Customer Service Issues and Challenges: A Case Study – The Cape Coral Florida Experience

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Abstract

This case study describes the trials and tribulations of a growing city involved in converting a customer service office to new technology and creating a workable culture. Emphasis is on the cultural issues faced by management. This case study deals exclusively with organizational issues within the utility customer service department for the City of Cape Coral Florida during rapid growth and implementation of a new computer system. The analysis alludes to issues with computer conversion, flowcharting, data integrity, and several other critical elements present at the time.

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Introduction

The City of Cape Coral Florida provides a unique challenge. Less than forty (40) years old, the City was truly swamp land in Florida that became a beautiful city with approximately 400 miles of both saltwater and freshwater canals. In fact, there is a book written about the City titled: "The lie that came true." This case study describes the trials and tribulations of a growing city involved in converting a customer service office to new technology and creating a workable culture. Emphasis is on the cultural issues faced by management. This case study deals exclusively with organizational issues within the utility customer service department for the City of Cape Coral Florida during rapid growth and implementation of a new computer system. The analysis alludes to issues with computer conversion, flowcharting, data integrity, and several other critical elements present at the time. Those issues are complex and will be handled in separate research.

Cape Coral started as a retirement community in the 70's. However, since the early 90's the trend is toward a lower median age. Service needs change daily due to more and more younger families moving into the City. The City must deal with this transition. There are those who feel this is a gated community with neighborhood association rules. This attitude creates difficulty as the City covers 114 square miles of property.

The original developers platted the City into 10,000 square foot building sites. These sites were marketed world-wide. Although there are limited properties with larger square footage, economic development is difficult due to the problem accumulating land. Available land is held by a few individuals. This lends itself to thoughts of corruption as the same names appear to control a majority of commercial development.

During, 1994 to 1997, the period of this case study, the City grew from 35,000 citizens to approximately 86,000 in a period of ten (10) years. During that same period, the City staff grew from approximately 100 employees to over 800. The majority of the citizens live in approximately 30% of the incorporated city limits. This creates a unique situation for public safety officials. Fire and Police protection is required city-wide. Today, in 2008, the City now has over 150,000 citizens and approximately 1,200 employees plus numerous contract workers. The trials and tribulations of the first 35 years of this city could possibly be one of the best case studies currently available in the world.

The City has a weak Mayor form of government with seven (7) City Council members and an elected Mayor. At the time of this study, the City Manager functions as the CEO for the City with the aid of ten (10) administrative departments. Additionally, the City Manager utilizes an executive staff consisting of an Assistant City Manager, Auditor, Economic Development Director, Public Relations Officer, and an Administrative Assistant.

At the time of this study, the ten (10) departments consisted of Public Service, Parks and Recreation, Community Development, Finance, Human Resources, Information and Management,

Police, Fire, City Clerk, and the General Services Department. Additionally, the City Attorney supports both the City staff and council.

Several structural changes occurred during the period covered by this study. The Assistant City Manager was fired for moonlighting on City time. A longtime Public Service Director resigned for making derogatory comments about the City Managers hiring practices. His replacement, an eight year Assistant Director, resigned under pressure from the citizens of the City. Additionally, a very popular General Services Director and City Clerk retired.

This cased study is accumulated mainly from first-hand knowledge from the co-author hired as the first Business Manager in January of 1994 and promoted to Director of the Office for Business Management and Information (OBMI) in 1995. The City transitioned from a flat file WANG system to a user generated integrated system utilizing an IBM AS400. It contracted with Harward Technical Enterprises, Inc. (HTE) to provide software and support for this conversion. When the position of Business Manager was hired, the selection process for the new system and early conversion was complete. The Business Manager position was hired to convert the utility billing module and help the City complete implementation.

Responsibilities of the new Business Manager position required oversight of the conversion, management of Utilities Customer Service, and general counsel to the Utilities Director for issues such as Utility Rate studies and other duties as assigned. This case study is about management issues and challenges uncovered in the utilities customer service department.

Issues and Challenges

It is important to note that this case study is not about the customer service supervisor and personnel. They were extremely dedicated employees working for managers that did not accept responsibility for the department. This case study is about the effects of absentee leadership on a department attempting to follow rules established by managers above them that would not support them when necessary. This study demonstrates the frustration when there is a lack of trust and communication.

The utility customer service department was positioned three steps down the organizational chart from the City Manager with an immediate supervisor who spent very little time in the office. When duties were explained to the new Business Manager, it was announce that the position was responsible for utility customer service and the statement used was “you have responsibility for the customer service department, but don’t go over there, they will drive you nuts.” After a short period on the job it became apparent that no senior management spent time in the department. The result was a customer service supervisor left completely on her own with no support from the chain of command.

It soon became painfully clear that someone needed to help customer service if they were to be successful. The office was comprised of a customer service supervisor and twelve clerks

responsible for utility customer service, utility billing, stormwater billing, lot mowing billing, and $250 million in assessment revenues.

From the very beginning, the goal was to implement a new computer system that improves efficiency while protecting jobs during rapid growth. However, communicating this in a manner that could be comprehended by existing personnel proved to be a difficult task. Analysis of data began with a review of accounts and flowcharting of processes. This process identified an initial problem that served to highlight the management situation in the utility office. The initial review was accomplished by "management by walking around" as each clerk was interviewed and office procedures flowcharted. It involved discussing functions with office personnel, writing down the procedures described, then transferring processes to a flowchart.

The first indicator of trouble came as the first clerk was interviewed. A review of accounts revealed a list of 64 properties owing betterment fees and 37 properties owing impact fees for a water installation project in the Palmetto Pines area of Cape Coral. An interesting part of this discovery was the fact that the list was discovered in a desk drawer located in the customer service department. This became an early indicator of management challenges discovered throughout the process.

Investigation revealed the betterment area was established by City Council in 1991 and a list was created for billing. Each affected owner was required to pay a betterment fee ranging from $960 to $1,440 depending on the size of their property. Additionally, an impact fee of $493 was charged. Many property owners paid immediately. However, City Council allowed citizens to voluntarily elect City financing for one or both fees. Financed betterment fees totaled $61,920 with $47,752 remaining after the initial deposit was collected. Financed impact fees totaled $18,931 with $15,033 remaining after the initial deposit.

The problem, as explained by department personnel, was that support for a billing system was never afforded to the utilities customer service office leaving them with no means of invoicing property owners. At the time of this action, Utilities Customer Service reported to the Utilities Department, collection responsibilities belonged to the City Clerk, and the City's information system belonged to the General Services Department. Due to the lack of management support, accounts were created on a spreadsheet, but not billed in 1991.

In 1993, the betterment list was discovered by the customer service supervisor. Again, support was sought through the chain of command to invoice the responsible property owners. At this time, liens were placed on each identified property by the City Clerk, but still no billing system established. The result, accounts were not billed in 1993. The list remained in a file drawer until discovered by the data analysis process established in early 1994. Discovery of this list moved betterment fee analysis higher on the priority list and lead to a bigger issue.

It is important to note that most of this lost revenue was recovered once billed in 1994. A billing account was established and letters issued to each property owner explaining that utility bills

were due. Except for a few properties that changed owners; citizens paid. It appeared they were just waiting on the City to bill them and it didn't seem to matter that the invoice was three years late.

The following are just a few of the major revenue problems discovered during this initial analysis: 1) water accounts were approximately 10,000 less than reported over the past several years, 2) wastewater accounts were approximately 6,000 less, 3) delinquent accounts were written off annually with little attempt to collect, 4) lot mowing carried over $1.2 million in delinquent accounts with no action taken, 5) assessment foreclosures were presented to the contract attorney for collection without proper research, resulting in the City spending approximately $10,000 in unnecessary attorney fees, 6) property strap changes were not recorded in our assessment program with necessary regularity resulting in several problems and double assessments, 7) delays in moving assessments, lot mowing, stormwater, betterment, and impact fee accounts to HTE created major address problems resulting in lost revenue and poor customer service, 8) An additional $2.3 million in betterment fees associated with line extensions were not billed, 9) there were virtually no policy or procedure manuals, and 10) daily account problems revealed by customers, and many other issues. This list is not inclusive as many other issues existed.

A betterment issue discovered during data analysis became a political football that still continues today. The 1996 list was compiled, containing over 24 properties owing approximately $716,160 for water, $1,203,955 for wastewater, and $386,727 for irrigation. This list combined for approximately $2,306,842 in betterment fees that should have been billed and collected by the City (Nov. 18, 1996). Many of the same properties from the 1996 list are included on the 2004 list (Dec. 28, 2004).

As noted earlier, the customer service supervisor was three levels from a senior decision maker and did not enjoy adequate support. Consequently, customer complaints were recorded at a peak level of approximately 200 per month. Flowcharts revealed that quality control was when the citizen received the bill. Customer service clerks were spending an abnormal time with angry customers.

It was apparent as the initial assessment was complete, that there were severe process issues in utilities customer service. It was decided to take a systematic approach and work on each sub-system in an attempt to correct the system as a whole. After an initial period of managing by walking around and creating flowcharts of noted processes, the improvement process began by working with teams from customer service to improve efficiency. As noted earlier, the City was growing at a rapid pace and the strategy remained to make sure the new computer system was cost efficient.

Communication to employees included instructions indicating the department would work to improve efficiencies to ensure that growth was handled through efficiency. Strategic plans keyed on not adding personnel unless absolutely necessary. However, even though it was constantly communicated that positions currently in the organization were safe, the informal structure reflected fear and mistrust. This was the first indication that the culture of the organization was an issue. It

appeared that no matter how much was communicated, office personnel thought that "the City has brought in a Ph.D.; he is measuring what we do….he is going to fire us." This skepticism was prevalent even though it was never said out loud. This attitude affected every aspect of the office and computer conversion.

The first twelve months produced numerous analysis and process improvement efforts. The structure of the organization was an immediate issue. With the exception of the supervisor, everyone in the office was at the same low pay level. Additionally, everyone was responsible for everything, but in actuality, no one was responsible for anything. The office configuration was as indicated in figure 1 below.

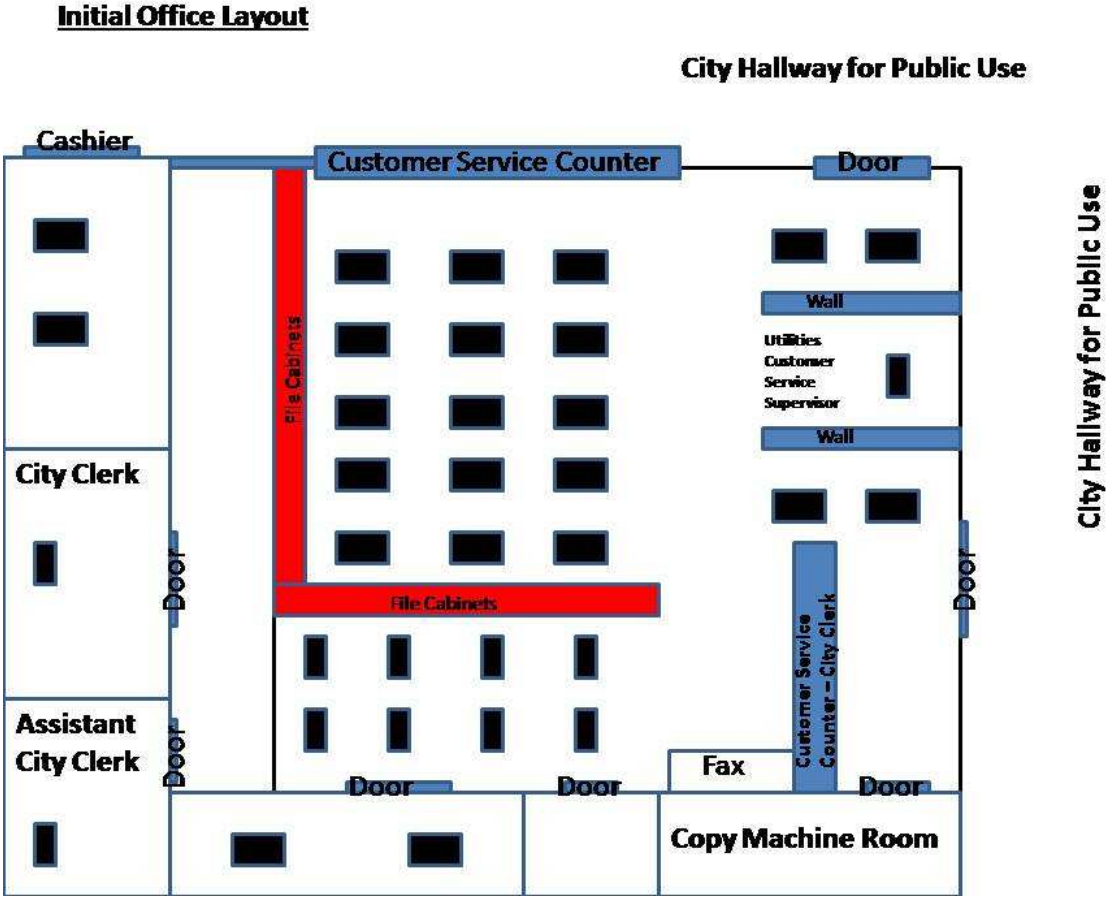

Figure 1: Original Layout of Utility Customer Service

When a customer came to the counter, the "next" clerk was responsible for waiting on them. This produced a situation where the customer knew exactly where they were in line, but office personnel seldom knew who was next. Billing for major City accounts was rotated among customer service

clerks in an effort to cross-train and reduce stress. The result was no quality control in the billing process. To compound this issue, as noted earlier, utility construction was responsible for reading Meters, utility customer service for billing, and the City Clerk's office was responsible for collecting funds.

Analysis of utility operations and implementation of the utility billing module for customer service was ongoing as we were attempting to improve quality control to reduce customer complaints. City Council approved a $1.7 million conversion to the HTE, Inc. software that included an IBM AS400 and support for conversion. However, they did not consider equipment to support the new system. Utility customer service was equipped with dummy terminals that worked with the WANG system, but did not support the windows based IBM AS400. Typewriters were still the word processors of choice and historical information was kept in numerous file cabinets located in the customer service area. The office did not have a dedicated facsimile or copy machine.

Willingness to change in the customer service department was a huge issue. As it became aware that job security was a concern, employees became very territorial of processes. The "we've always done it that way" book was somewhere in the office. It was quoted on a regular basis, but a copy was never produced. Analysis revealed that employees were basically experts at working eight hours per day and not very good with process control. Routine issues such as a customer complaint led clerks to file cabinets for hours for research on the history of an account. This, despite the fact that historical data was being kept in the new system and each month added history sufficient to make decisions and take corrective action.

The department created an extensive report each month that included most of the key data elements required for decision making. This report was created on a monthly basis and forwarded to members of the chain of command. The problem that surfaced when the monthly reports were consolidated into one continuous spreadsheet was that account data had been recorded erroneously and carried from month to month. This resulted in a recent utility rate study using erroneous data and forecasts being inaccurate. Although the report was forwarded to the entire chain of command religiously, no one checked the data.

It is virtually impossible to list all of the issues facing this department, but after a period of analysis, it was determined that management needed to concentrate on several critical areas. These included: 1) account integrity, 2) policy and procedures manuals based on the approved City ordinances, 3) future Planned Development Process (PDP) responses must include revenue collection, 4) management process improvement, 5) quality control, and 6) reporting procedures. Additionally, and probably the most important was structural changes that would assign responsibility.

The established structure and processes placed the customer service supervisor in a position of defending City ordinances to angry citizens several times per day. Due to a lack of control processes, quality control was triggered when a customer received an erroneous bill. Customer service personnel tried to ensure that money owed the City was collected in accordance with City ordinance. When a customer lodged a complaint, it was investigated fairly and reduced if

allowable. However, they did not have management support when citizens did not like the results of the analysis. In one instance a citizen owing more that he felt necessary for water boasted "I will find someone who will reduce this bill". In fact, he did find the Assistant City Manager who promptly demanded that this citizen's bill be reduced. To combat this, a new policy was established to comply to the superiors demands, but to compiled a history of the incident and required him/her to sign accepting responsibility that he/she reduced a bill even though the citizen was clearly not in compliance with City ordinance. This action immediately stopped the Assistant City Manager and others of siding with citizens without checking facts.

The initial location for the first Business Manager was a very nice office in the county building afforded as a centralized location. This office was comfortable with a view and plenty of room. It was soon realized that if conversion were to be successful, utilities customer service was a key to quality control, data analysis and computer implementation. To this end, the City Clerk was encouraged to move her copy machine so that the Business Manager could occupy a room in the back of the customer service bay. This room had no windows or size, but it was near the employees needing immediate attention. The move to City Hall ended the analysis phase and began a second phase to improve processes and quality control.

Analysis revealed numerous red flags that required immediate attention. Additionally, there were many long term issues that, although not pressing, demanded a plan of action and immediate implementation. Compounding the problems discovered during analysis were a fast growing City with $250 in assessments plus betterment fees, stormwater fees, impact fees, monthly utility bills, lot mowing billing, and new construction connections. To complement this, the City was in the middle of an ongoing rate analysis that was not receiving citizen support. The new Business Manager position was responsible for almost every controversial issue in the city.

In a very short period, the Business Manager position was promoted to department director status and the Office for Business Management and Information (OBMI) was formed. The new department consisted of the City's information systems and revenue collection which included utility customer service. This action provided the clout necessary to affect immediate change.

Customer service was an immediate concern. As noted earlier, quality control was at the end of the billing process. Morale in the office was extremely low due to customer complaints. The ***Structure*** of the department did not allow for accountability as everyone was the same pay scale with the exception of the supervisor. ***Data*** was limited and unreliable. This was a long term issue with immediate consequences. Management ***support***, or lack of, created an atmosphere of distrust and uncertainty. ***Education and training*** was an area that needed immediate attention due to changing systems and growth. ***Processes*** were either non-existent or not recorded. The absence of operating manuals and basic flowcharts spoke volumes to the customer service issues found in the analysis.

The first priority was to stop the bleeding. It was determined that with so many issues before the department, the best first move would be defensive. Moved paragraphs to below….. To that end,

the hardest thing to do is change and existing culture. It was determined that the first management initiative should include a long term plan to improve the culture in utilities customer service. The chart (figure 2) below demonstrates the elements of an organizational culture.

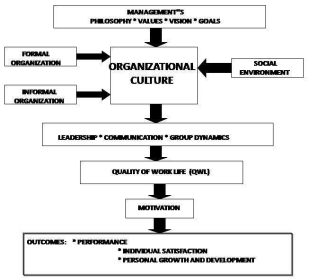

Figure 2: Organizational Culture

Of the three main elements; formal, informal, and social organizations, two of them were dangerously flawed. The social element was intact as members of the office got along pretty well and they had a common enemy in the new manager that seemed to unite them. The key was to channel that energy towards the goal of quality customer service. Therefore, the formal and informal organization became the focus for improvement.

Change in organizational culture must be accomplished over a long term period. However, the problems in utility customer service required immediate attention. The informal organization consists of internal leaders other than those on the organizational chart and how office talk reflects on the overall attitude. In a strong organization this is positive resulting in a positive image. Unfortunately, in this case the talk was negative and word spread throughout the City. In the short term there was no quick fix for the informal organization. It was decided that if the formal organization were corrected, the informal and social organization would follow in time.

After weeks of working through the academic aspects of organizational behavior including surveys, quality groups, workshops, training, and extensive communication, it was apparent that resistance to change was paramount. If change were to be effected, it would have to be dictated by the manager without further input from office personnel. While this is never recommended, it became the only option.

To accomplish changes required, a crew of workers from outside the office was assembled on a Sunday morning. Through prior planning, equipment was prepositioned and storage was secured. As noted earlier, the office utilized 25 file cabinets with information stored on the new computer system and typewriters even though the new system contained a word processor.

Upon completion, the new office had partisans separating utility customer service and the City

Clerk's office. Additionally, the customer service supervisor was placed in an enclosed area with windows to monitor operations and privacy to discuss issues with employees and customers. The front counter now housed four computers with stools for on duty clerks to wait on customers. A rope now placed customers in line with a sign that stated "Wait here for the next available clerk". Six clerks were assigned to customer service only.

The old supervisor area became a phone bank manned by two customer service clerks. Six billing positions were created for the billing process and placed behind a wall for privacy. Two of the positions were vacant which allowed for consolidation of the two positions and approval to hire an accounts supervisor. The door in front was converted to a counter door and utilized for new construction. Two clerks were assigned specifically to that position. The new office configuration looked is shown in figure 3.

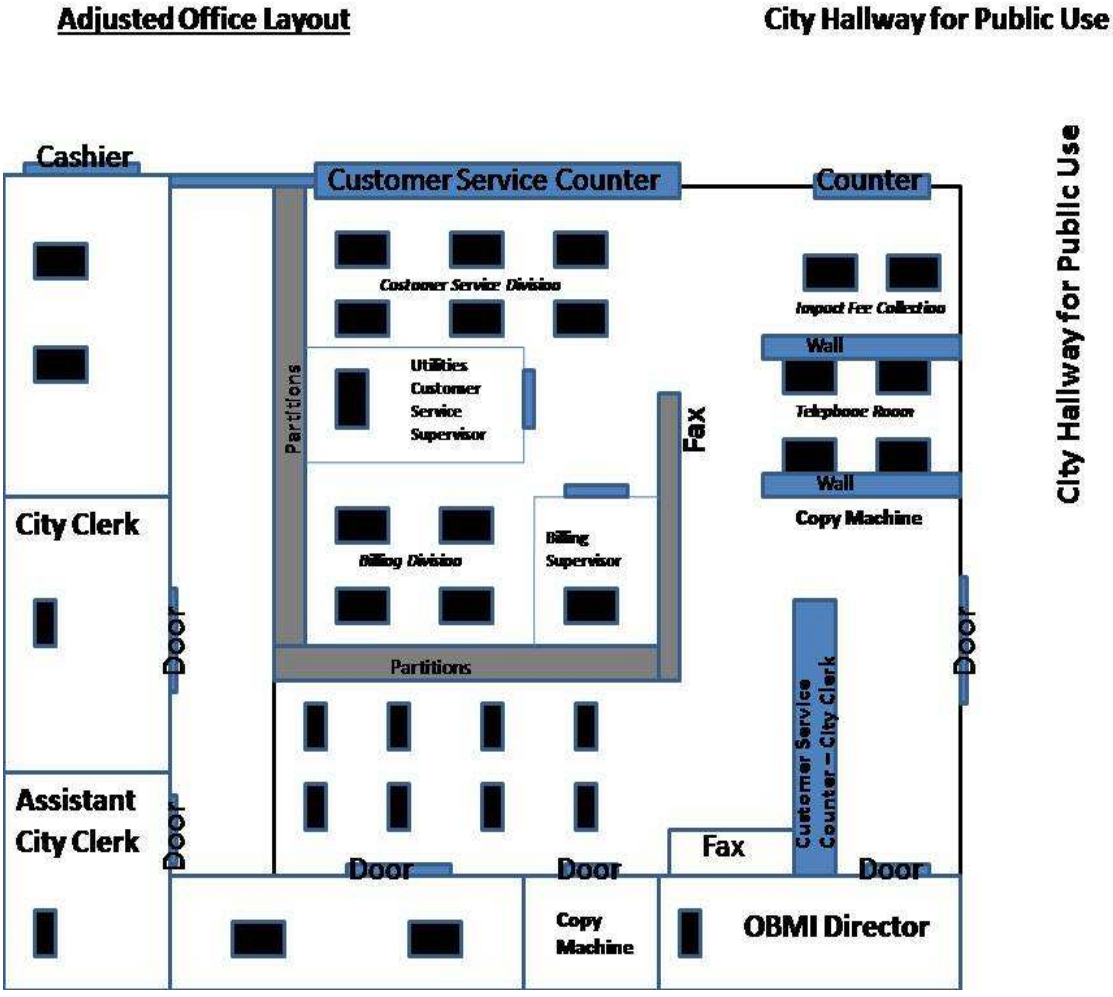

Figure 3: Revised Office Configuration

Effective immediately, members of utilities customer service assumed individual responsibilities as depicted below.

Utilities Customer Service was divided into three teams; 1) New Accounts (Construction), 2) Customer Service, and 3) Utility Billing. Each member is responsible for everything accomplished by that team. Additionally, all members of Utility Customer Service will be trained to help other teams during peak periods. Team responsibilities include; 1) Working as a team to establish team customer service coverage at all times. (i.e., ensuring that enough team members are always present to accomplish your team mission or coordinating through the Staff Assistant for support from other teams), 2) *Providing quality customer service to all utility customers in a timely fashion*, 3) working with each team member to ensure all individual responsibilities are accomplished, 4) work together as a team in all areas, and 5) establish and maintain monthly team reports.

Each member of utilities customer service assumed responsibility for several individual areas within their respective team. That responsibility dictated that the individual; 1) establish and maintain reports, 2) become the expert on individual responsibilities in the HTE Computer System, 3) establish and maintain desk procedures for individual responsibilities, 4) establish and maintain a monthly reporting system, 5) ensure inclusion in the administrative policy manual, 6) obtain and maintain all historical data, and 7) ensure the other team members are trained on established procedures.

Each team was made responsible for monthly team reports. These reports included, but not limited to the following; 1) all transactions conducted by that team for the month, 2) historical data for the past three years, and 3) any trends or potential problems noted during the month.

To ensure quality customer service and data integrity, the office was challenged to work as a customer service team. To accomplish this, the following ideals were instilled:

1) Strive to become the best customer service representative in Cape Coral. Even though the customer may not always be right, never let them leave feeling that we don't care about their individual concern.

2) Strive to become an expert on the HTE Computer System. First on your individual and team functions, and then on all customer service functions.

3) Become a "can-do" team member. It is easy to find a way not to complete a requirement, winners find a way to make it happen. Never say that you cannot do something until you are sure that is the right answer. Then strive to find an alternative solution.

4) Always be a professional. Develop a reputation for immediate response to customer concerns. Strive to produce reports. Constantly look for methods to improve procedures.

5) Always be a team player. Never ignore a customer because the question does not fall in your individual responsibility matrix. Pass information to other team members when you work with customers in their effected area of responsibility.

6) Strive to make your individual and team responsibilities the best and most efficient in the department. Quality customer service is the main goal.

7) Constantly look for methods of self improvement. Plan at least one professional development class per year. Strive to learn all functions of utility customer service. Continue to share knowledge with other team members.

8) Be immediately responsive to customers at the counter or on the phone. Never tolerate anything else from fellow team members. Notify the chain of command of anything less that quality customer service. Take corrective action.

9) Remember that the team consists of everyone dealing with our customers. This includes the Director, Construction Maintenance (Meter Readers), City Clerk, and anyone else dealing with utility customers.

In addition to the physical and philosophy changes made during the first year, communication became paramount. Each proposed change was presented to committees comprised of customer service personnel. This effort to include employees in the decision making process was designed to utilize experienced personnel, enhance morale, and build continuity. However, it appeared that nothing seemed to work. The prevailing culture was still "the City brought in a Ph.d.; he is measuring what we do and making changes, ……..he is going to fire us". Although this was never spoken, it was definitely a part of the daily culture.

On Monday morning, there was a mini-revolt when employees reported to work. There was strong opposition to individual responsibility instead of working as a group. There was not much internal communication as employees settled into their new roles, but political action was swift. By lunchtime, a council member was in the office of the City Manager demanding that the new OBMI Director be immediately fired. Understand this was without gathering one fact nor talking to the director. A subsequent meeting between the director and the council member cleared several issues and resulted in a mutual understanding of the processes involved.

Corrective Measures Show Results

Organizational change became apparent when customer complaints slowed to a trickle. As luck would have it, a facsimile machine and copier arrive ahead of schedule of the very Monday the new office was configured. Also flowcharting processes and assigning responsibility began to pay off shortly after the office changes were initiated. For a few weeks employees walked the two blocks to the fire station to review data in the 25 file cabinets, but that slowly came to a halt that the computer proved more than adequate to analyze customer complaints.

With responsibilities divided equally among employees and exception reports finding problems during the process, the customer ceased to be the source of quality control. Mistakes or irregularities were caught prior to sending out bills. This vastly improved morale as employees did not have to deal with angry customers. The OBMI Director being onsite due to the office change also allowed for support when there was a conflict. Therefore, the slow healing of the culture had started.

The event that changed the organizational culture was a compensation study by DMG consulting. The model used by DMG required a survey where each employee described their duties. To facilitate this, the OMBI Director worked with each employee to ensure that all responsibilities were thoroughly defined. At the same time, another City office with virtually the same level of employees allowed each employee to complete their survey without supervision. The result was significant raises for OBMI customer service personnel and very little for the sister office. This helped morale and trust considerably.

The DMG study provided a much-needed opportunity to change the organization chart. The office was totally restructured to provide a customer service supervisor, utility billing supervisor, customer service clerks, and billing clerks. The new DMG structure provided a tiered pay scale based on responsibility. This provided opportunities for promotion and pay raises based on performance.

Training was intensified to ensure the original goal of improving efficiency instead of hiring new personnel. The new computer system was successfully providing service despite record growth. Additionally, not one utility customer service employee was fired, moved, or released. The utility billing supervisor was created from two vacant positions and provided the office with management for the billing system. Employees were positioned by their strengths and experience. The results of initiatives were significant reduction in customer complains in the utility customer service division (See Table 1).

	January	**February**	**March**	**April**	**May**	**June**	**July**	**August**	**September**	**October**	**November**	**December**
1993	251	293	291	302	198	187	191	215	200	232	195	242
1996	46	51	43	55	47	50	53	40	48	57	54	42

Table 1: Customer Complaints

Quality management under the new system provided for leadership, training, and motivation to continuous improve the organization's management and operations. OBMI worked towards quality improvement through dedication to:

- Simultaneous improvement of technical performance while reducing cycle time and cost.
- Recognition of quality as the presence of value, rather than just the absence of defects.
- Focus on prevention rather than "find and fix".

- A working environment where all employees seek continuous improvement.
- Organizational discipline to practice the new behaviors day after day.
- Cross-functional orientation and teamwork.
- Focus on the product/service and the process.
- Customer partnerships working on improvement.

As depicted in figure 4, a utility customer service office is a system consisting of several sub-systems. Employees were responsible for quality, but did not always control the outputs that became inputs to their product. This is true in many organizations. Utility construction maintenance still supervised Meter reading and the City Clerk controlled the cashier. This made the exception reports produced by the computer system critical to quality. Supervisors must review each point on the functional flowchart for errors and take immediate action to make corrections.

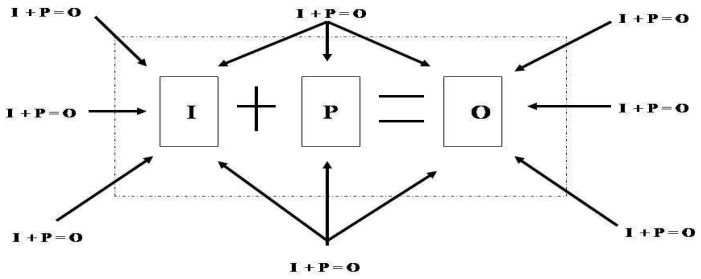

Figure 4: A Systems Approach to Management

As noted in figure 5, the processes established were designed to ensure that the department controlled as much of each variable as possible. It is virtually impossible to eliminate every complaint. However, the significant decreased allowed personnel to concentrate on important issues within the department.

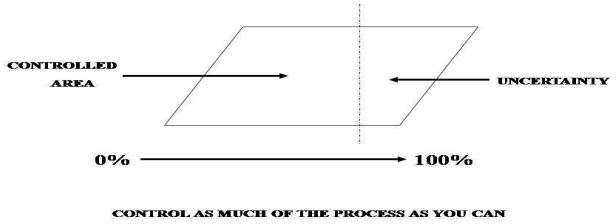

Figure 5: Systems Control Model

This effort to control mistakes was led by a simple philosophy of "Pride in Ownership". This

philosophy referred to employees' attitude toward their job. Employees' should approach their duties as if the business belonged to them. "Pride in Ownership" means: 1) being the expert in the field, 2) understanding the history behind each decision, 3) confidence in information provided to the public, 4) constantly looking for ways to improve processes, 5) working with City staff and outside agencies to improve quality, 6) learning every aspect of the computer program that helps you manage your program, 7) Providing timely and accurate information to the public, 8) conducting "what-if" analysis to improve customer relations and system errors, and 9) many other aspects designed to create a quality atmosphere and a positive public image.

Throughout this year long process it is important to note that no personnel were replaced. Instead, employees were moved to positions where they had strengths. Over time and despite City bureaucracy, utilities customer service was able to add windows based computers that supported the new computer system. Another critical element was the fact that efficiency was accomplished without a significant increase in the department budget. As noted, the original goal was to ensure the new computer system provided the efficiency necessary to handle growth. Despite cultural obstacles, this goal was successful.

From a theoretical perspective, the case study represents a hybrid approach between modern and postmodern management principles. These two theories are contrasted in table 2, which was taken from Boje and Dennehy's , "Modern versus Postmodern Principles of Management" (1993).

As you can see, both modern and postmodern approaches were used to bring the Customer Service Function to an appropriate functioning level. Given the total dysfunction of the existing processes, coupled with the culture of fear and unwillingness to adopt more modern processes or respond to mainstream academic approaches to effect organizational change, the Business Manager could not adopt all of what some would consider the most progress management principles. For example, given the chaos born by the existing processes, he focused on short term goals to "stop the bleeding." The initial approach of having "everybody responsible for everything" was rejected in favor of a more traditional and some would argue less progressive management practices designed around specialization, documented procedures, and a taller structured organization with supervisory controls.

In other respects, the Business Manager used the postmodern concepts to affect change. This can be seen in his use of teams, support for better compensation, and his focus on and concern for the staff. As the organization matures, more of the postmodern aspects of management may come into play.

Table 2: Modern versus Postmodern Principles of Management

	MODERN	POSTMODERN
Planning	1. * Short term profit goals 2. * Mass production 3. * Worker is a cost. 4. * Vertical planning. 5. * Top down focus. 6. * Planning leads to order.	1. * Long term profit goals. 2. * Flexible production. 3. * Worker is an investment. 4. * Horizontal planning. 5. * Internal and external customer focus. 6. * Planning leads to disorder and confusion.
Organizing	1. * One man, one job and de-skilled jobs. 2. * Labor-management confrontation. 3. * Division of departments. 4. * Tall is better 5. * Homogeneity is strength. 6. * Top has voice & diversity is tolerated. 7. * Efficiency increases with specialization, formalization, routinization, fragmentation, division of labor.	1. * Work teams, multi-skilled workers. 2. * Labor-management cooperation. 3. * Flexible networks with permeable boundaries. 4. * Flat is better. 5. * Diversity is strength. 6. * Many-voices and diversity is an asset. 7. * Efficiency decreases with specialization, formalization, routinization, fragmentation, and division of labor.
Influencing	1. * Authority vested in superior. 2. * Extrinsic rewards and punishments. 3. * Surveillance mechanisms everywhere. 4. * Women paid 68% of men; minorities paid less. 5. * Discourse is white male-based. 6. * Individual incentives	1. * Authority delegated to leaders by teams. 2. * Intrinsic, empowered, ownership over work process. 3. * People are self-disciplined. 4. * Women and minorities equally paid. 5. * Polyvocal/polylogic discourse. 6. * Team incentives.
Leading	1. * Theory X or Y 2. * Centralized with many layers and rules. 3. * Boss centered. 4. * White male career tracks. 5. * Tell them what to do.	1. * Theory S (Servant Leadership) 2. * Decentralized with few layers and wide spans. 3. * People centered. 4. * Tracks for women and minorities. 5. * Visionary
Controlling	1. * Centralized control. 2. * End-of-line inspection. 3. * Micro surveillance. 4. * Red tape. 5. * Lots of procedures, rules, MBO & computers for surveillance. 6. * Train top of pyramid. 7. * Measure result criteria. 8. * Hoard information. 9. * Fear-based controls.	1. * Decentralized control. 2. * Quality control is everyone's job. 3. * Two-way surveillance. 4. * Cut red tape. 5. * Dump procedures. 6. * Train people. 7. * Measure process criteria. 8. * Information is given to all. 9. * Self-control.

In conclusion, this case study illustrates the growing pains of a new city. It is difficult enough to change an organizational culture, let alone add in numerous operational problems and a dynamic political atmosphere. There is not enough space in this case analysis to cover all of the outside influences on the situation described. This case deals with utilities customer service. Future case analysis will address many of the other issues alluded to in this study.

References

Betterment list, personal communication, November 18, 1996.

Cape Coral City Manager (Memo from the Finance Director dated December 28, 2004)

David Boje and Robert Dennehy's Managing in the Postmodern World, 3rd Edition September 2000.

Questions

1. As the new City Manager for a City of 85,000, you are faced with this situation and it requires immediate managerial attention. During your analysis period you determine that internal and external environmental factors create a need for a systematic approach to management. You hire a Business Manager to solve the situation. What would you do to support the newly hired manager? Explain.
2. Understanding that no case study can completely list every issue, what management concerns do you think exists that were not addressed by this case analysis?
3. What cultural issues do you see in this case analysis? Did the Business Manager approach them correctly? What would you do?
4. Did the manager make the correct decision to take unilateral action on a Sunday without further consultation with employees? Explain.
5. What process issues can be identified in this case analysis? Explain.
6. What political concerns would you have if you were the manager of this organization?
7. What management considerations would you give to the organizational structure? Explain.
8. Would you approach the division of responsibilities differently? Justify your response in management terms.
9. Did the new manager make the right decision when he decided not to fire or remove any of the existing personnel? How would you approach this situation?
10. What is the single most important managerial challenge of this case? Justify your response.
11. Did the manager succeed in changing the organizational culture? Do you think he should have used more of the postmodern philosophy in making his changes? Why?