

SILOS AND TURF WARS IN PROJECT MANAGEMENT

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EXTENDED ABSTRACT

In a group project, turf wars among stakeholders are caused when they work under a silo organizational structure. Silos damage the team's relationship and reduce the chances of success. Therefore, top management has to take the initiative to break down silos and set an example of how everyone should collaborate for the success of the project. Top management must change the silo structure to a flat organizational structure and encourage members to work as a team, not as individuals. The key elements top management can use to break down silos and promote teamwork are the following: a) clear goals, objectives, and vision and b) communication channels at all levels. By using these elements, top management ensure the team's success.

Vertical organizational structures, silos, are used in many companies. The companies use these structures as they grow in size [1]. This type of structure works very well when departments in the company are defined, and everyone has a specific role in the departments. Nevertheless, when employees are challenged to work together, chaos ensues. For some reason, people forget how to work with others for the same goals.

The main cause is that people don't want to let go of their hierarchical status at the company, and this creates turf wars. Consequently, to create a successful team, top management has to implement the horizontal organizational structure [1, 2]. They need to begin at the top and continue down the company's hierarchical system to break down the "silo structure" and encourage teamwork. That is, conflicts occur when companies do not have a flat organizational structure needed for people to work successfully on a project [1, 2].

In the case of a Medical Device Company, the salespeople were not meeting their monthly sales forecast. Their clients claimed the company didn't have enough data to prove the product was effective. Thus, top management decided to outsource the acquisition of data to support their sales. The project consisted of producing materials for the salespeople that would help them increase their sales quickly. The team included the head of the Manufacturing Department, the project sponsor, who was responsible for the project; the head of the Sales Department; the head of the Marketing Department; the CEO; and two members of an outsourcing firm. In addition, it was common knowledge that heads of Manufacturing and Marketing didn't get along with the head of Sales Department. The team agreed to have weekly meetings however the CEO only attended a few of them.

There were more attempts to provide training, and even the CEO intervened saying that the training would be valuable, but the Head of the sales Department always found an excuse to avoid the training. A reward system was implemented to motivate salespeople to use these materials. After a few tries, a salesperson contacted the team to explain how the materials had been very useful for him to increase his sales. In fact, he was already a top sales person and after using the materials he became number one. The

CEO heard about this and told the head of Marketing to announce the winner in their newsletter. This never materialized.

In retrospect, the CEO should have established the goals, objectives, and vision at the beginning of the process and communicated them to the team in a clear way [4]. A good understanding of these key elements by each stakeholder would have greatly reduced mistakes and misunderstanding. In addition, a leader needs to challenge team members who are not responding to his requests [5]. The CEO should have set priorities and influenced everyone to work as a team, especially with the predominant vertical organizational structure the company had. A supportive management style should have been implemented in this project in which a clear understanding of the goals is the most important matter and collaboration is encouraged [4]. Additionally, the changes needed to be implemented at the top and continued down the company's hierarchical system. Thus, the key responsibilities of senior and top managers are as follows: a) to break down the "silo structure" and b) to encourage departments to work together [9, 10].

A project leader/sponsor needs to have the support of top management to enable him/her to eliminate obstacles. At the same time, managers need to show that the project is not only their project but also the team project, which in return creates loyalty and trust [8]. In addition, the CEO should have monitored the person responsible for the project more closely. A leader also participates in the project as much as the other team members. By doing this, the leader sets the example which inspires others to work for the same cause. Leader participation also makes the objectives clear [4].

A silo organizational structure only makes it more difficult for people to work together in a project. People who work under this type of structure are generally limited by the information they can share among other departments, which makes it difficult for them to interact with other members of the team⁹. Silos only isolate people from collaborating with each other. A flat organizational structure is fundamental for the success of a project. It breaks the vertical structure in which there is a boss and creates one where people work together for the same goal. Therefore, it is critical that stake-holders are committed to working together from the beginning.

The horizontal organizational structure is maintained through a clear understanding of the goals, objectives, and vision. For this reason, a leader should inspire confidence and trust so stakeholders work on activities that are aligned with these key elements. Therefore, good communication is fundamental. Conflicts created among departments should be addressed immediately to reduce their escalation. A strong senior or top manager should provide the appropriate environment for stakeholders to solve their differences, but also he or she should make the final decision when agreements are not reached. Project management documents, such as the communication map, success scorecard, organizational chart, success metrics, are valuable sources for the success of the project if managed correctly.

Keywords: project management, stakeholders, organizational structure, silos, turf wars.