

The Case of BobCo

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Bobco is a small family operated company based in Jericho, NY that employs 250 consultants focused on the import export market with the European Union. Consultants are assigned to customers to assist in the development of import/export strategies, sourcing business partners, development of marketing strategies, legal issues in import/export and logistical support. Although the majority of the consultants are based in NY reporting to Sam Silverman, the Vice President of Consulting Services, a sizable portion of them are based out of offices located in London, Paris, Milan and Barcelona as illustrated in Figure 1.. Each office is headed up by a Vice President and consists of consultants at different ranks including Associate Consultant, Consultant, Senior Consultant and Program Manager/Director.

Each Vice President holds meetings with his senior staff on a regular basis, although the timing of such differs from location to location depending upon the available time and commitments of the staff. In turn, there is a senior staff meeting held on Monday mornings that is conducted via video teleconference. Each quarter an in person meeting is held between the senior staff. This meeting rotates between the different office locations each quarter and generally takes the form of the agenda indicated in Table 1.

9:00AM – 9:30AM	Meet and Greet
9:30AM – 10:15AM	Presidents Update
10:15AM-12:00PM	Vice Presidents Update
12:00PM – 1:30PM	Lunch with invited staff
1:30PM – 3:00PM	Meetings with Key Clients
3:00PM – 4:00PM	Presentation on state of the company to Staff at that location
4:00PM – 5:00PM	Individual staff meetings by appointment

Table 1: Senior Staff Quarterly Meeting Agenda

Net Revenues for BobCo, after remaining steady for the previous 5 years have declined in the last 2 years. This has been attributed to the Global Economic situation and the fluctuations in the exchange rates between the Dollar and Euro, however, the company has consistently reinvested in its operations and recently opened the office in Barcelona, which absorbed a significant portion of the cash on hand.

Consultants with BobCo work with clients in different ways depending upon the requirements of the client and the terms and conditions of the contract.

- **Large clients** operate with Master Contracts that dictate the general terms and conditions of engagements governed there under. In such situations a long term relationship exists with the client and consultants work with the client as necessary to fulfill specific requirements that the

client may have. Clients with a Master Agreement also have a BobCo Program Manager assigned to them and BobCo consultants work for that Program Manager while they are at that client. Such consultants may be assigned from any BobCo location worldwide as appropriate and may be selected based upon their area of expertise, familiarity with specific markets and legal issues associated with business in different sectors. It is not unusual for consultants to work for a single week with a client to overcome specific issues or to work longer term with large projects for up to two years at the customer site.

- Small to Medium Size Clients** generally do not operate with Master Agreements and the nature of the work performed at these clients tend to be not project based, but assignment based. As an example, PepCan Inc., a medium sized client of BobCo in Paris, France, exports carbonated sports drinks to Canada and engages a BobCo consultant for one month each quarter to assist in dealing with the import / export processes and procedures required to ensure that delivery of its product goes seamlessly. Generally the same consultant is engaged with this project, however, there are times when that consultant is not available due to other commitments and at those times a different consultant is generally utilized. There are occasions where specific expert skill sets are required to deal with issues at PepCan Inc., and on those occasions BobCo consultants are dispatched to deal with those issues based on their skill sets, however, delays are not unusual in these situations as the specific consultants with the required skill sets may be already deployed or the skill are difficult to locate within the company.

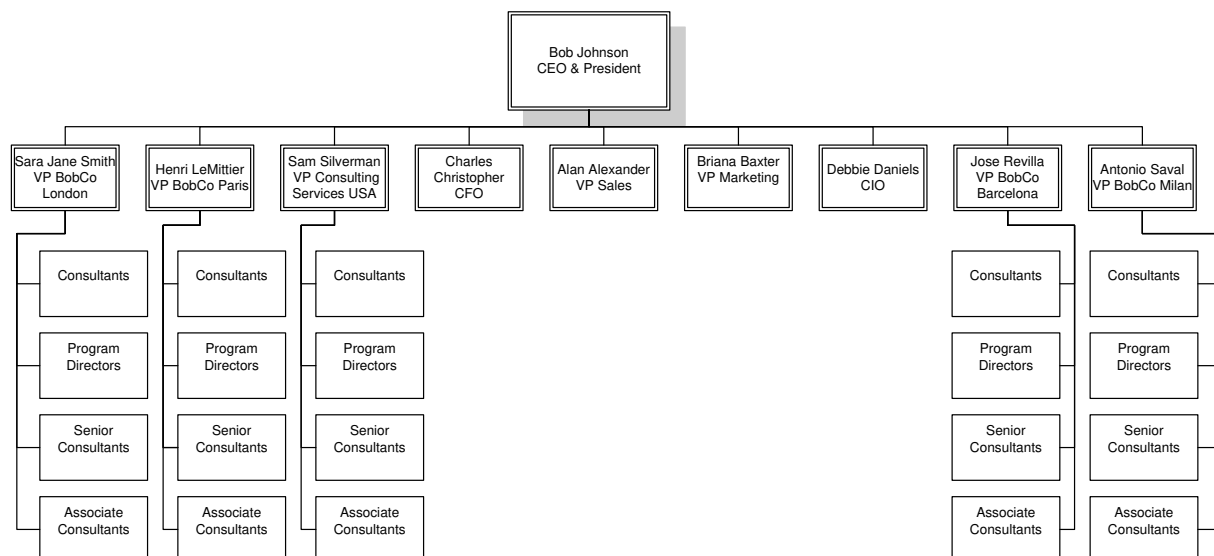


Figure 1: Organizational Structure of BobCo

Bob Johnson, the founder of Bobco has approached you because you have studied knowledge management in university with a significant task. Johnson indicates that the company has been in

negotiations with another company that is interested in acquiring Bobco. The acquiring company is hesitant to proceed with the purchase at this time due to the economic climate, availability of financing and most critically, because Bobco doesn't appear to have a Knowledge Management System. The acquiring company has raised issue with the fact that should they acquire BobCo, there is a significant chance that many of the consultants may leave and although the list of clients that BobCo has is very impressive and that many of those clients have a long term relationship with BobCo, much of that relationship is based upon the individual consultants, the program managers and to a great extent the relationship with the Vice Presidents that they deal with.

FredCo International

The company, Fredco International, founded in Taiwan in 2001, that is interested in acquiring Bobco is based in Taiwan and has branches in Hong Kong, Dubai, San Francisco, and Shanghai and employs 3000 employees internationally. FredCo Int. is not only in the import /export business, but also has practices in taxation, management consulting, innovation consulting and technology. Generally, the customers of FredCo Int. are larger than those of BobCo and engagements tend to be longer and involve larger numbers of consultants. FredCo Int.'s organizational structure is also different than that of BobCo and is "customer facing". Fredco Int. operates using a Partner based model, whereby clients are assigned to partners within the organization. These partners are senior managers responsible for cross disciplinary responsibility for their clients. Consultants from any or all of the practices at FredCo Int. may be engaged at any time with a particular customer for the partner. The partner requests the resources that he may need for a client from the practice managers associated with the different disciplines. Practice managers are responsible for scheduling their consultants, training, setting objectives, career mentoring, the development of the practice, and with input from the partners that have utilized the individual consultants, for their evaluation at the end of the year.

Fredco Int. has a fully developed Knowledge Management system called "Endeavor" that has been in use since 2002 and was the brainchild of FredCo Int. Chief Executive Officer and President, John Lee. Their system was developed along the lines of the "4 Pillars of Knowledge Management" and the system has gained widespread support throughout the organization. They currently use Lotus Domino from IBM at the core Knowledge Management System with an array of document libraries, best practice libraries, discussion forums, engagement management, contracts management, project management and an expertise locator all integrated with workflow management and their e-Mail system. They have integrated other products to enhance the system such as Google Search, Tenrox Project Management, Crystal Reports and Documentum. Jack Chan, the Chief Knowledge Officer explained that without Endeavor, the company could not have succeeded as it has. Endeavor is a core critical system that allows the company to leverage it's resources regardless of where those resources are located. It is used by the partners to find the experts that they need to get their job done, allows our consultants to collaborate together to solve problems, enables our organization to operate on a much flatter basis as the organizational levels that exist in many companies of our size are overburdened by middle management and it allow us to have a shared vision. The Endeavor system has evolved over the years and they have

considered migrating their aspects of their system to SharePoint by Microsoft. They are also now considering implementing Google Wave as an interface to Endeavor.

Several years ago the Sam Silverman, Vice President of Consulting Services at BobCo raised the idea of implementing a knowledge sharing system at BobCo at a Senior Staff meeting. There was a degree of support at this meeting for the concept, but it was not universal and several of the stakeholders were against the idea, specifically the Vice Presidents from Barcelona (Jose Revilla) and France (Henri LeMittier) and the Chief Information Officer, Debbie Daniels. Jose Revilla indicated that "...such a small operation that the consultants in my group meet and discuss their work all the time. Making them put their reports in some database is not going to help and will just cause confusion and delay." LeMittier agreed and further indicated that "We have staff meetings every Wednesday morning to do this, but attendance is so low that it hardly seems worth doing. My consultants work for a living and I am not going to drag them away from their clients so that they can do more of it". Debbie Daniels indicated that all of our consultants are equipped with laptop computers with wireless access to the Internet and VPN secure access to our internal systems and smart phones so from an infrastructure perspective we would not have a problem, but BobCo doesn't have a system in place so that consultants can share information electronically outside of making a phone call or sending an e-mail. She further indicated that should the CFO come up with the money then she could investigate options.

At the end of the meeting, it was agreed that there was value in having a knowledge sharing system, but the time was not right and the idea was shelved at that time. No further action was ever taken on investigating a system or looking at the concerns raised from Revilla or LeMittier.

Bob Johnson has assigned you as the person to head up the development of the KM system for Bobco. He has brought you into a meeting with the Senior Management of Bobco for a briefing and in that meeting he has explained that the news of the potential sale of the company must not leave the room. Present at the meeting with Johnson and yourself are the Alan Alexander, Vice President of Sales, Briana Baxter, Vice President of Marketing, Charles Christopher, the Chief Financial Officer, Debbie Daniels, the Chief Information Officer, and the Sam Silverman, Vice President of Consulting Services and the Vice Presidents from each of the locations in Europe.

Your Assignment

Your assignment is to create knowledge management strategy position paper for BobCo. In completing the assignment you should consider the following:

- *Leadership issues associated with BobCo*
- *The international aspect of BobCo's operation including the multicultural nature of the company. Consider the KEI factors*
- *Technologies available currently that will act as an enabler*
- *The organizational structure of BobCo and the impact of an acquisition by FredCo may have*
- *The impact that key consultants leaving the company would have should BobCo be acquired by FredCo Int.*
- *Ethical issues associated by the implementation of Knowledge Management.*
- *Budgetary issues associated with the implementation of KM*
- *Communications strategy for implementing KM*

The position paper should include but is not limited to sections on the following:

- *Introduction*
- *Leadership / Management*
- *Cultural Issues, both Organizational and National*
- *Technology and Technology Integration*
- *Organizational Learning, Expertise Location and Tacit Knowledge Conversion*
- *Organizational Impact and Design*
- *Implementation Schedule*
- *Conclusions*

Your position paper should be no more than 10 pages in length and should be submitted to the Assignments Section in Blackboard.

Disclaimer:

BobCo, Fredco International and PepCan Inc .are fictitious companies. All characters appearing in this work are fictitious. Any resemblance to real persons, living or dead, is purely coincidental