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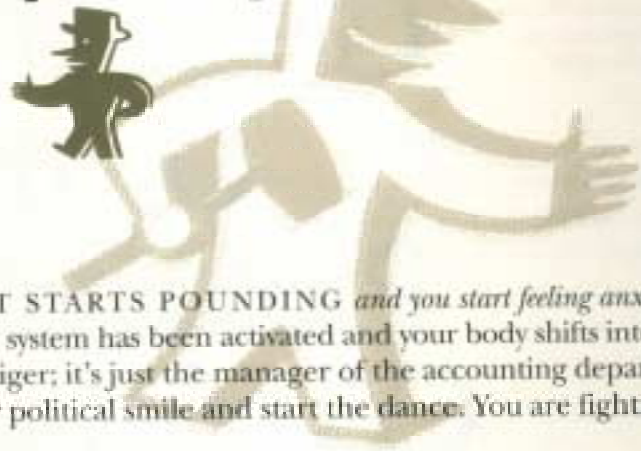
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Territorial Games People Play

From Good Deal to Bad

by Chuck Papageorgiou



YOUR PULSE SPEEDS UP. YOUR HEART STARTS POUNDING *and you start feeling anxious in your stomach.* Your primordial "flight or fight" system has been activated and your body shifts into overdrive. No, you are not facing a saber-toothed tiger; it's just the manager of the accounting department who is trying to cut your budget. So you put on your political smile and start the dance. You are fighting for your territory.

The desire to protect our territory, whether physical or psychological, is a built-in trait of human beings. Work has become a major component of who we are, providing the equivalent of the physical territory of our ancestors. Psychological and emotional security has replaced physical security and our natural instinct to protect ourselves is now focused on that as opposed to our physical well being. After all, how many saber-toothed tigers do you see cruising the halls of major corporations today—with the exception maybe of Freddy in the accounting department?

Let's face it, eliminating territorial games is futile, pretending they don't exist is foolish, and refusing to deal with them is suicidal. Territorial games exist in every organization and nothing intensifies them more than an impending merger, acquisition, or outsourcing deal. Even though many books have been written on the subject, the area of outsourcing, with its even more complex

relationships, has been generally neglected. Many years of experience with organizations during various phases of the outsourcing process has taught us a few lessons about how territorial games can torpedo even the best deals.

Despite all the rhetoric that exists at the corporate level of organizations, territorial games are critical factors that determine the success of any outsourcing agreements. A good strategy, a solid contract, a strong outsourcing partner, or even substantial financial gains for the outsourced employees can all be undermined by territorial games. Many contracts that were based on seemingly solid strategy with a strong contract between leading-edge companies have failed to produce the desired results. A closer look at the state of affairs and the reasons for the failure often shows that territorial games on both sides were ignored.

For example, after negotiating for nine months, the senior executives of WidgetsRus reached an agreement with ServExec. ServExec would outsource the data center and network operations group and transfer about hundred people to its payroll. By all accounts it was a great deal. WidgetsRus would focus on its core competency of building better electronic mousetraps and ServExec would bring its technical savvy and expertise to the area of computer integrated manufacturing.

Things moved along for about three months until WidgetsRus started experiencing problems with network availability. The number of network failures increased drastically, the time to repair continued to increase, network availability dropped to the lowest it had been in five years, and production facilities complained about the lack of timely information on parts inventory. WidgetsRus started demanding penalty payments for lost productivity based on the Service Level Agreement with ServExec and before long, WidgetsRus and ServExec found themselves sitting in an arbitrator's conference trying to reconcile their differences. The agreement was eventually scuttled and ServExec began the disen-



agement process. Both companies lost significant amounts of money and energy.

What happened? Why did this fail? After all, the deal was lauded as one of the best structured agreements between two organizations. A closer look highlighted the cause of the unexpected failure.

The ServExec IT organization was a conservative traditional organization that had developed a reputation of service excellence and commitment to customer service. WidgetsRus' IT team, on the other hand, had developed from the ground up, focusing on leading edge manufacturing and advanced electronics. Charlie, the ServExec CIO, was characterized by his peers as a "political animal" and did not take kindly to people threatening his territory. He had been able to use his stature to position himself as the authority with most other IT shops his organization absorbed. This situation, however, was different. Most ServExec executives considered Jerry, the CIO at WidgetsRus, a "great manager" and there had been rumors that Jerry could replace Charlie. And so, the territorial games had begun.

First Charlie played the occupation game. Every time Jerry planned a meeting with his former bosses, now clients of ServExec, Charlie showed up and monopolized the meeting. When WidgetsRus executives requested participation in strategy sessions, Charlie would attend but not include Jerry.

Then came the camouflage game. During Jerry's performance review, Charlie told him he was very unhappy with the way the ServExec applications group performed change control and wanted him to spend time understanding what the problem was. For the next several months Jerry spent the majority of his time in meetings discussing change control.

At the same time Charlie was playing the shunning game. He ignored Jerry's suggestions, did not invite him to critical staff meetings, always referred to him as "Jerry from WidgetsRus" and, in general, positioned him as an outsider.

Charlie had become so good at playing these games that Jerry never had a chance. When Jerry complained about the WidgetsRus meetings, Charlie would tell him the meetings were just normal client relations meetings and assured him he would be involved when the time was right. When Jerry complained about the change control project assignment, Charlie made him look like he was whining. When Jerry felt he was being excluded, he was told he was being overly sensitive. And so it went for several months until Jerry decided he had had enough, left the company, and Charlie appointed

one of his "insiders" to head the group. Since the new ServExec manager was a traditional bureaucrat with no experience in technology, he focused on the administrative aspects of the organization, the group floundered, more people left, and the service levels dropped drastically. This led to the trip to the arbitrator's table and eventual dissolution of the agreement. ■

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Definitions of Territorial "Games"

- **The occupation game:** marking territory; maintaining an imposing physical presence; acting as the gatekeeper for vital information; monopolizing relationships, resources, or information.
- **The information manipulation game:** withholding information, putting a spin on information, covering up, or giving false information.
- **The intimidation game:** growling, yelling, staring someone down, staring off, or making threats (veiled or overt).
- **The powerful alliances game:** using relationships with powerful people to intimidate, impress, or threaten others; using name dropping; making strategic displays of influence over important decision makers.
- **The invisible wall game:** actively instigating circumstances or creating counter-productive perceptions so that an agreed upon concept is very, very difficult, if not impossible, to implement.
- **The strategic noncompliance game:** agreeing up front to take action but having no intention of taking the action, or agreeing just to buy time to find a way to avoid taking that action.
- **The discredit game:** using personal attacks or unrelated criticisms as a way of creating doubts about another person's competence or credibility.
- **The shunning game:** Subtly (or not so subtly) excluding an individual in a way that punishes him; orchestrating a group's behavior so that another is treated like an outsider.
- **The camouflage game:** creating a distraction, emphasizing the inconsequential, or deliberately triggering someone's anxiety buttons just to distract them.
- **The filibuster game:** using excessive verbiage to prevent action; out talking any objectors at a meeting; talking until time for discussion is exhausted; or simply wearing others down by out talking them.