

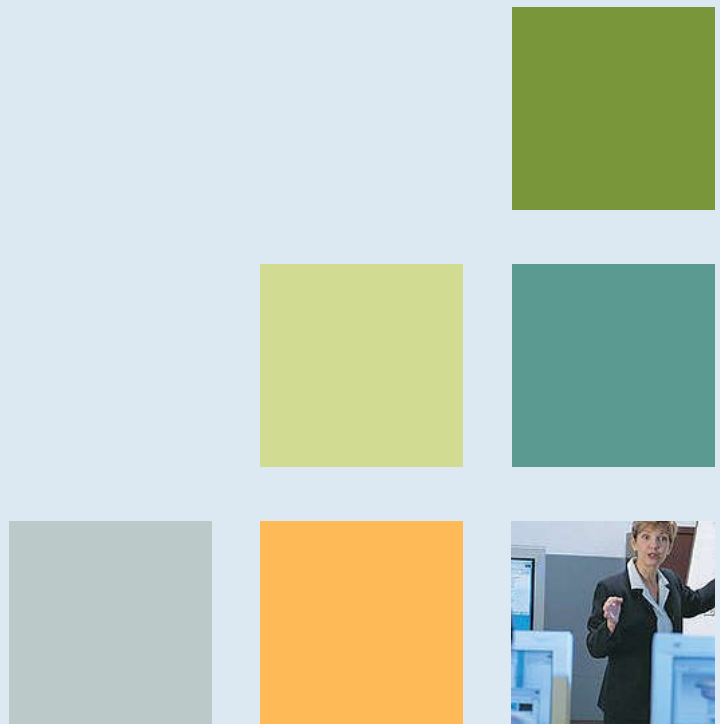
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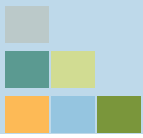
The Vigilance Project— Case Overview

Peter G. Dominick, Ph.D.

Student Workbook



EMPLOYEE AND
LABOR RELATIONS



CASE OVERVIEW/SYNOPSIS

This case follows a project team as they work to implement a safety database tracking system within a major international pharmaceutical company. The company was formed through the merger of two organizations. Team members are located in the United States and in France, and conduct much of their work virtually. In spite of their technical skills and abilities, the team struggles to collaborate; after more than a year of work, key conflicts remain unresolved—many of which are not apparent to all team members. The case concludes with senior management appointing process advisors and implementing a conflict escalation process. Whether these interventions are effective or even appropriate remains an open question for students to explore.

Review this case as if you are a consultant hired by the company to improve the team's dynamics, or as if you are the senior manager for the division in which the project is taking place. As you read, keep in mind that the case is written primarily from the perspective of the Americans on the team. Look for the merits in their points of view, but consider how the same facts might be interpreted differently.

Case Learning Objectives

1. **Conflict.** This case challenges students to recognize emotional concerns underlying many aspects of team and interpersonal conflict.
2. **Distance.** This case encourages students to think of distance as something more than just physical separation. Students will recognize that distance can also be understood in terms of stress-induced or stress-related, psychological, social, cultural and identity-based separation.
3. **Team Process Interventions.** This case provides students the opportunity to think about the challenges of reversing counterproductive team processes in the midst of compelling deadlines. In doing so, students must take into account the ways in which cultural differences and the effects of a merger interact with team dynamics.

Case Discussion Questions

As you read this case, try to develop answers to the following questions or other questions your instructor may assign:

- Why is this case about team conflict? What conflicts do you see developing?
- How is distance affecting team dynamics and performance?
- What do you think about the decision to appoint subteam sponsors? What problems can it solve? Which problems might it not solve?



Vigilance Project Case Description

PharMed International

Headquartered in France, PharMed International is one of the world's largest pharmaceutical companies. It was established two years ago when two formidable pharmaceutical companies, ValMed and PharmCO, combined. Although officially termed a merger, in practice, it might better have been described as an acquisition of ValMed, a Swiss-based company with extensive U.S. operations, by PharmCO, a French-based company.

Like all pharmaceutical companies, PharMed is obligated to keep detailed records of how its drugs perform. To do so, PharMed relies on sophisticated database systems that track and record adverse events associated with the use of its products under development and already in the market. The Drug Safety Division of PharMed is charged with fulfilling this obligation. The division is headed by Lance Paulson, M.D. Paulson is based in the United States, but the division has managers and employees in numerous countries. Paulson's deputy director, Francine D'Aubigne, M.D., is located in France.

The Drug Safety Division is in the process of implementing a new adverse event database system called Vigilance, which will be used by division employees around the globe. The data entered into the system will be used to generate reports the company is obligated to provide to various regulatory agencies around the world (in the United States, for example, that agency is the Food and Drug Administration). The two-year project began about one year after the merger.

Project Team Structure

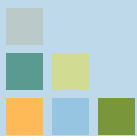
The core team responsible for designing and implementing Vigilance has three members in the United States and four members based in France. They include employees from the Drug Safety Division, as well as employees from the company's Information Systems (IS) Division who are dedicated resources for the Drug Safety Division.

From the United States:

- The communication lead for the project, Frank Lanigan, is from the Drug Safety Division. Lanigan is charged with keeping all managers in the Drug Safety Division updated on the status of the project.
- The validation lead, Carol Reynolds, is also from the Drug Safety Division. Her role is to ensure that the system is fully tested and that all test results are documented before releasing the system for use.
- The training lead, Mike Powell, is from the Drug Safety Division. He is charged with making sure users are trained on how to use the system.

From France:

- The project manager, Didier Amrani, is from the IS Division and works at corporate headquarters.
- The global user lead, Karine Bareaut, is part of the Drug Safety Division. Her role is to ensure that the system meets the tracking and reporting needs of the Drug Safety Division.
- The global information systems (IS) lead, Merline Bucquet, is from the IS Division. Her role on the team is to ensure that the system (including software and hardware) is appropriately integrated and compatible with other company systems and applications.
- The quality and compliance lead, Fabrice Lemaire, is part of the IS Division. His job is to ensure that the system meets all the regulatory requirements of government agencies worldwide.



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In addition to the core team, five subteams were formed. These subteams each have a user lead from the Drug Safety Division and an IS lead, and report directly to the user lead (Karine Bareaut) and IS lead (Merline Bucquet) respectively. Each team also has two to four additional members, most of whom are involved with the project on an intermittent basis. Overall, half of the subteams' members are located in the United States and half are based in France. The organization chart on page 8 provides an overview of the Vigilance project team structure.

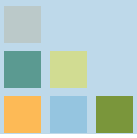
An administration subteam, located in the U.S., is responsible for ensuring that Vigilance maintains separate databases for each product in all its strengths. For example, if a particular medicine was sold as a 10 milligram pill and also as a 20 milligram pill, Vigilance must separately track any adverse events for both size pill dosages.

A U.S.-based data entry subteam is charged with identifying all of the fields that would appear on the system's screens. A workflow subteam, with members evenly divided between the U.S. and France, is responsible for determining the ways in which the system automatically passes work from one user to the next. For example, a case entered into the system would typically first be handled by a data-entry clerk before being transferred to a medical evaluation expert and finally to a reporting officer who would submit the case to regulatory authorities.

A French-based migration subteam is responsible for mapping all the data from the legacy (existing) systems to Vigilance. Finally, a French-based report subteam is charged with designing the reports that will be generated from Vigilance. While each of these subteams has a different focus, they are interdependent. For instance, if the data entry subteam failed to include a particular data field, the migration subteam would not be able to move related legacy data into the new system.

Most of the U.S. core and subteam members were previously employees of ValMed. At the project's start, they were looking forward to working on this initiative. Before the merger, several of them, including all of those on the core team, played key roles in efforts to develop a similar system called Perspective. The work had been intense and time-consuming, but the team members were stimulated by that project. They put in long but collaborative hours and were nearly finished when the merger occurred and implementation of Perspective was put on hold.

Several months later, the newly merged organization decided to scrap Perspective in favor of Vigilance. There were two main reasons. First, having been designed before the merger, Perspective's capacity was too small to accommodate the needs of the larger organization created through the merger. In addition, it was not clear that Perspective's design could support the new business processes (e.g., workflow procedures) that were implemented post-merger. The Perspective team members were disappointed, but understood the rationale for the change in direction. As work on Vigilance began, those who had been a part of the previous project looked forward to sharing the benefit of their experiences. Not long after work on Vigilance began, however, their enthusiasm waned.



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Core Team Dynamics

The Vigilance core team, some of whom had worked together before, started the project by holding a one-day, face-to-face kick-off meeting in Paris at the corporate headquarters. Meeting as one large group, all project team members attended, including those on the subteams. There were formal introductions to ensure everyone knew each other. The roles of the various subteams were articulated and the project timeline established. “At the time,” recalls Frank Lanigan, “the proposed schedule seemed reasonable and the subteam structure made sense to us all. Looking back, however, there was no opportunity to really get past formalities. It would have been good for the core team to have also met separately for more in-depth discussions about how we would work together. None of that ever happened.” After the initial meeting, most of the core team’s subsequent interactions were conducted via weekly teleconferences. These teleconferences were frequently cancelled by Didier Amrani, the project manager, without notice and without him having sought input from the rest of the team as to whether there were issues they wanted to discuss.

Didier strongly controlled the way meetings were run by restricting the kinds of information that was exchanged and the ways in which it was exchanged. In and of itself, this would not have been a problem for many of the team members. As Carol Reynolds, the core team validation lead, explained when she was interviewed for this case, “It’s a project manager’s job to monitor what occurs during team meetings. The problem with Didier’s approach, though, was that he was too autocratic to be practical.” For instance, he frequently put together an agenda for meetings without input from other team members. Further, he would allot only 10 minutes for other issues not on the agenda and only if time permitted.

Early in the project’s life cycle, Frank Lanigan, the communication lead, presented a communication plan to the core team during one of their conference calls. Didier remained quiet during the presentation and offered little in the way of comments on the plan presented; however, following the meeting he called Frank, stating that nothing was to be presented at core team meetings without his prior knowledge. Frustrated and angry, Frank became more withdrawn; he felt that as a part of the core team, his discretion and expertise were being undermined.

When there was discussion, many of the U.S. core team members felt their ideas were given little or no consideration. As Mike Powell, the core team’s lead for training, once quipped to his American colleagues, the norm here is “don’t provide your opinion until asked—at which point they’ll tell you what your opinion is.” At various points throughout the project, the U.S. team members tried to raise issues and suggestions based on their experiences with Perspective. However, their France-based core team colleagues (all of whom had been part of PharmCO prior to the merger), especially Didier, consistently responded negatively to any input based upon the previous project. In fact, it had gotten to the point where it seemed that any mention of Perspective was considered taboo.

Communication across subteams was a key point the American members of the core team wanted to stress to their French colleagues. From their work on Perspective they had learned how important it was to keep people informed of what other subteams were doing. “System development is dynamic,” explained Carol Reynolds. “We had learned how quickly any two subteams could head down different paths if the communication and coordination was not as dynamic as the work itself.” She went on to stress that too frequently, the result would be one or both teams having to rework their design—creating time delays that rippled throughout the project schedule and leading to bad feelings within the team.

“It’s not that our colleagues in France wanted poor communication,” Mike Powell added, “but they were committed to dealing with this challenge through a chain of command. Karine, the global user lead, and Merline the global IS lead, wanted to be the focal points for passing information across subteams. That may work fine in theory, but not in practice. Instructing the subteams to communicate through the user and IS leads slowed things down. Anyone who has ever played the grapevine game knows how much gets lost when layers are added between the start and end of a communication chain.” Referring to the physical distance that separated some of the subteams, he stressed, “It’s not like we could even rely on informal communication in the halls to fill in the gaps.”



The Core-Core Team

In many instances, decisions which could have been made collaboratively by the core team were not made that way. Instead, Didier, acting unilaterally or at best in consultation with French team members, made decisions that were then communicated back to U.S. team members as being finalized. Increasingly, U.S. team members felt as though their input was not valued and that their perspectives were not being given due consideration.

In one telling example, during a core team teleconference, the team was discussing important data entry fields that would need to be included in the system. Among other things, these unanticipated additions were going to affect system report generation as well as eventual training. As the team was exploring the implications of the changes, Didier stopped their discussion by declaring that the team as a whole need not be concerned. Referring to himself and his French colleagues, he said it was an issue that could be taken up by the “core-core team.” To the Americans on the team, the remark only reinforced their sense of alienation.

In May, roughly 10 months after the project had begun, the core team as a whole had agreed to include a brief cross-cultural awareness workshop as part of an upcoming face-to-face status-update meeting that again would include members of both the core team and the subteams. The Americans had hoped to use the workshop as an opportunity to discuss and improve team processes. Only later did the U.S. team members learn that this portion of the program had been cancelled. When Didier was asked about the change of plans, he said that top management made the decision. In subsequent discussions with some of those senior managers, however, it was discovered that they were not involved in the decision and that it had been made by Didier.

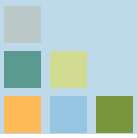
The U.S. team members were disappointed that the workshop had been cancelled, but their biggest concerns had to do with the unilateral way the decision was made. Moreover, the less-than-truthful reason given for cancelling the workshop severely undermined what little trust and rapport remained. As the project moved past the midpoint in its life cycle, the Americans on the core team were increasingly reluctant to raise issues and participate fully in conversations. Enthusiasm for the project had all but ceased to exist, and U.S. team members even began thinking twice about providing their European colleagues with information.

Tensions Spread to the Subteams

The subteams continued to fall behind schedule, but the delivery date remained firm. The timeline slippages were obvious, but almost no one was willing to discuss them openly—least of all the Americans on the core team. “It was easy for us to see how the slippages were related to subteam communication breakdowns, but we’d been down that road so many times we didn’t know how to raise it anymore,” explained Frank Lanigan.

“By late August,” Carol Reynolds added, “we could see how frustrated our colleagues on the subteams were...some informal communication was possible among U.S.-based subteams—we could only assume the same kinds of things might be occurring in France—but even that was less than ideal.” According to Mike Powell, there was nothing subtle about the mounting stress and confusion: “Tensions had gotten to the point where people were actually storming out of meetings because they were frustrated by what they were being asked to do on short notice or without sufficient information.”

In September, the U.S. core team members felt they needed to escalate their concerns. After consulting with Carol and Mike, Frank approached Lance Paulson, the head of the Drug Safety Division. According to Frank, Lance, who was also based in the U.S., took his concerns seriously and promised to act. “I assumed,” said Frank, “that meant Lance would work through Didier, perhaps coaching and counseling him on how to open up dialogue and communication within the core team and throughout the project overall.”



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Instead, Lance chose another approach. He sent an e-mail message to the entire division, not just those working on the Vigilance project. The message was sent under his name and that of his deputy director, Francine D'Aubigne, who was located in France.

Colleagues,

When we launched the Vigilance project by forming the core team and subteams, we expected that all team members would collaborate to develop best practices for a new safety database system. We anticipated that this would mean building on lessons learned from past projects and processes and taking into account evolving regulatory requirements and thoughtful consideration of other best practices.

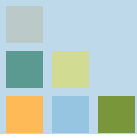
We appreciate the challenges this project poses and understand the time pressures this project requires. Our success depends not just on what we know but how we work together. As team members, everyone must remain professional and open to different proposals and opinions. It is crucial that we consider ideas fairly and ultimately act in the company's best interest. We do not expect total agreement but do expect that after candid but respectful discussion, each team member will ultimately support the team decision even if they would have preferred another approach.

With these goals in mind, we are appointing Halina Ducret and Teo Reynard as subteam sponsors. As you know, both of these individuals belong to the senior management team for the division and report directly to us.

When teams reach an impasse, these sponsors will provide additional conflict management mediation and decision-making authority. We expect their involvement to be the exception rather than the rule. Team members should ultimately abide by majority opinion. However, for those times when team opinion is evenly split or when the disagreement pertains to key strategic objectives, the team sponsors should be contacted so they can work with team members and other appropriate staff to finalize a course of action.

*Best regards,
Lance & Francine*

The e-mail message was a surprise to Vigilance team members, and to others throughout the Drug Safety Division who had not been aware of the problems within the Vigilance team. “I had people coming into my office and asking me what was wrong with the project,” explained Carol. “I was concerned how this might affect confidence in what we finally deliver.” Frank, who had contacted Lance, was also surprised. “I’m glad that senior management was willing to get involved, but I’m not sure this was the solution I was looking for. I had expected that they try to work these issues from within the team. I know none of us in the U.S. were consulted on the approach outlined in the message, and as far as I know no one talked to Didier or the other core team members in France.”



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