

Conflict and Communication on Project Aerial Emma Richardson squinted at the TerraCog GPS (Global Positioning System) prototype in her hand. The first message was from Allen Roth, the director of design & development (see Exhibits 1 and 2 for an Organizational Chart and brief biographies of key managers):

"Emma, it's Allen. Listen, Tony and I have been over these cost numbers on Aerial. We cut all that we could and we ended up with only 7% or 8% reduction to cost. Unfortunately don't think this will get us to the price point that Sales is looking for. But I don't need to remind you that we gave Sales the features and functionality they wanted in Aerial, so I'm not going to back now to ask my team to do the impossible. We'll hash it out tomorrow, but I figured it best you hear it from me." The second message was from her boss, Richard Fiero, the company president: "Emma, I wanted to check on Aerial. I heard grumbling from Ed and sales team on Friday. They seemed frustrated with Tony Barren's production team. Make sure Production has its act together. Tony should know he's on thin ice after the recent production fiasco on that soar project— he's got to succeed on Aerial. We need to have Aerial on shelves at the start of Q3. Some board members are worried, so Aerial will be near the top of the agenda at the .board meeting next month." Neither message was encouraging