I requested that those who made such allegations to prove this to me, which they did by showing me documents—sales receipts for example—that validated what they said. I then told management that I was hearing, from a number of sources, that the company was selling products under

cost. The response from management was a patronizing denial. It was patronizing because they contended that their staff simply did not understand the nature of the business, when, in point of fact, they understood it quite well. On a few occasions, management tried to explain to me how what seemed like a loss was really a gain. Unfortunately, the mathematics of these transactions —which was equivalent in difficulty to understanding the United States tax code — was beyond my average intelligence.

In any case, the interview data that I had gathered led management to realize that there were quite a few major problem areas that needed to be addressed. These included problems in such areas as: the engineering quote process, the manufacturing process, the bidding by TSW, Inc. with suppliers for new parts, inefficiencies with the purchasing process, the product release process (Kan-ban), confusions over labor-rate standards for various jobs and the costing process in general, the need to restructure the entire consumer work operations, serious problems with account receivables, problems with inventory (overstocking finished goods), and finally what came to be known as the people process.

I suggested that a committee, consisting of staff from the various departments, be formed to find solutions to these problems. Committees were formed, and I led weekly meetings where staff sought to come up with solutions. For the most part, these meetings were very productive, and the staff came up with many productive solutions. An important fact that emerged from these meetings was that the labor rates were too high, and because of this, TSW was not competitive. The labor rates were then adjusted, much to the disgust of the employees. What also emerged was that, on many jobs, TSW was indeed selling their products below cost. There were a number of complex reasons for this, but the clearest reason was that Tim, who was the manager of the sales department, in his eagerness to make sales, often lost sight of the fact that he was selling the products at a loss.

When confronted with the accusation that he was selling products below cost, Tim claimed that he sometimes did this with particular products, which were kind of loss leaders, but on average, he sold above cost. Furthermore, Tim argued that since the company was a sheltered workshop, their mission was not products, but to find work for those with disabilities. Tim's rebuttals were greeted with some skepticism. In any case, it was agreed that before a sale could go through Harry would have to give his OK, so as to prevent products from being sold under cost in the future. Essentially, what the staff was recommending was a system of checks and balances since Tim, the sales manager, had a vested interest in having his sales figures be high. And so I learned here an important lesson about business management: in business, as in government, checks and balances are necessary.

Of all of the processes that were in need of improvement, the people process was deemed by everyone to be the most important part of the whole affair. What was the people process? Basically, it was agreed that people did not cooperate with each other, causing poor communication, information bottlenecks, and poor morale. Everyone agreed that it was important to solve this problem, for it was the lynchpin of all of the other business process problems facing TSW, Inc. It was agreed that the solution would consist of integrating everyone's actions through a common sense of identity and mission. I came up with a three-step solution to improve the sense of identity and mission:

1. Vision: Staff would become reacquainted with the company's vision (core values, purpose, and mission).
2. Alignment: Everything that was done would be done in accord with the company's vision.
 - a. Who the company hires; who they promote
 - b. The corporate communications and marketing material
 - c. The look of the workplace

3. Teams: Once all the aspects of TSW, Inc. were aligned to be in accord with its vision, teams would be formed to work on the business process problems.

What was the vision of TSW, Inc.? Harry allowed me, at a staff meeting, to have people answer this question on paper, and then to hand it in to me for examination. I then discussed my findings with Harry and Fiona, head of HR. It was clear that there was a general sense of misunderstanding and confusion by the staff as to the mission of the company. It was agreed that I would meet with the staff to arrive at a mission statement. Harry told the staff and I that we would have approximately one hour to come up with a mission statement, core values and a vision statement. Harry left the room and had the staff, under my direction, got to work. It was a very intense, and rather interesting hour. Then Harry came back, and we had successfully completed the assignment. All of the managers and the supervisors then had the task of seeing to it that their departments were run in accord with TSW's mission.

Efforts to Improve the Information Flow of TSW Encounters a Brick Wall

Harry determined that there were serious inefficiencies with the business process for the company, i.e. the process of what happens from the time an order is taken to the time the good is shipped out to the customer. Quite simply, the process took too long. It took a particularly long time from when a customer bid a job till the engineering department came back with an offer. Potential customers simply did not wish to wait that long, and so took their business elsewhere. The problem was that a work order had to pass to too many people's desks before an estimate could be given to the customer. The thing to do, then, was to find a way to expedite these processes. To solve this problem, Harry had me work with Sydney, a former engineer, who was now in charge of documents control for TSW. This was an ideal combination because Sydney was very

good at the technical aspects of this project, and my specialty was the people dimension.

Sydney and I determined that before we could devise a more expeditious work flow, we had to learn what, in point of fact, was the present pattern. It turned out that the present pattern had never been documented, so it required interviewing many people in the company to figure out what it was. We asked each person, in effect, "What document do you get from whom, and then to whom do you give the document?"

After much work, we had created a diagram of the work flow, and gave out copies to all the parties involved. Many people were surprised by how many desks a typical request for a bid had to pass through. Our next step was to study the diagram and to see where we could delete unnecessary steps. At this point we arranged meetings with all those, in the various departments —sales, purchasing, engineering, operations, shipping—who were involved with order fulfillment. Everyone came to the conclusion that what the company needed to do was to have the sales department work much more closely with the engineering department, and to form a separate estimating department, consisting of staff from each department. What was needed was a sales engineer, who would work in the sales department. This way, when a request for a bid came in, the sales engineer could immediately process the order. We then decided that what was needed was the approval of the various department managers. So we arranged a meeting with them, and they agreed that it was a good idea. Actually, almost everyone agreed. Fred, the manager of the engineering department, thought that it was a terrible idea. His objections, though, were not cogent. He just seemed resistant to it, which made us suspect that something else was at stake, a hidden agenda on his part. (As I have come to see, such hidden agendas usually involve politics.) But, owing to the fact that the other managers had agreed, Fred reluctantly agreed.

Sydney and I were rather proud that we had come up with a solution to the order flow problem. It was an even greater accomplishment that we had come up with

a solution upon which just about everyone could agree. Alas, Harry was not pleased with our solution. His first words were, "Don't you think that it is a bit radical?!" We were initially nonplused by his reaction, and then tried to ascertain what it was about our solution that he did not like. As we conversed with Harry, it became apparent that Fred, the manager of engineering, had gotten to Harry first, and that Fred had done all that he could to negate the idea. It was becoming evident that Fred, like many other managers, measured his power by the size of his staff, in this case the number of engineers that he had working for him. Fred saw that the creation of a separate estimating department would mean that he lost a member of his staff. There was also the problem that the various engineers were not eager to work with the staff of the sales department.

During the next couple of weeks, there was some talk of hiring someone with engineering, sales, and estimating skills to head the proposed estimating department. Harry finally decided that hiring someone would not be worth the additional expenditure. This puzzled Sydney and I, for the company was failing to make sales due to an inefficient system; the estimating department could likely solve the problem. Furthermore, as far as expenditure went, Harry had been spending aggressively everywhere, from building a new parking lot, to buying over a hundred new Dell computers, to remodeling most of the building. Harry was of the opinion that if he made these capital improvements that business would flow our way.^{##} It seemed to us that creating an estimating department was far more likely to have an immediate impact on sales.

It seemed that Harry was fearful of making these changes. His excuse about the cost of hiring a sales engineer seemed dubious. Was Harry really fearful of offending Fred? He was to a large degree, for Fred was a key player in the organization. Mostly,

^{##} When Harry assumed office as president, the cash reserve of TSW was approximately 7 million dollars. By the time I had left my internship, his spending campaign had reduced it to approximately 3 million. I would rather not know what now remains in cash reserve.

though, it seemed that Harry was fearful of making this decision, for if it did not work, he might seem foolish. (It was different with the building improvements, for he could always argue that the company needed such things as a new parking lot.)

It soon became apparent, though, that Harry was embarrassed by not having implemented the plan about creating an estimating department, especially since all the other managers, and most of the general staff was for it except, of course for Fred. When I met with Harry, over lunch, to ask about the status of the estimating department idea, he changed the subject. He told me that he had spoken to Fred, and that Fred had something to say that I should not repeat. It was that Sydney had gone to Fred to tell him that that he, i.e. Sydney, had done all the work on our consulting assignment, and that Mark had done practically nothing. I told Harry that this sounded very improbable since Sydney would not say anything like that since he knew that I had done a good deal of work and, besides, Sydney was not a back-stabbing person. I then told Harry that I would speak to Sydney about this rumor, but Harry insisted that I not speak to him.

I decided not to heed Harry's warning about speaking to Sydney, for I felt that there was something very wrong about a president of a company being a rumor-monger. Furthermore, I suspected that Fred was behind all of this, for —according to Fiona —Fred had a reputation of lying when he was under stress with his job. I spoke to Sydney and, as far as I could ascertain from his reaction, he had never said to Fred what Fred claimed he had. It was clear that Fred had simply told a bald-faced lie. I then went to Harry, and told him that Fred had lied, and that Sydney's good character had been maligned. My allegation apparently had little effect, for a week later he made the same claim that Sydney had been badmouthing me. Again, I spoke to Sydney, and again I spoke to Harry telling him that Fred's allegation was simply rumor-mongering. I wondered how it could be that Harry could believe Fred, when everyone — including

Fiona, Harry's trusted advisor — knew that Fred was a chronic liar. How could Harry be so naïve?

Then several days later, in the middle of the night, it occurred to me that it was I who was the naïve one. The reason why Harry believed Fred's story, and had repeated it to me, was to utilize the strategy of divide and conquer. Harry feared the alliance of Sydney and I, for we knew too much. We had arrived at a plan for action, and we knew that Harry was fearful of it. Harry hoped that by spreading rumors that he could quash our alliance. I spoke to Sydney about what I had come to discern about Harry's slimy actions, and told him that I was thinking of confronting Harry about it. Sydney asked me what I would gain, in any practical sense, by this confrontation. I could not really think of anything, other than pride. Sydney recommended leaving well enough alone, to complete my internship, and to find a better job. There was, I supposed, something to be said for the notion that, "Caution is the better half of valor." I took Sydney's advice, and did not speak to Harry, but from then on I felt discouraged, resentful and sickened about working for TSW. Indeed, I felt pretty much like most of the people who worked for TSW felt. So here it was that I, the doctor, was getting sickened by the disease that I had so idealistically thought that I could cure.

Looking back on this issue, I now believe that it would have been better had I confronted Harry on this issue, had I pointed to the elephant that was standing in the middle of the conference room. After all, from the standpoint of practicality, there was nothing practical about my getting demoralized and sick over the sliminess of the whole affair.

Seeking to Heal the Ailing Sales Department, and Getting Bitten in the Keister

TSW was suffering from a lack of sales. This was unfortunate because it had the effect of shrinking the size of TSW, and making it impossible to offer employees a

decent wage. I informally interviewed quite a few people at TSW, both management and regular employees, to try to determine the reason for poor sales. Many reasons were offered for the poor sales, from the economy being in a recession, to foreign competition, to inefficiencies within the company that eroded its profits margins, causing TSW's pricing of its products to be non-competitive. These reasons, and others as well, did have a certain validity, but over time I became increasingly skeptical, for I suspected that there was more at stake.

More specifically, I doubted the efficacy of TSW's sales department. Not only was the department run by Tim Waldo, he was the entire sales force. I asked him how he sought out new accounts, and he said that the company had a sales representative named Steve. The problem was, though, that Steve — although a very strong sales rep., who had procured some significant contracts with TSW, including one, most recently, with Alstom, the giant transportation infrastructure company — represented quite a few firms, by some estimates over 100. His time and efforts were certainly not dedicated to TSW. Tim Waldo told me that he also sought business by placing ads in industry journals to get business. Furthermore, TSW had a website, but it was not very effective in procuring business. In observing Tim in action, it occurred to me that he spent almost all of his time on former or current accounts, and that he did practically nothing to make telephone calls to potential new accounts. What I also realized was that Tim was not on commission, but on salary, and it was a good one at that. Consequently, there was not any great incentive for him to make sales.

But there was another problem, and this one was high up in the organization. At an aggressively run company, the president is the number one sales person, spending a good amount of time flying around the country, if not around the world, making business deals for the company's products; sometimes he or she is also involved with making mergers and acquisitions. But Harry only rarely had appointments of that sort. Instead, he remained at his home base involving himself with far less important

matters, such as arguing with the staff of VRS, questioning the engineers over their work, overseeing improvements to the buildings and grounds, and devoting a very substantial period of time each year to running the company's United Way campaign, the latter also being a major concern of Fiona's. §§

I suggested to Harry that he have another staff member, a vice-president, attend to the in-house problems so that he could be free to spend his time traveling to meet potential customers. He agreed with me, but of course agreement in itself does not amount to very much. For one thing, Tim still needed to make the contacts so that he and Harry could travel to see them, and Tim was not doing very much of this. I did, though, convince Harry to expand the sales force somewhat, but those efforts consisted in seeking to acquire state and federal contracts for disabled employees. These efforts were commendable, but they were a drop in the bucket compared to what was needed.

What was really needed to revive the moribund sales department? I suggested to Harry that he either put Tim on commission or that he retire Tim, and hire a new sales manager, one who would be on commission, and one who would create an aggressive sales organization within TSW. Harry argued that he could not do this; it would not be fair to Tim. I argued that it was not fair to TSW disabled employees that their pay had to be low, and that they could not get bonuses as they had received in the past, because TSW's sales department was inefficient in making sales. Harry continued to do nothing, still spending large sums of money on capital expenditures, believing that if the place looked business-like that business would follow. To me, it seemed that Harry was merely avoiding a task that he considered unpleasant, and that what he was doing was

§§ The United Way campaign consisted of getting employees, who barely have enough money for lunch, to contribute. Although it was not directly relevant to my work as a management consultant, I could not help wondering how Harry and Fiona, two people who held rather negative views of people, could become so involved with a charity, to the point of seriously neglecting their work. There have always been people who are far less concerned with being good than they are with appearing to be good. Their level of moral development has not developed beyond shame to the level of guilt. I.E., for them, the determinant of whether or not they are leading the right life is simply how other people regard them. Anyone who has worked for an organization knows that this sort of behavior is certainly not unique. Indeed, public relations is the god of organizations. Not surprisingly, outside of TSW, Fiona (who I got to know somewhat) was a better person, and I would suspect that Harry was too.

an exercise in delusion. That was, once again, one of the reasons that he denigrated Sydney, for Sydney knew too much, as did I. Harry wanted to ride out his five years as president of TSW, get a pension from TSW to add to his excellent pension that he had received after thirty years at IBM, and in the meantime not make waves.

A good board of directors would have easily seen through Harry and demanded that he make the necessary changes or they would have retired him most expeditiously. One would have thought that all boards of directors, even those who head not-for-profit organizations, would assume more responsibility, especially after the Enron scandal, and similar such fiascos. But the board of directors was lackadaisical, and in one sense one could not blame them, for they were not paid, but were merely volunteers. They were either retirees who were busy with their grandchildren, or they were people still working who were busy with their careers. But, then, what was I to do? I was not hired to be a government prosecutor, but a management consultant. I was hired by management, and had to have a loyalty to management. Besides, it was not that there was an Enron-like scandal involved here. It was simply a case of incompetence —and even that might be considered debatable — as well as a lack of concern, and a lack of will.

My reading in the field of management consulting and my conversations with various people at TSW, and at other firms, made me realize that management will often talk of big changes, but will really be intent on maintaining the status quo, deplorable though that status quo may be. Such managers are the type who are intent on assigning blame, rather than really making any serious changes to their organizations.

Perhaps unconsciously management consulting had appealed to me because it seemed easier than psychotherapy. I.E. it seemed easier helping an organization to change than helping individuals to change. The problem, as I came to see, is that organizations are composed of individuals, all of whom are resistant to change. Of

course, organizations do change form time to time, just as individuals do. The only time that anyone is really open to change is during a crisis. As Richard Farson states:

It is hard to imagine how surviving calamities could be good for organizations. Yet we know that people grow and prosper not just because of the good things that happen to them, but perhaps even more because of the bad things, the disasters, the crises. Such experiences often cause people to make major reassessments of their life and to change them in ways that reflect a deeper understanding of their own capabilities, values, and goals.^{***}

The problem with TSW was that serious changes could not be made, for the organization was not in a crisis mode, albeit it should have been. It was like the proverbial frog who is put into a pot of cold water, which is then put on a stove. It barely realizes that the water is getting hotter, for it is all happening so gradually. Maybe, then, that is the difference between leadership and management. An effective leader will create a crisis, if needs be, so as to effectuate the changes that are necessary to cause an organization to make the changes that are necessary for it to prosper.

The psychotherapist will have some clients who really want to change, and many, many more who are using psychotherapy, neurotically, as a way of stabilizing their life, so as not to change. Management consultants find the same to be true for their "caseload" of clients. Some of the organizational clients seek the consultant's services because they really want change, but most others are just seeking a way of maintaining the status quo. The idealistic management consultant, like the psychotherapist, has to come to terms with this reality, or else be burnt out by discouragement.

^{***} Richard Farson. 1996. *Management of the Absurd: Paradoxes In Leadership*. New York: A Touchstone Book. Simon and Schuster. Page 126.

I Become a Communications Consultant, which Leads to the Sales Brochure Fiasco, and to the Sad, but Edifying, End to the Whole Affair.

After my partial success in bringing about organizational harmony, and my disappointing experience with the work flow project, and my equally disappointing effort to revitalize the sales department, I became involved with another consulting assignment, creating new brochures and an annual report for the company. I had mixed emotions about becoming enlisted for this project. On the one hand, it meant still being employed and getting a paycheck, and it was a relief from the problematic, and frustrating difficulties that I had faced doing the sort of management consulting assignments in which I had been involved. On the other hand, I felt that I was missing out on the real battle, and still hungered to bring about change in the organization.

My first assignment was to create two color brochures for VRS to be used to promote their services. After accomplishing this, I was assigned the task of creating an annual report. This turned out to be a far more labor-intensive task than I had anticipated, for I was to be the sole researcher, interviewer, writer, photographer, and graphic designer. Harry was impatient with how long these assignments were taking. I should mention that, in addition to a regular paycheck every week, I would receive the amount of \$1500. every quarter, as a scholarship to help pay for my expenses at my college, Union Institute and University. Harry was never too keen on paying these quarterly disbursements.

I had said that Harry was impatient about receiving these brochures and reports. What Harry would do would be to not pay me the scholarship money until the two brochures were completed. He then did the same until the annual report was completed. Harry thought that he was motivating me this way. In truth, it did not motivate me very much, for I was working as diligently as I could. It simply had the

effect of annoying me a good deal, and made me consider leaving the organization. Indeed, on my days off, I started interviewing with other companies.

The two VRS brochures and the annual report were successes. I got paid the scholarship money owed me, and everybody seemed pleased. A new assignment was then assigned for me to do: a sales brochure. In a certain respect, this assignment was the result of my recommendations to Harry to improve the sales department. Their last sales brochure was outdated, and a new one was much needed. I created an almost complete mockup of a trifold brochure to everyone's satisfaction, except for Tim the sales manager. He insisted that I no longer work on it, for what the sales department really needed, in his opinion, was a large brochure. I saw before me another difficult task, for a such a brochure could be as ambitious as the annual report.

Now here was the problem: Harry insisted that I create an annual report to Tim's specifications, since Tim was the one who would be using it, but Tim would never give me any clear specifications. Whatever I showed him was not right, but he could not tell me how to make it right. Tim then stated that it would have to be a group effort, i.e. it would have to involve the entire sales department, which then consisted of several other people, in addition to Tim. A meeting was arranged, but it kept on getting deferred on account of people being busy. I went to Fiona to tell her of my plight, and she suggested that I speak to Harry. I spoke to Harry, and he said, "Well, Tim is going to have to tell you exactly what he wants! I'll speak to him and let him know that." In the meantime, my internship at TSW was slated to end in about a month, and I was running out of time.

Although much progress was made with the sales brochure project, it was not completed, and I was to leave in a few days. I put a request in with the HR department to receive my last scholarship installment, and a few days latter Fiona informed me that Harry did not want to pay it, because he felt that I had not kept up my end of the bargain in completing the sales brochure. So I arranged to meet with Harry to discuss

the matter. I explained that I had, on several occasions, told him that I was not receiving the cooperation that I needed from Tim and his staff. Harry was adamant. He just kept on repeating that I had not completed the assignment and would not get paid my scholarship money. This was the fourth time that Harry had played this game with me, but this time I could not continue to work to complete the assignment, for my tenure as consultant was over in a few days, and it would probably take at least another month to complete. Needless to say, I suspected that Harry would pull a stunt like this, and I knew what I had to do to get the money owed me. All the same, I had worked hard these past twenty months, and had earned high praise from many of the managers and staff of TSW, and I wanted to leave on good terms.

But I needed the money. So I told Harry that I had a brother-in-law who was a lawyer, and I threatened Harry with a lawsuit. This angered him, but he said "Fine, go ahead and sue me." Then I told him the one thing that I knew would bring him to his knees. I told him that I would write letters of complaint to the board of directors, just as Corry, the former manager of VRS had done. I had, indeed, hit him in his sore spot. Within the next half hour, the accounting department wrote out a check for the money owed me, and I was out of the building forever.

Was this an ignominious way to leave TSW? Not really. I would have much preferred to leave on good terms, but in some sense it was an invigorating way to leave, for it is always invigorating to stand up to a bully. It was certainly not the first time that a consultant had concluded an assignment in an unceremonious manner. What I learned from this experience is that when one seeks to heal a wounded animal, one always risks becoming wounded oneself. Heisenberg said that the observer influences the field. But one who consults learns that the observer (the consultant) gets drawn into the field, and becomes part of the field. In other words, those who consult for organizations would like to keep their objective distance, the distance of a professional, but they will, invariably, themselves get drawn into the melee, the mess that they are

seeking to help bring order to, and they had better be prepared for this eventuality. What I also learned is that there are some consulting assignments that one is better off turning down.

I may add that I did run into Harry, about five months later, at a local food and entertainment festival, held each year in town. Harry recognized me first, went up to me, and we shook hands. We conversed for a few minutes and wished each other well. I also thanked him, as I had a number of times before, for giving me the opportunity to work for TSW as a management consultant. After all, it may not have been a delightful life experience, but it certainly was an invaluable learning experience. Was there a lesson for me to learn from that last, more amiable, encounter with Harry? Perhaps it was that one should always do one's very best, but not lament too long, nor feel too bitter, over the less than ideal outcome of one's efforts. Win or lose, there is a time to doff one's armor, and to join in the festival.

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