Claire McCloud
Case 2
October 24, 2017
Case Questions

1. What issues should Claire be considering in her decision to accept or decline the General Manager’s position?

2. What are the possible consequences to Claire of saying no? What are the possible consequences of saying yes?

3. What does Claire need to know about the technology to do her job effectively?

4. What are OWS’s strengths and weaknesses?

5. What are Claire’s strengths and weaknesses?

6. What are the most immediate long and short term issues Claire should address?

7. Should Claire take the job?
Present Case
Claire

- Should Claire Take the Job?

  YES  NO
What are the questions *you* would ask when you contemplate a new assignment?
What are the questions you would ask when you contemplate a new assignment?

- I’m only getting one day???
The R&D process is quite complex
How well is it managed at Watson International?
Complex process

The Product Development Process

Before you even start . . .

Company Fundamentals . .
Who are we as a company?
What are our goals?
What is our strategic Plan?
Assume we have this

• Then, it’s time to develop products . . .
Complex process

The Product Development Process

1. Needs identification
   - Technology (how good are we at what is necessary to compete?)
   - Financial (objectives, constraints, funding, cost to develop, payback period)
   - Company Core Competencies (is this what we do well? Refer to Corporate objectives)
Complex process

The Product Development Process

2. Ideation (Brainstorming)
Complex process

The Product Development Process

3. Concept Selection
4. Concept Development
5. System Specification
6. Architectural Decomposition
7. Product Plan
Complex process

The Product Development Process

8. Detailed Development
   – Software
   – Hardware

9. Systems Integration and Test
Complex process

The Product Development Process
10. Pre-production
11. Ramp up
12. Field Support
Another look at a Complex Process

The Development Funnel

New Ideas

Business Analysis Phase

Commitment Review

Development Phase

Development Review

Execution Phase

Product Launch Review
# Four Process Measures

“You only get what you measure”

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<tr>
<th>Focus</th>
<th>Measure</th>
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<tbody>
<tr>
<td>Speed</td>
<td>Total Cycle time</td>
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<tr>
<td>Cost</td>
<td>Fully allocated Unit Product Cost</td>
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<tr>
<td>Innovativeness</td>
<td>Competitive Performance and Market Share</td>
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<td>Quality</td>
<td>Defects</td>
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Three Processes Dominate Business

1. Product Development (R&D)
2. Manufacturing
3. Sales/Delivery
The R&D Development Process

• How well did it work in the Company?
What are OWSs Strengths and weaknesses

Strengths
- Good technical people
- Funding from the govt.
- IP portfolio

Weaknesses
- Lack of leadership
- No good understanding of product development
- Loss of key personnel
## What are OWSs Strengths and weaknesses

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
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<tr>
<td>Qualified employees</td>
<td>Conflict in overall vision</td>
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<tr>
<td>Strong idea generation</td>
<td>Disconnect in implementing ideas (manufacturing)</td>
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<tr>
<td>Have secure funding</td>
<td>Product marketing</td>
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<td>Poor allocation of resources</td>
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Claire’s strengths and weaknesses

<table>
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<tr>
<th>Pros</th>
<th>Cons</th>
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Claire’s strengths and weaknesses

Pros
- Motivated
- Business skills
- Has had a good mentor
- Has been able to earn respect quickly

Cons
- Young, new in company
- Outsider
It’s 8 AM on Claire’s first day. What should she do first?
It’s 8 AM on Claire’s first day. What should she do first?

- Meet and talk for advice from management and non-management
- She should be introduced by the CEO to the company
It’s 8 AM on Claire’s first day. What should she do first?

Establish connection with direct reports – go to them for advice
Establish rapport with staff
Establish connection with employees on floor
Let them know that you will listen, but you will lead
Solve a problem quickly that applies to everyone
Spend some time doing some research on setup, employees
Find out what the problems/challenges are
What about the first few months?
What about the first few months?

- Appoint technology guru
- Visit key customers and listen to what they expect from OWS
- On the basis of what you have heard set short term goals with managers. Don’t make very hasty decisions except where issues of loyalty or integrity arise. Decide which of your managers are “keepers”
- Begin to develop a vision and a set of Strategic Goals
  - offsite with key managers to set what the company wants to be and how to get there
  - Big decision: is the company going to be a supplier of components or a systems integrator? Where in the value chain are they? Where should they be? Can they form alliances?
- Set up process for evaluating R&D. Communicate criteria. Begin to focus R&D projects. Kill some.
- Communicate continuously with customers, suppliers, managers, employees and boss
Longer Term. . .
Longer term

- Develop and set 3-5 year goals
- Reorganize if necessary to reflect new vision
  - Resolve conflict between mfg and eng also between divisional eng and corporate R&D in accordance with shared vision
- Set up Business strategic process with Technology as a strong component but not as the driver. From this derive skills requirements
Other interesting issues

• Should Claire make the attempt to read the papers? How successful do you think she will be?
• How naïve is she? She thinks that she knows something on the basis of evaluating proposals.
• One day to make a decision. Is this fair?
• How do you think she is viewed by the organization, she is slated to head?
• What stage of the “S” curve is this industry? Will the number of competitors increase or decrease
• Is this a systems business? Can they do everything? Can they compete?
• How do you achieve R&D focus?
Other Interesting Issues continued

• Is this a very profitable company?
• Where should the R&D investment be made? In the central labs or in the divisional labs?
• Is the relationship between corporate and divisional dysfunctional?
• What is the effect of the founder’s departure?
• Fiber Optics is an acquisition. How rapidly, typically are acquisitions “digested”
Claire Vote Again

• Claire Should Take the Job

YES • NO
Afterword on Failure
“Fail Forward”

• “You may be disappointed if you fail, but you are doomed if you don’t try.” - Beverly Sills
• “We are all failures- at least the best of us are.” - J.M. Barrie
• “Success is the ability to go from one failure to another with no loss of enthusiasm.” –Winston Churchill
Also. . .

• What particular tools she would need to be an effective manager of a high technology business such as fiber optics
My experiences

• Saying no to a proffered opportunity
• Making a decision
• Choosing the right boss
• Knowing where you stand