Case Analysis

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I. Strategic Profile and Case Analysis Purpose

Pederson Energy Corporation (PEC) operates across 23 international field offices with three main branches: exploration and development, production, and marketing and distribution. Staffers in the Information Research and Competitive Development (IC) department operate within PEC’s headquarters in the United States, as well as within their six regional offices (United Arab Emirates, Australia, Brazil, Canada, China, and Indonesia) with each IC staffer specializing most of his/her time on one of PEC’s main branches. The stratified department across continents and branches is riddled with communication gaps based on language, culture, and branch specialty. This case analysis serves to correct the inefficiencies within this stratified department and seeks to find resolutions that foster helpful communication between IC department staff, as well as between the department and folks in the field.

II. Situation Analysis

As a whole, the change of demands in sustainability require more research and a large focus on sustainability can change an energy company’s stakeholders. Technology enables research to be conducted at all hours through the internet. Communication through the internet also enables departments across the globe to stay connected with one another. The fact that energy companies serve a global market means that they need to be aware of different energy needs based on geography, as well as different opportunities for energy geographically. For example, an energy company may rely on oil as a source of income in the Middle East, but may be able to count more on income from wind energy in the Midwest United States. Employing folks of different cultures and languages empowers companies to have a wider problem-solving lens, as well as to gain insight into local markets and values.
Express Information Services, LLC (EIS) is an information brokerage firm in the same
town as PEC’s headquarters. EIS has a small staff and its focus is managing and handling data,
and conducting research. Unlike PEC’s specialized department, EIS staff are largely contracted
and do not necessarily have one topic in which they specialize. However, much like PEC, much
of EIS’s model is built around using databases through the Internet to conduct research. EIS has
fewer database subscriptions, as well as a smaller physical collection, is not focused on only
energy, and employs much fewer staff than PEC.

Pederson Energy Corp. utilizes technology to research and access information pertinent
to its offices and field workers. Sustainability is a core value of the company and a “challenge”
to which PEC is dedicated. By the 23 field locations and six regional offices throughout the
world, it is clear that PEC has a stronghold in the global energy market. Within PEC’s global
locations, there are a myriad of cultures represented by information professionals and field
workers.

III. Environmental Opportunities and Threats and Firm Strengths and Weaknesses

The IC department has an incredible opportunity to connect its international employees
with one another. By doing so, the information department would be strengthened by its diverse
problem-solving, intellectual, and research experience and perspectives. Without strengthening
the department’s multicultural education, PEC is threatened by research that simply will not
happen. If the regional offices do not have a fair and objective process which they follow to
prioritize research requests from field offices, then information professionals making subjective
calls at regional offices could potentially cost PEC a lot of money. A field office may have an
important request, but if it is not deemed “important” by an information staffer, then the request
may be thrown to the bottom of the priority list.
A strength of PEC is its stronghold in the global energy market. The mere fact that PEC has so many locations throughout the world demonstrates that the IC department is conducting good and informative research. Without the research from the IC team, field workers, and regional officers would not be able to make big decisions that ultimately make the company more money. IC’s greatest weakness is its lack of cohesion between branches and between field and regional offices.

IV. Strategic Formulation

Just as IC director, Sally Long’s traveling and research about her department took over three years; so will the implementation of a strategic action plan. The goal is to implement changes steadily and slowly so that the department can still conduct all of the research it needs, while becoming more cohesive and effective as a department. With this in mind, there are three proposed strategic alternatives. All proposals seek to address the problems presented by a culturally and intellectually stratified department.

The first strategic alternative is to mandate cultural trainings to the IC department. In this alternative, managers and assistant managers would attend an intensive cultural training relevant to their region of the world. One session would include information about how to train other staff in multicultural communication. While this would educate employees, and perhaps improve relationships with the field offices, this alternative does not address the stratifications across PEC’s information branches.

The second strategic alternative is to create a network between IC managers and assistant managers across branches. Managers and assistant managers could meet with one another monthly, perhaps on a conference call, and in an ongoing chatroom, wherein they could discuss research or other logistical issues they encounter. This alternative would benefit the branches of
PEC by encouraging the information professionals to engage in problem solving together. However, this alternative does not address creating more cohesiveness between the field offices and the regional offices.

The third, and most comprehensive strategic alternative is to restructure the IC department so that positions are not always focused on one department of PEC. Each field office would have their own designated information professional who would work onsite, and at the closest regional office. Some field offices may even be able to share one information professional. This way, each field office would have an advocate and representative familiar with both the cultural climates of the field and of the regional office. While restructuring a department would involve extensive training and take years to fully implement, as well as a certain amount of trial and error, doing so would lessen the inconsistent demands on a IC branch at any given time, as well as give more equity to each field office’s requests.

V. Strategic Alternative Implementation

In order to address concerns about cultural differences between field offices and regional offices, each field office will be assigned an information professional. That information professional will work under the regional manager as a field representative. Each representative would travel to his or her field office several times a year, work on large projects for the field office, and also serve as a middle man when questions about their research arose from other researchers. Field representatives would undergo cultural training, as well as conduct cultural trainings. Small, more routine research requests would be handled at the regional level in the order which they were received. If a researcher had a problem or question about an information request, or thought the project would be too long for a routine research inquiry, they would first consult that field office’s representative. The field office representative could either take the
request, or give guidance to other researchers so that they could complete the request. This restructuring addresses two concerns: that research requests are handled in a subjective manner based on which field office inquired, and also a top-heavy model which has many people at the top of the food chain.

In order for this plan to be implemented, regional managers would first have to make their tours of field offices. Then regional managers would have to consider field representatives for each field office and field managers would need to meet and interview their representatives in conjunction with the regional manager. Cultural training research would then have to be conducted, as well as attended by regional managers and field representatives. Finally, the regular information professionals would have to undergo training about other types of databases and research techniques since they would not necessarily be responding to one type of research inquiry.

The process to restructuring the IC department is long and would take years to implement. However, the department would be able to run more smoothly as an inter-relational department, rather than as a stand-alone, stratified department. The more integrated IC can become with the field offices it serves, the happier field workers will be.