

Turf Wars: A No-Win Situation.

Imagine the heads of typical public relations, promotions and direct marketing departments or even worse, *divisions* of a large agency, paying a visit to one of their company's clients.

The client asks for their recommendations on how to solve a marketing problem. The head of the public relations department advises to move more money from the other areas into PR (because her compensation is directly related to the amount of billing that her department has). Not so surprisingly, for the same reason, the other department or division heads follow suit.

The result is what Don Schultz of Northwestern University calls a "silo mentality." The term aptly describes people working as if they're deep inside a silo, who can only see their own world, and who are oblivious to anything going on outside their own. A place where people are confused about, or distracted from, their intended role of giving clients the professional advice they're paying for. Departments in service organizations often create conflicts of interest between what the client wants and how

Pyramids Are Tombs

something is done in a specific department or what a department wants to “sell.”

The department develops ways that are most efficient for producing what they normally produce. Sometimes the client’s special needs just get in the way. (“We don’t do it like that in this department.”) We’ve all been exposed to this attitude at different times in our lives. We invariably come away thinking, “Hey, who’s the customer here, anyway?”

Departments often resist collaboration with other departments because they won’t be compensated for the time they spend – since their compensation is dependant on the revenue that flows through their department.

Departments have department *directors* who are most often compensated by how much revenue flows through their department. This can be a financial incentive to put the department’s needs ahead of the client’s best interest. This conflict of interest can set up turf wars over how different departments want to carve up a client’s budget.

Imagine an insurance agency where the life insurance department wants to maximize the client’s expenditure

Self-directed Teams

for life insurance, while the property insurance department wants to maximize the client's expenditure for property insurance. Whose interest is at heart? The client's? Or the department's?

So, who's the client to believe? This is why so many clients eventually feel that they are being ill-served by their "professional" partners?