



Oak Brook Medical Systems, Inc.

TEACHING NOTE

Purpose of Case Study

1. To give students an appreciation of the importance of effective internal communication to the long-term success of a business.
2. To focus student attention on the pitfalls of inadequate communication strategies or systems within an organization.
3. To help students understand how personal communication style can affect job performance.
4. To illustrate for students how strong communication skills are essential for successfully managing people.

Identify the Business Problem

The Hospital Supply Division of Oak Brook Medical has no formal feedback system in place to help Jackie's manager deal with the situation. As a star performer, she appears on the surface to be eminently promotable. However, she has not received any feedback or guidance with regard to her lack of communication skills and hasn't been given the opportunity to improve; therefore, she has not been promoted beyond director of strategic planning. Because she has received no negative criticism or guidance, she has jumped to the conclusion that she is not being promoted because of her race or gender. Jackie has not failed the Hospital Supply Division, but the division may have failed her.

This teaching note was prepared by Cynthia Maciejczyk under the direction of James O'Rourke, Concurrent Associate Professor of Management, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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Forecast the Most Desirable Outcome

The Hospital Supply Division must retain Jackie Harris as an employee and implement a strategy for providing constructive feedback to employees. By addressing Jackie's concerns and implementing a communication plan, the company can avoid losing such a valued employee and a potential racial-bias lawsuit.

Identify the Critical Issues

These are the main issues involved in this case:

- The business value of retaining a strong employee;
- Lack of formal feedback structure;
- Concern about a racial-bias lawsuit against the company;
- Evaluating the corporate culture that allowed Jackie to reach her conclusion;
- How to immediately address Jackie's concerns;
- Long-term plan for dealing with corporate culture and feedback issues.

Stakeholder perspectives include:

- Jackie Harris;
- Her manager;
- Jackie's subordinates and colleagues;
- Hospital Supply Division;
- Oak Brook Medical Systems, Inc.

Identify and Discuss Possible Solutions to the Problem

1. Meet with Jackie immediately. Ask what's on her mind and pay careful attention to the responses, listening to the factual and emotional content of her response. This may involve a two-step series of meetings:
 - a. An informal meeting to see what's on her mind
 - b. A formal performance review (after the initial informal meeting) that involves goal setting, achievement reviews, and promotion prospects.
 - c. As part of this meeting strategy, praise her good work; point out deficiencies in communication style; ask for improvements (perhaps suggest a workshop).
2. Develop a long-term strategy for dealing with the larger issues of inadequate organizational communication, a lack of diversity that seems to support Jackie's suspicions, and the absence of formal performance reviews. Some strategies include:

- a. Consult with HR Director to implement structured performance reviews for all employees.
- b. Develop specific job performance and promotion criteria for each position within the firm.
- c. Implement a 360-degree feedback system (employees are reviewed by supervisors, peers, and subordinates).
- d. Address the lack of diversity by aggressively recruiting, training, and seeking to promote traditionally excluded groups, including women and minorities.

Explain How to Communicate the Solution

Clear communication within this organization is crucial for retaining employees such as Jackie and for preventing similar situations in the future. The student must write a strategy memo to senior management of the company outlining a plan of action. The memo should summarize the issue at hand, offer clear solutions (both short-term and long-term), and convey a sense of confidence in the writer's ability to solve the problem.

Potential Difficulties for Students

Students often jump to the conclusion that it is easier, or cheaper, to get rid of problem employees rather than to educate them or encourage a change in behavior. Nothing could be further from the truth. The costs associated with hiring employees can add up quickly. According to an article written by Jeff Jardine and published by the *Monesto Bee*, a newspaper owned by Knight Ridder Tribune Business News, in California on January 11, 2000:

It's not uncommon for a company doing its own hiring to spend up to \$6,000 per employee, said Tena Digilio, Modesto branch manager of Robert Half International Inc., parent company of both Accountemps and OfficeTeam. The hours involved in making a hire add up quickly.

"Take a look at the breakdown," Digilio said. "You've got ads, reviewing the resumes, making calls, phone interviews, physical interviews, doing three reference checks for each (position). The supervisor of the department usually will interview the candidates. You make them an offer – over the phone or face to face."

In this case, it is definitely in the Hospital Supply Division's best interest to help Jackie modify her behavior and improve her communication skills.

Teaching the Case

One week prior

Distribute the case at least one lesson before you intend to discuss it in class. Tell the students that you will focus on the issues listed above during the discussion of the case.

First 30 minutes of the class

Spend the first 5-10 minutes of the class session briefly recapping the facts of the case. Then, for the next 20 minutes, have the students identify the issues listed above.

Some points for student consideration may include:

The potential for a lawsuit. If Jackie is thinking racial bias, then she's potentially thinking of a lawsuit.

The division's corporate culture. What about this division's corporate culture has enabled this situation to occur?

Management's role in the situation. Why has the issue of Jackie's abrupt communication style never been raised before?

Next, identify the stakeholders in this case and their separate interests and concerns:

Jackie Harris. Educated as an engineer and with an MBA from the Sloan School of Management at MIT, Jackie is goal-oriented, quantitatively focused, hard charging and hard working. Her communication style is fact-oriented and direct, curt, and perhaps even blunt. She is frustrated because she's done what has been asked of her, yet she hasn't been promoted. She probably thinks she is "playing by the rules" as she understands them. She has undoubtedly produced for the company, and meets and exceeds her goals. The only conclusion she can draw, based on the lack of direct feedback about her communication style, is that she has been denied a promotion based on sexism or racism.

Her manager. As a manager, this person has a responsibility to help Jackie with her professional development and career growth within the division. As the "point person" in this case, the manager must develop the plan to address the situation, keeping both Jackie's needs in mind and the best interest of the division. Students should think of this case as a measure of their ability to manage and influence the behavior of those in their charge. A manager's supervisors are not only interested in the manager's performance, but also in that person's subordinates.

Jackie's subordinates and colleagues. Most coworkers want to get along with their colleagues. Having a strong working relationship with coworkers helps people complete

their tasks more effectively and efficiently. Jackie's colleagues think she is unapproachable, cool, aloof, or unfriendly. Consequently, they may be afraid to raise communication style issues with her for fear of offending her. Also, some of her colleagues and subordinates may be uncomfortable with a typically "male" style of communication and management coming from a woman.

Hospital Supply Division. The characteristics of this division that will be of most interest to students are the following: white-male dominated, women and minorities are not well represented in management ranks, entrepreneurial in nature. The culture is not overtly racist, but Jackie cannot dismiss that possibility. Students should give some thought to how the culture may have contributed to Jackie's conclusions.

Oak Brook Medical Systems, Inc. The company as a whole will stand to benefit if this situation brings about change within the organization. The strategies that Jackie's manager will propose for Jackie's situation can be applied to all employees within the company.

Last portion of class

Summarize student responses. Ask students for their communication plan. What would they do in management's shoes?

Last 5 minutes of class

Conclude the discussion.

The key to this case, as with nearly all other management communication cases, is to let the students speak freely, but guide their comments toward the problem facing the company and the communication issues the case presents.

Relevant Facts

This list of relevant facts is included for your reference.

- Jackie Harris has been an employee of Oak Brook Medical Systems for about 12 years; she's been with the Hospital Supply Division for the last 18 months as director of strategic planning.
- Jackie graduated in the top 10 percent of her engineering class and was in the top 5 percent of her MBA class.
- Jackie is considered a valuable employee; she developed a strategy that generated \$40 million in business.
- Jackie's communication style – curt, direct, overwhelming – has had a negative effect on her ability to communicate with coworkers.

- The Hospital Supply Division, which is seven years old, has grown at a phenomenal 35 percent over the past three years.
- Growth has been the direct result of good products, solid customer service, and the quality focused people the division employees.
- Typical employees are self-starters: entrepreneurial, competitive, dedicated and hardworking.
- There are few women and no people of color in upper management in the division.
- Senior management has recognized a demographic shift in marketplace and realizes the value of diversity in the division.