

Renewing Kid Meal Toys (B)

Making a Decision

The silence was brief because Frank was tired of debating and inaction. He portentously leaned in over the table and announced, “I’m paid to have answers and I have the answer.” Frank assertively said that there was a simple solution to keep the QSR business, satisfy the client, increase margins, make kids happier, keep the team employed, and bring joy back to kid meals and the toys that went with them. He had captured everyone’s attention, including Steve’s.

Frank spelled out a four-part plan. “First, we’ll cut the 17 month cycle-time to 9 months. Second, we’ll squeeze costs out of our overall approach to toy production, at every point. We’ll renegotiate raw materials and factory contracts to drive costs down. We’ll get more concessions from the studios. Third, we’ll work the studios harder to get access to better properties earlier, and lock them up before competition has a chance to negotiate for them. Fourth, we’ll show the franchisees how to better merchandise kid meals, so that they can build up volumes again.

Frank was tired debating; he just wanted get on with it. He conveyed to the team that it didn’t matter which direction the team took so long as it took action. On the one hand, people were relieved that they were going to do something. Indeed, the room quickly buzzed with excitement. Several of Frank’s team members acknowledged that steps in the production process could be reduced in number with the steps remaining accelerated. They saw opportunities to work with the factories to lower costs. They knew many people at the Hollywood studios, which should help with negotiating for contract concessions. On the other hand, several team members remained silent with a few dropping their eyes out of the conversation.

Those in the meeting who did not jump on the bandwagon that was accelerating offered no alternatives or criticism. Few wanted to go against Frank’s power and personality. Only a couple questions offered any devils advocacy and very little discussion ensued around the questions that had been asked. Around the table, the senior team awaited Steve’s response. Steve said little.

Feeling no resistance to his solution, Frank offered the piece-de-resistance of his plan. “We need to go and sell our client harder. We need to blow them away with the best presentation they’ve ever seen. We need to make sure our enthusiasm is contagious. They need to get passionate and get focused. We need to help them with that.”

Frank’s plan was to fix what he could so that the firm could get better at what they were doing. More importantly, he believed that he had to sell their client harder, making the presentation bigger, better, and flashier. Better, faster, cheaper is what he felt the client was looking for and needed. After the meeting concluded, Steve reflected on the discussion and wondered if he had made the right call. Did the group come up with the best possible plan?