

PROBLEM SOLUTION: GENEONE

PROBLEM-SOLUTION SCENARIO: GENEONE

TRENT RHODES

Problem Solution: GeneOne

GeneOne, a private biotechnology company has risen to become a well-known organization throughout the agribusiness industry. Through hard work, ingenuity and organizational unity, GeneOne successfully developed agricultural crops with scientific breakthroughs. The company's technology and scientific department pioneered the creation of healthily engineered crops. Produced for mass distribution, GeneOne has been able to put these crops to market at a lower cost due to cheaper production, and potentially feed millions of people around the world.

GeneOne's CEO Don Ruiz led the team of energetic and determined executives. At the start of the scenario, the reader could obtain the sense of *organizational unity* for the strategic vision. The morale was strong, and planned to continue developing scientifically and through industry remained untouched. It was not until Don revealed the new vision for GeneOne, which he believed was most suitable given the profitable growth of the company. The organization would open an IPO and become a public company.

This document illustrates the author's research into the issues facing GeneOne as a result of this transition. Emotional, value-based and organizational culture challenges manifested a range of potentially worse scenarios for the future of the company. The author provides solutions and mitigation against these scenarios, as well as the reasoning and consequences of neglecting positive implementation.

Situation Analysis

Issue and Opportunity Identification

Several issues developed over the course of the scenario due to Don's revelation. GeneOne's *team viability* or the satisfaction of employees working in groups for the achievement of organizational goals was immediately challenged. Prior to the IPO, each department head understood their responsibilities and how their personal values aligned with the goals of the organization. Dissatisfaction manifested as there was little opportunity for individual executives to affect alterations to the new course. Don held management meetings with the intention of disseminating information, not to have open-minded discussions about considering alternatives. As with each issue, there is a learning experience or opportunity to be derived. As acting CEO, Don could find an opportunity in solidifying managerial relationships by encouraging more frequent management meetings, providing a forum for each to discuss specifically their agreements or disagreements with the new vision. Lacking implementation of this opportunity merely strengthens Don's *command-and-control* style of leadership.

Most strongly antagonized by the change in direction was Teri Robertson. As Chief Technical Officer, she led the scientific productivity for GeneOne. Her high achievements and success in this position was in part due to the lack of restrictions on her ability to conduct tests and achieve breakthroughs. GeneOne becoming an IPO would put Teri in the position of producing her breakthroughs on a schedule; instead of inspiration, experimentation and a purely scientific attitude towards her work, she was encouraged to take a business approach; this conflict with her personal values about science and the change in how she applied her science to her career was noted in the *expectancy-value model*, which states "feelings are determined by the person's beliefs about the attitude object's expectancy of producing specific outcomes as well as

by the value (good or bad) of those outcomes” (McShane, Glinow, 2004, p. 113). Don’s opportunity in this instance would be to have one-on-one discussions with each executive, especially Teri due to her letter of resignation, and understand how each was affected on a value level by the new strategy.

The once-unified GeneOne now has to contend with inter-department conflict, an inference made by the author after researching on the conflict among the department managers. Don has a serious *interdependence* issue with his team; as some of the members’ ideas clash, the smooth flow of information and the understanding that each department of the organization is needed deteriorates. This interdependence demonstrates “the relationship exists only when each party has something of value to the other” (McShane, Von Glinow, 2004, p. 359). Although the content each department contributes has not changed, the perceived values have, and this is where Don’s opportunity exists. One of the most valuable assets to be implemented in this situation, Don could establish a *Community of Practice*, a forum-based approach to provide an atmosphere of communication throughout the organization. Each department has different responsibilities and lenses to see the organization through. By opening the barriers to communication all employees from all departments could communicate through this tool, sharing constructive criticism, knowledge and insights from their specific perspectives. The level of conflict could be expected to decrease as employees become more sensitive to the views and challenges of others.

The opportunity to seize further influence in the organization rested with the companionship of Don Ruiz, CEO. Some of the executives decided to have private meetings with Don to offer their perspective and opinions about the value of other executives. These attempts to influence showed the rising incidents of organizational politics at play. Striving for

power and position and using Don as the conduit for making decisions happen fostered further issues among management executives. Don could use this feedback as an opportunity to know which of his leaders are interested in the growth of the company or the termination of other executives; this information would provide him with sufficient information to make human resource decisions about who should remain or depart.

Don's focus in the scenario has been at the executive and shareholder levels; a neglect of the response at the lower employee levels has been shown in his decision making. This could develop as a future issue for the chief executive as *countercultures* become well-known. The catalyst being the change in direction and lack of notifying all employees, these smaller cultures within the current *organizational culture* could manifest in opposition to GeneOne's basic values. These countercultures could wreck management's influence and credibility within the organization, and could spread as a reputation outside the work environment. Don's opportunity in this instance would be prevention. He can begin trickling information down to all levels of employees, ensuring they are aware of the details.

Lastly, Don's overall issue could be summed up as a weakness in organizational *cohesiveness*. GeneOne's organizational "glue" was strong when it obtained rapid growth through its scientific and business ingenuity. These qualities would soon be put in the service and obligation of shareholders, the stock market and Wall Street. The division resulting from these new responsibilities eroded the organization's unity.

Stakeholder Perspectives/Ethical Dilemmas

Management is placed in a unique and sensitive position. GeneOne is going through an organizational change that may dramatically alter the culture and the way it achieves success. Chief Officers and managers as stakeholders in this transition period seek to have a smooth transformation, establish a system of producing on schedule and pleasing new shareholders, otherwise face defeat as a new IPO. Management functions in this position as liaisons between Board members, Wall Street and employees; each sector has to be appealed sufficiently otherwise they may be lost. Management has to remain ethically sound while targeting profitability.

New shareholders are also stakeholders; their interests remain simply with making above-average returns on the investments made to GeneOne. The company's past accomplishments entice shareholders to venture with them on a promising future. Now that outside investors are willing to support financially, GeneOne's success in agriculture is dependent on them.

Employees seem to be most neglected of the stakeholders, with little information provided about their thoughts, intentions and morale as changes take place. Despite this, it should be noted by the author that employees have power and influence within the organization, being a company's most valuable asset. Job satisfaction and an alignment of their values with the organization are held in high regard; employees have a right to knowledge about the changes affecting their work in the organization.

Problem Statement

GeneOne will effect organizational change as an IPO and implement communities of practice to realize stronger organizational cohesiveness.

End-State Vision

To nullify the division of values, organizational politics, weakened team viability and strengthen the opportunities of cohesive interdependence, GeneOne will achieve the successful development of organizational alliance and realize communities of practice for all employees to share and value specialized knowledge and the new strategic direction.

Alternative Solutions

Issue: GeneOne's departments have conflicting views on the new strategy

Opportunity: Management can discuss information and perspectives from their respective departments, share the knowledge and create a well-rounded team

Alternative Solution: GeneOne will implement communities of practice

Issue: GeneOne's initial IPO; it lacks experience in making a successful transition

Opportunity: Consultation can benefit GeneOne on how to handle the preparation, risks and post-transition decisions

Alternative Solution: GeneOne will hire an outside consultant to advise on the transition

Issue: GeneOne's successful IPO will make it a young organization on Wall Street; it is not large enough to fight off a takeover

Opportunity: The company can increase its growth and resources by expanding with network alliances

Alternative Solution: Develop Network Alliances

Analysis of Alternative Solutions

The implementation of a community of practice received the strongest weight at 3.83 due to its capacity to include all levels of the organization in its development. Whether utilizing forums, teleconferences or other mediums, the “community” aspect of the initiative provides opportunities for all employees to become self-empowered, grow within their respective fields, and simultaneously learn about how operations work in other departments. The community of practice is an effective silo prevention method, and would be a successful tool for GeneOne’s case. Management have conflicts with their own values and aligning them with the new direction, as well as conflicts with each other. These issues could be resolved by opening the channel of communication for everyone in a constructive manner.

The development of network alliances ranked second highest at 3.42 for its use in the future. As a company with high potential approaching Wall Street, there will be opportunities for more powerful and financially resourceful companies to attempt an acquisition. GeneOne’s scientific department stands out the most and possesses strong expert power; an asset many businesses could utilize for their struggling innovation. GeneOne forming alliances as it becomes an IPO would strengthen and potentially protect it from invasion. Resources other companies may not have can be supplemented by GeneOne’s ability, and financial and other resources not yet obtained by GeneOne can be gained through these relationships.

Consultation received the third-largest weight at 2.83 in response to the need of the organization. With the many organizational cultural issues coming about at GeneOne, Don Ruiz and the Board could utilize outside expertise to assist them with the transition. Changes on the Board could also affect the way these cultural challenges are handled. As GeneOne approaches

its first IPO, all initiatives after this would be new, and a consultant would provide experience and valuable strategies in making the change and future productivity successful.

Risk Assessment and Mitigation Techniques

Alternative Solution: Communities of Practice

Risks include a lack of motivation for employees and departments to communicate effectively through this medium. Developing a forum and other lines of communication would be financially demanding, and the misuse or lack of use of this opportunity could result in a wasted resource. The probability of this occurring is low, considering the author's interpretation of the GeneOne case; employees appear to want to voice their concerns and ideas but lack the appropriate medium to do so.

Consequences of the risks involved could turn a communication medium into a communication barrier. Expressing viewpoints could turn into heated discussions without a resolution, and morale could diminish, along with the uprising of countercultures. The severity of these consequences is high because morale affects motivation to work productively; turnover could result.

Mitigation techniques include holding periodical assessments of the community of practice, with designated mediators ensuring discussions are held productively, and to validate effectiveness.

Alternative Solution: External Auditing and Consultation

Risks include organizational resistance to an outsider conducting research and making recommendations. Employees, who have direct experience of the business, may resent someone from outside the organization delegating tasks and setting strategy. An additional risk could be the acceptance of the consultant from outside, but after implementation, the strategies were shown to be ineffective. Probability is given a medium for these risks, as the executives should conduct sound research to locate a qualified consultant.

Consequences of incompetence or outside consultation could strengthen resistance to organizational change and the creation of counter cultures. These foster seeds of low morale and also an increasing rate of turnover. The severity of these consequences is rated as high.

Mitigation techniques include maintaining an open channel of communication with all levels of the organization, as well as an initiative to inform employees of their inherent value with the organization. Testing of the new tactics can be conducted, followed by assessing effectiveness from employees.

Alternative Solution: Develop Network Alliances

Risks involved with expanding alliances include the potential for alliance cultures and values to clash. At any time during these relationships, the organizations could change or reveal true intentions, and the goals may not be shared. Blending resources, time and human capital could jeopardize productivity. Miscommunication of alliance responsibilities could also result in conflict among teams. The probability of this happening is medium; ideally, management at GeneOne should research potential alliances thoroughly before engagement.

Consequences if these risks came to fruition include alliance conflict and termination, an immediate effect on productivity, and the potential for reputation damage in the media. The severity of this is ranked high; public opinion is powerful, and all that needs to exist is the *perception* of ineffectiveness or failure for it to injure an organization's social reputation.

Mitigation to prevent these risks includes establishing feedback centers; these centers remain involved in continuous assessment of alliance success and challenges. They work to keep a satisfied balance between work responsibility, resources, values and goals shared.

Optimal Solution

The optimal solution for GeneOne functions in a present-state and future-state implementation process. The executives at the company will need to foresee potential issues and work to prevent them before the current issues inflate.

To resolve the current organizational cultural issues, a community of practice will be created, functioning as a productive medium to air out conflicts in values and perspectives from various departments. It will provide employees with a method to express their satisfaction, distaste and creative ideas about GeneOne's new direction.

The company is progressing towards its first IPO without any references or historical trends to work with. The value of outside consultation exists here, where the consultant will provide significant feedback, conduct testing and research to assist management with the organization's cultural change as it goes public. This will prevent guesswork and future errors once its offering is successful.

Finally, to prevent the onslaught of hungry organizations with powerful financial capital and weak innovativeness, GeneOne will begin forming alliances and network with companies providing resources it lacks, exchanging for its potential.

Implementation Plan

Deliverable: Creation of forum and visual technology necessary to build the community of practice.

Timeline: 6 Months

Who is Responsible: Web Developers

Deliverable: Consultant Search

Timeline: 4 Months

Who is Responsible: Human Resources; Director

Deliverable: Internal Search Results of Strengths, Weaknesses, Opportunities and Strengths (Internal SWOT Analysis)

Timeline: 3 Months

Who is Responsible: Chief Executive Officer

Deliverable: Research on Potential Alliances

Timeline: 9 Months

Who is Responsible: Chief Executive Officer

Evaluation of Results

End-state Goal: Network all employees through efficient knowledge flow

The metrics for this goal requires mediation. The communities of practice will be the main tool utilized to bring about this change. Successful maintenance of discussions will ensure effective communication takes place, and valuable information shared. In order to properly assess this effectiveness, a mediation team will prepare new knowledge assessments, both multiple choice and written, and provide them to employees on a quarterly basis. Especially for the current transition taking place at GeneOne, there should not be too long a lag of these assessments. Management will then know which areas are required for training and the barriers in communication. The community of practice will be readjusted according to these needs.

End-state Goal: Employees share and value the new strategic vision

Job satisfaction assessments are the prime methods as metrics for this goal. GeneOne's management will be unable to make proper decisions without understanding the mindset and values of its employees. Every six months, these tests will be administered in addition to interviews and personal coaching sessions. While it is possible for employees to embellish or lie on these tests, the author believes their actions, productivity and answers in combination will send the proper message.

End-state Goal: Development of Organizational Alliances

One of the most challenging of the goals, efficient research is necessary to evaluate the effectiveness. The number and quality of relationships established will be the metrics, and with strong research, GeneOne should be seeking to begin a new alliance every 4-6 months considering its current transition.

Conclusion

Biotechnology company GeneOne's successful rise led to the new direction spearheaded by Chief Executive Officer Don Ruiz. Holding promise for greater returns in the future engaging in an initial public offering (IPO), Don pushed the change in strategy, unexpectedly reaping a series of organizational challenges at the cultural, ethical and value levels. Organizational politics weakening team cohesiveness and many potential letters of resignation all face the CEO while he feels confident in the decision to appeal to shareholders.

With the author's resolutions and established goals: developing a network of alliances, engaging outside consultation with IPO experience and the development of a community of practice, Don Ruiz and the existing members of GeneOne can maximize the potential of the IPO, while maintaining a structured, organized team of employees ready to embrace the new direction.

References

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Table 1

Issue and Opportunity Identification

Issue	Opportunity	Reference to Specific Course Concept (Include citation)	Concept
<p>The Gene One management team attained its initial success from the strength of its team viability. Each member understood the goals to be reached and acknowledged responsibility for their expertise in their respective realms. Satisfaction resulted from this willingness to contribute to Gene One’s ultimate vision.</p> <p>Doubts rose when CEO Don revealed the new strategy and vision for Gene One, taking the company public. Public offerings required the company to be appealing enough on Wall Street and potential investors; Gene One would now have to produce on a schedule. Teri Robertson began questioning her future contributions after being informed of the schedule place on her scientific work.</p>	<p>There is potential for CEO Don Ruiz to address weakened team member satisfaction by hosting more frequent managerial meetings.</p>	<p>“Defined as team member satisfaction and continued willingness to contribute. Are team members better or worse off for having contributed to the team effort” (Kreitner, Kinicki, 2003, p. 451)?</p>	<p>Team Viability</p>
<p>Teri Robertson, Chief Technical Officer and top scientist brought her natural scientific abilities and interests to the Gene One organization. Her expectations were to create agricultural products that would assist the world in food production, lowering the price of crops through her genetic breakthroughs.</p> <p>Teri’s beliefs and attitudes were compromised when she was informed her work would no</p>	<p>Opportunity for Don to speak with each executive individually, to obtain a clearer perspective on how they view the plans.</p>	<p>Feelings are determined by the person’s beliefs about the attitude object’s expectancy of producing specific outcomes as well as by the value (good or bad) of those outcomes” (McShane, Glinow, 2004, p. 113).</p>	<p>Expectancy-Value Model</p>

<p>longer be purely scientific investigation and discovery. Her expectancy was challenged when her work production was altered, no longer for pure science but to produce two new products through her testing on a schedule to meet public investment demands.</p>			
<p>GeneOne’s call for a strategic change of direction may have antagonized members of management in regards to perceived values. The strength of the organization was in its ability to produce scientific breakthroughs and deliver quality products. The change to an IPO caused executives to question where the organization’s ambitions reside.</p>	<p>Establishment of a Communities of Practice to enable employees from all departments to coordinate organizational values and share knowledge</p>	<p>“Although power requires dependence, it is really more accurate to say that the parties are interdependent. One party may be more dependent than the other, but the relationship exists only when each party has something of value to the other” (McShane, Von Glinow, 2004, p. 359).</p>	<p>Interdependence</p>
<p>Management meetings were conducted to discuss the details on becoming an IPO and the adjustments each department would have to make. While these meetings progressed, some executives took the initiative to speak with CEO Don Ruiz in private, offering opinions about others’ potency within the organization. This positioning put Don in a position with little room for neglectful decision-making.</p>	<p>GeneOne can use this as an opportunity to strengthen exercises in the importance of skillful negotiation</p>	<p>“Influence tactics are viewed as organizational politics when observers perceive that the tactics are self-serving behaviors to gain self-interests, advantages, and benefits at the expense of others and sometimes contrary to the interests of the entire organization or work unit” (McShane, Von Glinow, 2004, p. 375).</p>	<p>Organizational Politics</p>

<p>There have been no acknowledged issues with counterculture in the GeneOne scenario as of yet, but the potential for countercultures to develop is extremely high.</p>	<p>GeneOne has an opportunity here to address the value of strategic change, and evaluate the values and perspectives employees at the non-managerial level may develop</p>	<p>“Some subcultures enhance the dominant culture by espousing parallel assumptions, values and beliefs; others are called countercultures because they directly oppose the organization’s core values” (McShane, Von Glinow, 2004, p. 478).</p>	<p>Counterculture</p>
<p>Particularly with the science department, the values CTO Teri Robertson held seemed to be in conflict with the direction GeneOne planned to move. The inner conflict affected her motivation to continue with the organization; gradually Don Ruiz sensed a disintegration of unity within the organization.</p>	<p>Inter-office, inter-departmental challenges can be approached by implementing solutions to bring about a sense of unity within the organization.</p>	<p>“A process whereby ‘a sense of ‘we-ness’ emerges to transcend individual differences and motives.’ Members of cohesive group stick together. They are reluctant to leave the group” (Kreitner, Kinicki, 2003, p. 459).</p>	<p>Cohesiveness</p>

Table 2

Stakeholder Perspectives

Stakeholder Perspectives	
Stakeholder Groups	The Interests, Rights, and Values of Each Group
Management	To ensure a successful transition of GeneOne’s IPO; to remain an organization of integrity and provide mediation between the executives who do not believe in the new vision; to satisfy new shareholder expectations
New Shareholders; Wall Street	Above-average returns; satisfaction in knowing they invested with a company of potential; Wall Street with expectations of the GeneOne’s performance on schedule; shareholder right to have a voice on how the company does business through board interaction
Employees	Job satisfaction; an understanding their contributions are valued; maintenance of personal integrity and integrity of the organization; values consistent with the organization’s; have a right to be updated on the changes within GeneOne and how they will be affected

Table 3

Analysis of Alternative Solutions

Alternative Solution Evaluation Matrix						
	GOALS					Final Rating
	Network All Departments for Efficient Knowledge Flow	Ensure All Employees Share and Embrace the New Strategic Vision	Develop Organizational Alliances			
Relative Importance (Weight)==>	5	3	4			
ALTERNATIVE SOLUTIONS	Primary Alternative Solutions					
	A) Communities of Practice	5	3	3		3.83
	B) External Auditing and Consultation	2	4	3		2.83
	C) Develop Network Structure	3	2	5		3.42
	D)					-
	E)					-
	Secondary Alternative Solutions					
	Organizational Socialization	3	2	2		2.42
	Movement Towards Transformational Leadership	3	2	2		2.42
						-

SCALE==>	5 = High
	4 = Middle to High
	3 = Middle
	2 = Low to Middle
	1 = Low

Table 4

Risk Assessment and Mitigation Techniques

Risk Assessment and Mitigation Techniques			
Alternative Solution	Risks and Probability	Consequence and Severity	Mitigation Techniques
Communities of Practice	<ul style="list-style-type: none"> • Employees not motivated to embrace communication • Inter-department conflict • Probability = Low 	<ul style="list-style-type: none"> • Communication barriers strengthen • Decrease in employee morale • Severity = High 	<ul style="list-style-type: none"> • Hold periodical assessments of the communities to validate effectiveness
External Auditing and Consultation	<ul style="list-style-type: none"> • Organizational resistance to consulting • Consultation accepted, but proven ineffective • Probability = Medium 	<ul style="list-style-type: none"> • Resistance to organizational change • Creation of countercultures; increase in employee turnover • Severity = High 	<ul style="list-style-type: none"> • Awareness of consultation • Updated information flowing throughout the organization • Hold trials testing new methods
Develop Network Alliances	<ul style="list-style-type: none"> • Alliance cultures do not blend • Miscommunication in alliance responsibilities • Probability = Medium 	<ul style="list-style-type: none"> • Alliance conflict in values; not working towards the same goals • Reputation degraded • Severity = High 	<ul style="list-style-type: none"> • Feedback centers to investigate alliances share vision and responsibilities

Table 5

Optimal Solution Implementation Plan

Deliverable	Timeline	Who is Responsible
Creation of forum and visual technology necessary to build the community of practice.	6 Months	Web Developers
Consultant Search	4 Months	Human Resources; Director
Internal SWOT Analysis	3 Months	Chief Executive Officer
Network Alliance Research	9 Months	Chief Executive Officer

Table 6

Evaluation of Results

End-State Goals	Metrics	Target
Network all departments through efficient knowledge flow	Mediation for Communities of Practice	New knowledge implementation assessments taken each quarter
All employees share and embrace new strategic vision	Job satisfaction assessments	Assessments taken every six months
Development of organizational alliances	Number of business relationships	New organizational relationships established every 4-6 months