Seagate Technology*

A case (with teaching note) on the role of senior business leaders in driving work/life cultural change.

Phyllis Siegel,
Rutgers the State University of New Jersey

The Wharton Work/Life Roundtable
A Division of the Wharton Work/Life Integration Project
University of Pennsylvania

Seagate Technology

Executive Summary

Seagate Technology, Inc. designs, manufactures, and markets products for storage, retrieval, and management of data computer and data communications systems. The company has 85,000 employees located around the world. The case is centered on the Enterprise Storage group (ESP), a business segment that comprises roughly 40 percent of Seagate's total annual sales and specializes in the design, manufacturing, and the marketing of ultra high performance disc drives.

Beginning in early 1998, Seagate shifted to a team-based work environment that involved redesigning the organization into core teams. CEO Steve Luczo and CTO Tom Porter characterized the core team restructuring as necessary to ensure the company's time-to-market (TTM) leadership, continued product performance, competitive advantage, and profitability. As of January 1999, there were a total of 17 core teams in operation at Seagate sites in Minnesota, Colorado, Oklahoma, and Singapore.

With major changes underway at Seagate, John Weyandt, the senior vice president in charge of ESG, articulated his business objectives as faster time to market, and employee work/life balance.

The case looks at the core team change initiative in the context of achieving employee work/life balance. In particular, the case examines: the role of key individuals in managing the change process; initial outcomes with respect to the TTM objective; initial outcomes with respect to the work/life balance objective; and remaining challenges as Seagate continues to manage the change process.

Several players are part of the case. Key change agents are Esther Williams (manager, Corporate Benefits) and Sue Eklund (in charge of Training, Organizational Learning, and Development for Seagate's Twin Cities Operations (TCO)), who have been indispensable in their roles as champions of change. They have been the energy force that has focused TCO and the ESG on the importance of work/life issues. Their success in getting both senior leaders and grassroots employees to embrace work/life balance as an important business objective is, in part, a function of their dogged persistence in dialoguing with individuals to the point that "when they start thinking differently, they act differently."

Key players from Seagate's senior leadership include Tom Porter, who champions work/life by providing financial resources for various work/life initiatives and related programs, making himself available to speak with Esther and Sue on work/life issues, and being supportive and accommodating of his employees' needs. While an "enabler" and motivator, he views work/life balance as a byproduct of TTM rather than a means to an end.

Another key senior leader, John Weyandt, has made a visible commitment to work/life balance by stating this up-front at a meeting with the CEO and other corporate executives. As a leader of change, he demonstrates the importance of work/life balance by walking the talk.

.

Seagate Technology[1]

Phyllis Siegel

The Wharton Work/Life Roundtable
September 2000

It's the end of a long executive meeting. Esther Williams steps out of the conference room where the discussion has revolved around "core teams" and how they are going to help Seagate meet its objective of faster time to market, which is being pushed aggressively by the company's CEO. She has just spent three hours listening to presentations about how Seagate's work is going to be transformed, and she's wondering whether there's a place for work/life balance in the face of all this fast-paced change.

Esther Williams, Seagate's manager of Corporate Benefits, reaches for her cell phone to call Sue Eklund and discuss the meeting. Eklund is in charge of Training, Learning, and Development for Seagate's Twin Cities Operations (TCO).

Sue Eklund and Esther Williams first met in October 1997. They are the self-described "co-conspirators" who have focused TCO and the Enterprise Storage group on the importance of work/life issues.

When they met, Esther Williams was in the process of formulating her vision for work/life programs and looking to secure support from Seagate's corporate management. Sue was struggling to develop a leadership model for TCO. Sue Eklund's manager suggested that she contact Esther Williams to ask for some feedback. They've been working together ever since, against the backdrop of a highly competitive industry and a diverse and dispersed company where technology change of one kind or another can seem like an almost everyday event.

The company and its financial performance

Seagate designs, manufactures, and markets products for storage, retrieval, and management of data on computer and data communications systems. Founded in 1979, Seagate today is an eclectic company, thanks to a host of mergers and acquisitions. From 1985 through 1997, Seagate acquired approximately fifteen businesses and invested in or

---

[1] This case pertains to events at Seagate Technology up to June 1999.

merged with at least seven additional companies. In its first decade, Seagate established itself in the low-cost, high-volume market niche of disc drives, a position analogous to that of K-Mart in the discount retailing industry and was known for its production-driven mentality.

Overall, Seagate employs about 85,000 people worldwide. The company's headquarters are in Scotts Valley, California. (**Exhibit 1** presents a snapshot of Seagate's organization chart.)

For the fiscal year that ended on July 3, 1998, Seagate's revenues were $6.82 billion, a decline of approximately 23.7 percent from the previous year's $8.94 billion. The losses for FYE 7/3/98 totaled $530 million, compared to net income of $658 million for the previous year. (**Exhibit 2** presents Seagate's annual financial performance.)

Senior management attributed the decline in revenue to

> a continuing decline in the average unit sales prices of the company's products as a result of intensely competitive market conditions, a lower level of unit shipments reflecting continuing weakness in demand for the company's disc drive products and a shift in mix away from the company's higher priced products.

> — Seagate 1998 annual report

On June 28, 1999, Seagate Technology announced that due to weaker-than-expected demand for its disc drive products, together with price deterioration for its desktop disc drive products, it would not meet its earnings estimate for its fourth fiscal quarter ending July 2. The company was not alone in its lowered earnings expectations: the storage industry is very competitive, and dropping prices affect all disc drive manufacturers — who find they must take some action to address a changing marketplace.

For the most recent fiscal year, which ended July 2, 1999, Seagate's reported revenues were unchanged from the previous year, but net income increased to $1.176 billion.

On June 7,1999, Seagate's stock (traded on the New York Stock Exchange under the ticker symbol SEG) closed at $33. Out of 15 analysts employed by the Zacks Brokerage Research Center, the majority expressed optimism about the firm's future prospects: five gave their highest recommendation of "Strong Buy"; seven analysts recommended "Moderate Buy"; and the remaining three analysts recommended a neutral "Hold" position on the company's stock.

The disc drive business

Seagates's products include disc drives and related disc drive components (e.g., recording heads), tape drives, and software. The disc drives are the components on which data are stored and from which data are retrieved. Disc drives enable the storage and access of large volumes of data that cannot be economically stored in the random access memory (RAM) of the computer's central processing unit. **Exhibit 3** presents the primary components of a typical disc drive.

Disc drives are a commodity business, one that yields modest margins. There is continual, rapid technological change, the product lifecycles are relatively short, user needs change quickly, and customers are not terribly loyal. In short, competition is fierce.

Seagate's major competitors include IBM, Western Digital, Quantum, Maxtor, Fujitsu, Sun, Hitachi, and Samsung. Seagate and IBM hold the largest share of the market for high-end disc drives.

Success in the disc drive market is driven by performance and being first in line on the "Qualification Train." Performance is measured on the basis of five criteria: 1) rotation speed (measured in revolutions per minute), which affects the time it takes to access data); 2) access time speed (expressed in milliseconds), which is the time needed to position the recording heads over a selected track on the disc surface; 3) media data transfer rate (expressed in megabits per second), which is the rate at which data is transferred to and from the disc; 4) storage capacity (currently measured in gigabytes), which is the amount of data that can be stored on the disc; and 5) reliability or quality (expressed in terms of mean time between failure — MTBF — or usage hours — e.g., 300,000 hours of expected reliability). Being first in line on the Qual Train translates into getting a customer test unit (CTU) ready for your customer before your competitors are able to do so.

Seagate's largest customers — who will give the lion's share of their business to whichever company is first to produce a CTU — are Compaq, Dell, EMC, Gateway, and Hewlett-Packard. Being first on the Qual Train is also essential to continued profitability.

> If you are three months late to market on a product that has an eighteen-month lifecycle, you will lose one-third of your revenue and two-thirds of your profit. The customer isn't terribly loyal. This is a commodity market, not a performance market.
>
> — Tom Porter, Seagate's chief technology officer

A recent article in *Storage Review* — an independent trade journal that evaluates the disc drive industry (and also the leading independent storage authority on the

Internet) — stated that "traditionally, one looks to Seagate or IBM to introduce the first of the next-generation units." In fact, Seagate received the 1998 Compaq Supplier Partnership Award for its outstanding performance in "meeting Compaq's goals for technology leadership, technology alignment, quality, availability, responsiveness, and cost." However, in 1999 Western Digital was the first to introduce the next generation of SCSI drives.

> What's crucial is *what* we deliver and *when* we deliver it.
>
> — Brent King, director, Seagate Transformation Office

Seagate's Enterprise Storage group

Seagate's Enterprise Storage group (ESG) division specializes in the design, manufacture, and marketing of ultra-high performance disc drives. Built with a multiple interface platform and characterized by extremely high rotation speeds, storage capacity, and performance reliability, these disc drives serve a variety of high-end needs — including applications in digital video, video-on-demand, file servers, workstations, mainframes, and supercomputers. Seagate's enterprise storage disc drives make possible the electronic booking of airline flights and the myriad financial transactions conducted daily at ATM machines all over the world.

Design and production pilot centers for ESG are located in Oklahoma and Minnesota. Most of the company's products are manufactured overseas in the Far East, with limited production in the United States (Minnesota, Colorado, and Oklahoma sites). Seagate's presence in Minnesota stems from its $450 million acquisition in 1989 of Imprimus Technology, the disc drive division of Control Data Corporation.

ESG accounts for roughly 45 percent of the company's total annual sales. The division contributed 47 percent, or $846 million of revenues, to the company's overall finances for the quarter ending January 1, 1999. In the second quarter, ending April 2, 1999, ESG contributed 54 percent, or $975 million in sales. (**Exhibit 4** presents ESG's recent quarterly performance.)

The ESG division has established its reputation with two major drives: the Barracuda and the Cheetah. Both disc drives were selected by leading computer publications as the best choices based on value, storage capacity, and speed. *Computer Reseller News* picked the Barracuda 50 as the top high-capacity drive in its March 15, 1999 edition: "For those who recall when 50 Mbytes was astonishing, this drive will leave you speechless." And Hewlett-Packard announced in April 1999 that it would be integrating the fifth-generation high-performance Barracuda (Barracuda 18LP/36, 7,200-

rpm) in its award-winning HP AutoRAID Model 12H. *PC/Computing* selected the Cheetah 18LP as the "fastest hard drive on the planet.

Seagate's success with the qualification process is illustrated by what happened with one of the generations of the Cheetah 10,000-rpm disc drive. The company got to the customer first and, as a result, won 100-percent market share.

Even with the success of Cheetah and Barracuda, though, the highly developed competition in the disc drive industry has hit Seagate hard over the last few years.

Restructuring into core teams

From a technology standpoint, IBM had long been recognized as leading the disc-drive industry. Historically, Seagate was very good as a "fast follower" on the technology curve. In 1997, Seagate was edged out by the competition, which helped contribute to Seagate's performance downturn. Seagate executives decided it was time to change strategies. The company wanted to move from a low-cost manufacturer and fast follower to a position of low-cost manufacturer and technology leadership. Steve Luczo, Seagate's CEO, articulated seven corporate objectives to address the new strategy.

1. Improve time to market for all products.
2. Technology leadership.
3. Improve material management and develop strategic supplier relationships.
4. Develop strategic relationships with key customers.
5. Create world-class manufacturing processes.
6. Provide best-in-class product and process quality.
7. Employer of choice.

Seagate's design centers had, historically, been organized around function, with one product line manager in charge of tracking the progress of all programs and with senior management heavily involved in day-to-day decision-making as well as strategy formulation. In 1998, the firm undertook a restructuring of the design centers, including ESG, under Tom Porter's leadership, to meet the corporate objective of faster time-to-market (TTM). (**Exhibit 5** presents a summary slide from one of Tom Porter's presentations to employees during the summer of 1998.)

Guided by consultants, Tom Porter implemented various product development process-related initiatives to increase functional excellence and improve the overall efficiency of product development and materials management within the corporation. Perhaps the most visible structural change instituted to improve time to market was the

organizational redesign of design centers into *core teams* organized around individual projects.

Core teams direct projects from the product planning stage through drive development. In ESG, generally speaking, it takes about eighteen months for a team to complete its work, from Phase 0 (product planning) through Phases 1-6 (design, integration, qualification, pilot, transfer, and ramp, respectively). At the end of Phase 6, the core team disbands. Members of the team either join new core teams or return to their respective functional areas.

Each core team is guided by a team leader and includes six individuals who come from each of the respective functional areas of design engineering, product line management, materials and process engineering, quality control (reliability), operations, and manufacturing/factory. The teams are physically located in one common area, aimed at promoting more direct and multi-way communication between and among core team members.

Empowering the core teams to take ownership over the operational aspects and daily decisions surrounding a particular project was intended to speed up the development process and thereby improve time to market, one of Steve Luczo's primary corporate objectives. The reorganization also had a secondary benefit: senior management would have more time available to spend on corporate visioning, strategy formulation, and employee development.

As part of the restructuring, Site Management Teams (SMT) were established in Minnesota and Oklahoma. These teams typically include senior managers from engineering, manufacturing, finance, marketing, quality, materials, human resources, product line management, and the factory. The SMTs set high-level business and technical direction, enabling the core team and functional organizations to do their jobs. They also provide development direction by setting strategies, managing resources across all projects, and ensuring the success of core teams through the phase-approval process.

The Transformation Team Office was also established, with fourteen members representing the two ESG sites. It supports, interacts, and communicates with the core teams, and the functional departments. It also works to improve the TTM-related work of the core teams by supporting process initiatives, including Functional Excellence, Pipeline Management, Functional Strategic Planning, Organizational Learning and Development, Six Sigma, and SLAM (Share Leader All Markets).

Another group that emerged is the F.O.C.U.S. (Focused on Culture and Unified Solutions), which evolved from a former group oriented around increasing total customer satisfaction. Approximately fifteen individuals from different functional areas voluntarily meet bi-weekly as a team to define and implement value-added meetings that increase organizational effectiveness and efficiency, create strategies that achieve the goal of work and life balance, and facilitate a successful cultural transition to the new Shakopee

facility (described below). Sue Eklund is active member of F.O.C.U.S., and Esther Williams is actively involved as an "outside" consultant.

The core teams, as well as the SMT and FOCUS groups, were charged with the responsibility of developing their own charters to describe their missions, goals and objectives, and roles and responsibilities. (Exhibits 6, 7, 8, and 9 are excerpts from these charters.[2])

An article in Seagate's internal newsletter, Business Monday, described the role of these groups and likened the "race between companies in the storage industry to be first-to-market with leading products" to the Indy 500 automobile race:

The site management team

In a product development role, the site senior-management team makes strategic decisions and sets high-level business and technical direction. Back at the Indy 500 speedway, this group determines the strategy for winning the race and becoming the champion. They map the course.

The core team

Each core team focuses on developing quality products cost-effectively and on time. The team of A.J. Foyt and crew members tactically navigates the speedway, maneuvering around obstacles, refueling, and staying on course.

Functional departments and employees

Employees provide the critical knowledge and resources for successful market and financial tracking and planning, product development, customer-qualification and management, materials acquisition, and manufacturing. They work upstream of product development and also constitute the extended team members. They are the vehicle … speeding around the course and crossing the finish line.

— *Business Monday*, January 25, 1999

As of January 1999, there were a total of seventeen core teams in operation at the Minnesota, Colorado, Oklahoma, and Singapore sites, five of which are at the TCO. Each core team is supported by an extended team of individuals from the various functional areas of the organization. So, although only thirty individuals are integrally involved as core team members, approximately 1,000 individuals in ESG (at TCO, Oklahoma, and overseas) are involved or are linked in some way to this new organizational initiative.

---

[2] It should be noted that the SMT had not completed the chartering process at the time this case was written.

Extended team members (or functional organization employees) represent, by far, the greatest number of contributors to product development and management because they are responsible for daily program-related activities. The degree of support required from extended team members fluctuates according to skills required at a product phase. At one point heavy support may be required from a particular area, whereas at another time, less effort may be needed.

— *Business Monday*, February 1, 1999

One of the ways in which the core teams initiative was introduced to Seagate employees was through a series of articles that appeared in the company's internal newsletter, *Business Monday*. (**Exhibit 10**, "Interactions and Communications," presents a diagram showing the relationship between core teams, the Transformation Office, the SMT, and functional areas.) While Seagate communicated the change in many other ways, including through various employee meetings, the challenge of reaching so many people proved quite difficult, and the employees' understanding of this very complex initiative was not fully realized. Despite a concentrated communications effort, it was not enough to gain full understanding by the entire Seagate employee population.

As the team initiative went forward, team leaders received monetary incentives for their critical roles in managing core teams and the product development process. Core team members have been promised rewards for their roles, but have not yet received these monetary incentives. Core teams members will be rewarded monetarily for their efforts in driving time-to-market improvements. As for additional benefits, core team members cite the following perqs

… career growth, development, increased visibility [with senior management], knowledge gained from being involved in a product development lifecycle, and the satisfaction that comes with being saddled with a problem that the team must figure out how to fix.

— Seagate core team member

Core teams provide a tremendous opportunity for growth and development. Team members receive training and experience in complex decision-making skills and are mentored by the site's executive management group.

— Tom Porter

Several core team members expressed uncertainty about their careers at Seagate after their work on the core team was completed. It was unclear to many whether opting to go back to the functional organization — versus joining a new core team — would be harmful or helpful to their Seagate careers. And for extended core team members (as for the functional organizations they represent), the benefits are not obvious: the extended teams must adopt changing work styles and additional responsibilities, yet their efforts are not tied to specific monetary rewards.

In addition, individual performance at Seagate historically has been evaluated based on the employee's work in his or her functional area. Now, the company has developed a new performance appraisal for core team members.

> Forty percent of the input comes from myself and my peers, 40% from the functional home parent, and 20% from the site management team leaders. The vice president asks whether we met our business objectives, whether we moved the business forward, and whether we hit TTM.

> — Joan Motsinger, core team leader

To date, no other changes have been made to the performance appraisals for the functional areas, where the extended core teams reside (see Exhibit 11 for a copy of a core team performance appraisal).

Addressing resistance

There has been resistance to restructuring into core teams — even among senior management. This has required that Tom Porter undertake a concerted effort to get senior leaders on board.

> It took me months to convince John [Weyandt, senior vice president of ESG] that this would be a good thing. I could have told him to go do it because he works for me, but I chose to sort of ease him into it, if you will, and convince him. I knew if I didn't it would fail.
> People look at John as "Mr. ESG disc drive." So I really needed him to buy into it, and he was stubborn. That's the way John is: resistant to change until he is convinced that it's the right thing to do. Then, get out of his way.
> But it took a while. John wasn't going to buy into this overnight. So, we'd talk about it and he gave me all the reasons that it wouldn't work. But once he bought into it, it was great.

You can't force change on people, at least not effectively. You can make them follow a process by threatening them with their jobs, but that's not what you want. You want people to buy in, adopt the vision, and then champion it.

That takes time. With John, it was a case of intellectualizing the ideas and concepts of a very complex subject.

Core teams are very threatening to functional managers. The way people like John Weyandt got where they are is because of their very good technical skills. Now you're telling them that we don't want them to do things as they always have. That's the way it feels to a functional manager when we say we want them to worry about people, strategy, and infrastructure processes, and make that 70% of their time.

— Tom Porter

Some of the greatest resistance has come from the various Seagate functional areas that assist the core teams. At first, the functional areas saw the core teams as contrary to their interests.

I would say that the functional organizations are having more trouble adjusting to this system than the core teams. We froze the functional organizations in their tracks a little bit. But some of the functional groups are farther along than others.

People felt threatened by change. The core team change was quite threatening to the PLM and design guys. Design engineers don't change quickly — they are still wearing their long-johns to work in the summer and their Bermuda shorts in the winter. Resistance is high until change is understood.

In Minnesota, there are roughly 1,000 people in the drive business, and five core teams with six people on each — 30 people. I hardly think that 30 people out of 1,000 are going to do all the work. Functional excellence is still the heart of everything. I think now the functional organization understands this.

What the core teams really do is give a focus to a program. It's a group of people totally dedicated to a program and that shouldn't be distracted by what I call purely functional issues: who gets the job done, designs the product, builds the product, sells the product, tests the product. That's all done by the functional organizations.

I think the functional organizations are getting up to speed. It was harder and slower for them. They're not all in the same place. In my mind, I've rated each of the functional organizations, and a couple of them are doing really, really well — they're at full speed — and a couple still have to get things sorted out.

> On the first programs, it cost us time to market, and we went backwards, losing two or four months. But I'm not discouraged. This is a way of getting better.
>
> — John Weyandt

The Site Management Team has been challenged to coordinate between the various constituent groups. There has been contention over which parts of the product development process are the responsibility of core teams, and which are under the ægis of the functional areas.

> At first, one of the problems we ran into in the product development process was that it was difficult to hand off between the functional group and the core team. A lot of times, the functional groups would say: "That's a core team responsibility. We're not going to do that." And vice versa. We probably didn't do as good a job as a management team as we could have in making sure that the roles, rules, and responsibilities were clearly defined.
>
> John Weyandt uses the analogy of a football game. Everyone's got a job: linebacker, offensive tackle, quarterback, wide receiver, and so on. When the ball gets fumbled, though, it doesn't matter what job you have — everyone has to jump on the ball. John explains that we had several times when there was an issue and, rather than anyone jumping on the ball, no one wanted to get tackled.
>
> So, that's one area where we had some difficulties. We worked on it. It's not that people don't want to do a good job, but just that initially there was confusion over who runs what and who makes what call.
>
> — Doug Dehaan, Site Management Team leader

The Shakopee facility

A major part of the restructuring at Seagate involves the relocation of TCO employees to the new building in Shakopee, Minnesota.

Until 1999, there were six different sites in Minnesota housing design and production centers for disc drives and their related components. But Seagate spent more than $50 million to construct a 350,000-square-foot building in Shakopee, Minnesota, where these sites could be consolidated. Some 1,200 Seagate employees will be housed at the Shakopee site, among them 651 ESG employees.

In the employee orientation to the new facility, the many features of the Shakopee site are touted as reflecting Seagate's vision, values, and business goals.

The building's state-of-the-art design and features — what Seagate calls the "new building savvy" — are described as

- Flexible and adaptable to changing business strategies
- Open to encourage collaboration, sharing of information, building new relationships, acquiring new behaviors
- Energy efficient, visually striking

— "New Facility Orientation"

The building's "central core team area" is "focused to drive [a] team-based culture," while "Main Street" is intended "to encourage lots of 'accidental' interaction." There are high-performance acoustic tiles for diffusing sound, lighting to prevent monitor reflection, and lots of greenery throughout the building "to bring the outside inside." Cubicles and furniture are "state-of-the art." The building has two video-conferencing rooms, thirty-eight meeting rooms (many with high-tech electronic equipment), and computer monitors are placed strategically throughout the building to provide real-time communications. In addition, there are multiple break areas and a fitness/wellness center with treadmills, Stairmasters, weight machines, showers, and lockers.

The restructuring — of which Shakopee is a part — is not exclusively about time to market, but also about Seagate's concerns regarding its ability to maintain technological leadership. The company wants to ensure that it is prepared for the emergence of new technology so that it doesn't find itself behind — as it did when Western Digital was the first to introduce the next generation of SCSI drives.

Would Seagate be equipped to deal with the emergence of a new technology? CTO Tom Porter acknowledges that the company would not have been ready two years earlier. But today, Seagate has "Advanced Concepts," a group of some 400 engineers focused on technologies two to five years out. And Seagate Research was formed to focus on what Porter calls "far-out" storage concepts that may be ten years in the future. This is all geared toward ensuring that Seagate will have the requisite skills and knowledge base to deal with any radical technological shifts.

Work/life balance in the midst of change

Esther Williams and Sue Eklund saw all this change in the context of their concern for the work/life balance of Seagate's employees. From Steve Luczo's seven

corporate objectives down to the creation of core teams, they began to ask whether work/life balance could find a place in the changing environment.

Seagate has no formal work/life "philosophy," nor is there a work/life policy "on the books." Part of this is due to the fact that different Seagate sites have different cultures.

> There's a different culture in California and the Silicon Valley [where Seagate's corporate headquarters is located]. There are an awful lot of startups out there, and people work all the time. All of your personal savings are on the line, so you don't worry about work/life balance. The Midwest has strong family values.

> — Tom Porter

Another reason for there not being a formal policy is that Seagate itself is the product of a host of mergers and acquisitions over the years. In Minnesota, Seagate is a cultural mix of old Seagate personnel and people from Control Data. It is from Control Data in particular that Seagate, in the early 1990s, earned the reputation for being "Slavegate."

> Some of the old management found it difficult to get used to the idea that it's okay *not* to be at work all the time. Senior management lived this way and were especially proud of it. They loved it; it was like flying the Marine flag. Putting in long hours was viewed favorably as a badge of honor, being strong and tough.

> — Sue Kugler, director of Human Resources,
> Twin Cities Operations

Despite the absence of a corporate-sponsored, formal work/life policy, Seagate offers a standard package of healthcare benefits, insurance (life, accident, and disability), a 401k plan, dependent care plans, and an employee stock purchase program. Employees are covered by the federal Family and Medical Leave Act and may, therefore, take up to twelve weeks of unpaid leave for family/illness reasons. Seagate does not offer its own maternity/paternity leave package.

The company's profit-sharing plan did not distribute money to employees in 1998, due to Seagate's net losses.

Corporate leaders view work/life balance:

Steve Luczo (CEO), Don Waite (CAO), and Tom Porter (CTO)

Senior leaders at Seagate have clearly articulated the corporate objectives as they see them:

> If you had to think of two themes, think time-to-market leader and cross-functional teams with best-in-quality.

> — Steve Luczo, in *Business Monday*, May 10, 1999

Don Waite, Seagate's chief administrative officer — who is responsible for the Corporate Human Resources function — has highlighted his key objectives: improve decision making and information systems; establish employee best-in-class processes within support functions; create the best team within each support function; implement Oracle on schedule; and implement a leadership development program.

Tom Porter believes that Seagate's concern about work/life balance falls under the catch-all "Employer of Choice" objective set forth by Luczo.

> It is called different things in different locations. Employer of Choice is intended to be more global. Work/life balance is a subset of Employer of Choice — a more powerful subset in Minneapolis, which is probably a Seagate leader in work/life balance.

> — Tom Porter

Tom Porter acknowledges work/life balance as an important objective. (**Exhibit 5**, "Seagate Vision — Our Commitment," was the "hot slide" from a presentation Porter made in the summer of 1998.) He emphasizes that if the company can achieve its business objective to be faster than the competition in time-to-market, it can then work to achieve work/life balance for Seagate employees.

> This is an industry issue. Before I came to Seagate, I saw people's personal lives fail because the work was so intense. And I knew that in an industry with rapid change, the culture becomes one that the winners are the ones who "walk the talk" about total dedication to the job. Work/life balance doesn't have a place.
> We just came through twenty years of downsizing and consolidation in this country. In this competitive landscape, it's hard to worry about work/life balance when you're not sure you're going to have a job next year.

I love the challenge of a fast-paced business, but I also recognize that it ruins people's lives. There were 200 disc drive companies in the last twenty years, and now there are about seven or eight. So I recognized years ago that this was a burn-out type of industry. My wife keeps me on track.

Just the fact that management talks about the work/life balance as being important makes it okay to go to your son's basketball game, and makes it okay to have a life. That doesn't mean you have less dedication to the job. It just means it's okay to have another life.

Do I walk the talk? Not on this one. I work way too many hours. But I really do believe what I said earlier. The definition of work/life balance is different for every individual. If you're part of a family unit, that helps provide a definition of work/life balance.

When my kids were young, I refused promotions at IBM that would've forced me to pull them out of school. I have five kids, and they're all grown and out of the house now, so I'm working a lot more hours than when they were home. I probably worked too many hours then, too. My wife was a good barometer and pulled me back when I went adrift.

— Tom Porter

In assessing his role in promoting work/life balance and evaluating its success at ESG, Porter says:

I try to be extremely accommodating with them, and I let them know that that's okay and that I expect it. For example, we had a big meeting in Colorado with the technical VPs of the company. John Weyandt said he couldn't make it because he had a personal obligation at home.

My measure that work/life balance is working for John Weyandt is that he didn't push all the stuff at home aside. But I couldn't tell you whether John's any better at work/life balance today than a year ago.

But you can't manage what you don't measure. How do we measure work/life balance? There's no measure. In that sense, it means it's probably at the bottom of our priority list. We keep it very visible, but it's mostly words.

— Tom Porter

Porter communicates frequently about the time-to-market objective.

I say [time to market] over and over and over in every forum and every chance I get. It's practically every day that I'm in some meeting with employees in one level or another, talking about the vision, where we are, where we're

going. On average, I probably spend a couple of hours a day on it — so, 25% of my time.

> — Tom Porter

Tom Porter's has ideas about how to implement work/life-related change at Seagate:

> I'm a believer in prototyping and piloting things. So, I'm very willing to have a local thing going here as a prototype, and if it does well — these are bright folks, and they'll buy into it.

> — Tom Porter

Several employees see Tom Porter as their ally on work/life balance issues, and explain how his particular management style helps to promote change.

> Even before his promotion, Tom postponed a meeting with the top management team to come to my presentation on establishing a formal work/life office. He understood the urgency of the situation and my need for his help.
> Tom has influence. His philosophy is that change sometimes has to come out of the unit and not from the top down.

> — Esther Williams

> Porter is big into "hands off." He sits on the monthly operational reviews, and says maybe ten or twenty words. He doesn't want to set direction, but prefers that it comes from others. He created the data to support our paradigm shift. Tom doesn't mandate things, but gives support.

> — Joan Motsinger, core team leader

Divisional leaders view work/life balance: John Weyandt, head of ESG

As head of ESG with more than thirty years' tenure at Seagate (including his years as a Control Data employee), John Weyandt is one of Seagate's senior executives who raises the issue of work/life balance. His perspective on work/life balance is straightforward.

I want everyone to be successful from a business standpoint *and* say that they like their jobs. Job satisfaction depends on, first, putting them into a job where they can grow and enjoy and, then, giving them enough space to work and live.

Efficiency is the driver for freeing up space in their lives. It's not to work less, but to work hard but enjoy their lives.

I just hope to gosh that, just as people will give up a Sunday afternoon to come in to work to finish up some stuff at the office, on a Wednesday afternoon they will feel comfortable saying: hey, I need to leave to go to my daughter's recital or to attend PTA conferences at school.

The majority of the responsibility for work/life balance is on the individual. If we can get a significant amount of understanding and support from management ranks, it will fix itself — but you won't know how it's happened.

I've been very fortunate. I have had to make some difficult adjustments outside of work. I have an understanding, supportive wife, and she's been able to fill the void.

There are some big mistakes I've made, some things you can't go back and get another chance at. So, for me personally, there are things that I do to achieve better balance. It doesn't mean that I spend less time at work. That's part of it, but not all of it.

— John Weyandt

With respect to how he reconciles work/life balance with the corporate objective of time-to-market, John Weyandt offers the following analysis:

From my perspective, we really have these two key initiatives. There are seven goals of the corporation — that's really clear to everyone. Then there's what I call the "bookends": the goal on the top, which is the key business goal of TTM, and the goal on the bottom, which is work/life balance.

There are two pieces to work/life balance: the work piece and the life piece. I think we're starting to touch on some of the work piece.

Seagate's got 85,000 or so people. The people with whom I interface most of the time are primarily in technical, materials, or support — maybe 10,000 to 15,000 people out of that population. There's a lot of consciousness, a lot of focus, a lot of good intent, but most of the progress I see is in things that help us with TTM.. If you look at work/life, the progress is on the work side: what we do to make a person's job more challenging and rewarding; what we do to the compensation system; what we do with communication. I think we've made a lot of progress in all those areas.

What I don't think we've touched on, and where I don't have a clue of what to do, are personal needs that have an impact on work. I think it's an area

we have to focus on. I don't know what we need to do outside of work, but it seems like people need — and I'm looking at this from my own perspective — some time and some space. And everything we do at work, whether it's advancing a person's career or sending them to a class, or getting them to some special event, seems to take away from their personal time and space.

There's been good focus, but I think we still have a ways to go. I think about my own children, my parents, brothers and sisters, my friends — there are so many things that have an impact on what makes a person happy and satisfied, and so many things that put pressure on a person. It's a pretty complex situation.

— John Weyandt

In August 1998, John Weyandt began meeting with small groups of managers to discuss the two objectives of time-to-market and work/life balance. He also holds roundtable discussions with employees from all functions and levels in ESG; the discussion topics include work/life issues. In addition, every two months at his scheduled operations reviews with Oklahoma City and Minneapolis, he uses these extended staff meetings to articulate the importance of W/L balance.

John is very supportive of work/family issues. He has made a personal commitment to change the company. People talk, but they don't walk. He's walking.

He is honest and down to earth. There are no airs about him. He's trying to live what he's preaching, and does it through example.

When I told John that I was pregnant, his reaction was very positive. He told me it's wonderful, and said he was going to get me a partner at work one month before I leave and for the two months while I'm off. He wanted to provide other support and help me with my job, plus help me feel less guilty about being on leave.

— ESG employee

With work/life balance as one his goals for the division, John Weyandt recognizes that he must get the Site Management Team on board.

I have a hard time with this, because I've been on this site for 153 years! I've been here a long time. I want the SMT to run the business. I don't want the SMT to come to me and feel like I'm calling all the shots. I don't know when to step in on the SMT and when to let them go. What I've tried to let them know is that I'll be glad to come anytime and give my advice. Several of the people on the SMT work directly for me. With those people, I will share where I think they

should put their priorities. If I had the perfect approach — which I don't — I could penetrate the SMT and they could penetrate down.

— John Weyandt

In spite of the perceived importance of work/life balance, when "push comes to shove" at Seagate, the TTM objective will win. According to John Weyandt, "We're not going to give up the product."

Maybe I'm fighting a losing battle, but we're going to have our cake and eat it, too. If in the next six months there are TTM and work/life issues that come head to head, maybe forty-nine will go the TTM way and one will go the work/life way. We'll still be one ahead of where we were six months earlier.

— John Weyandt

Given these views and the barrage of changes at Seagate, Esther Williams and Sue Eklund began to explore how the company could be pushed to become more concerned with and more actively involved in promoting work/life balance.

HR and the issue of work/life balance

In her formal presentation to Tom Porter in December 1997, titled "Rethink and Relink Work & Life," Esther Williams argued that Seagate needed to create a culture that could support the goals of increased revenues, market share, and profitability; advancing technology; and becoming recognized as an employer, supplier, neighbor, and investment of choice (see excerpts in **Exhibit 12**). Since then and towards these ends, Esther Williams and Sue Eklund have proposed and executed a series of action steps. These include a diagnosis of Seagate's culture (see **Exhibit 13**), creation of a leadership development program, and a survey of employees to identify the strengths and weaknesses of the work environment.

The survey was administered to all U.S. design center employees (roughly 3,200) in June 1998, with a return rate of 82 percent (2,247 responses). Tapping into employees' perceptions of Seagate in twenty different categories — including pay, benefits, job satisfaction, career development, operating efficiency, and work/life balance — the survey played a critical part in surfacing concerns over job security, the performance management process, pay, and communication. Moreover, the survey results (see **Exhibit 14**) also indicated a positive relationship between an employee's position within the organization's hierarchy

and his/her perceived level of work-related stress: the higher on the Seagate corporate ladder, the greater the stress.[3]

> Everyone knew that there was a lot of frustration, but people couldn't put their finger on it. The survey helped to crystallize and identify the issues.
>
> — John Weyandt

The survey results made it possible for Esther Williams and Sue Eklund to make some progress on work/life issues, having been stymied in the past. Esther Williams's previous manager — the senior vice president of Corporate Human Resources — had withheld his support for her proposed creation of a formal work/life group within the Human Resources organization, preferring instead to focus on other matters. However, with the support of Tom Porter, Esther Williams and Sue Eklund have pursued various work/life initiatives, including the Financial Education Program, the Life-Balance Program, and the Grassroots Leadership Program.

The pilot Financial Education Program offers Seagate employees in Minnesota free educational assistance in a variety of financial matters, including basic budgeting, estate planning, college funding, achieving financial success, and reducing credit card debt. Employees have the opportunity to attend seminars and meet with and develop a financial plan with a financial planner. By addressing a key factor in employee stress over work/life-related issues, the program is aimed at improving employees' personal financial wellness, reducing absenteeism and tardiness, and increasing employees' overall efficiency and productivity at work.

The Life-Balance Program is a consulting and referral service. Employees may call a toll-free hotline around-the-clock for assistance in myriad areas, including legal matters, financial issues, parenting and childcare, resources for seniors, disability and accessibility, and education and schooling.

Tom Porter has provided the needed financial backing for both of these initiatives.

In addition to her membership in the F.O.C.U.S. Group and her TCO representation on the Transformation Team, Sue Eklund established the Grassroots Leadership Program in May 1998 with an initial group of twenty-six handpicked managers who were interested in developing their leadership competencies. In January 1999, participants completed their own individual development plans (IDPs) pertaining to their desired career paths at Seagate, and the group piloted a 360-degree performance appraisal.

---

[3] It should be noted that the survey was conducted only six months after Seagate had laid off more than 10,000 employees from the international side of the business.

Improving work/life balance will come with more education about what leadership is about. Modeling behaviors trickles down. Improving leadership will affect trust and have a positive impact on work/life integration. It's about awareness-building.

The leadership model that Sue is building will prove to be the success of work/life balance at Seagate.

— a participant in the Grassroots Leadership Program

It is Sue Eklund's belief that improvements in work/life balance for Seagate employees will be realized only when the company's leaders and managers begin to understand, support, appreciate, internalize, communicate, and model balance-related values to their employees. Her Grassroots Leadership Program is intended for managers to develop greater insight into themselves and others, become sensitized to work/life issues, improve their leadership skills, and receive the support and tools necessary to manage their employees effectively — which includes a partnering to achieve work/life balance. Sue has received $250,000 from Tom Porter to continue the development of this program.

Sue Eklund and Esther Williams have spent many hours together discussing the place of work/life balance within the corporate objective of "Employer of Choice." In their opinion, this hinges on the company's ability to create a supportive work environment. Eklund elaborated on this further with a mental model for how to implement this goal:

I. Career partnerships — quality of jobs
Compensation, reward systems, dual career paths, learning opportunities
II. Work-life mastery — achieving balance in work and life
Flexibility in work arrangements
Financial Wellness Program
Life balance
Tuition assistance
Fitness/wellness centers
Wellness works
Community involvement
Employee Assistance Program

— Sue Eklund, email to Esther Williams

The efforts of Williams and Eklund to improve the work environment are marked by high energy, passion, friendship, and a heightened sense of enjoyment. They speak

constantly about their desire "to really drive change in the organization, to light fires, to push the envelope, to put themselves out there, to take risks …"

> We're jungle fighters. We want to make our intellectual assets passionate about what they do. If we can get people to *think* differently, then they will start to *act* differently.
>
> — Esther Williams

> We're willing to take the risk [of being fired] and trust the process. I would leave the company if it stops being fun. If you don't take a risk, what's it worth?
>
> — Sue Eklund

Sue Eklund's philosophy is that "education empowers." She and Esther Williams continuously share information, books, and materials between themselves and with others. They give books to senior executives and urge them to crack them open.

> How are you going to get people to buy into organizational change initiatives if you don't give them the information to decide for themselves? The more information you give them, the greater the perceived trust and respect. Then, they'll be more likely to buy in and receive the change more positively because you're not just telling them to go do it.
>
> — Sue Eklund

The Site Management Team and work/life balance

The Site Management Team in Minnesota — which oversees the progress of the core teams — has been resistant to addressing work/life balance. As a former leader of the SMT, Doug Dehaan characterized his group's take on work/life balance.

> There are those who are very focused on the people issues, but there are others who are extremely tactical. We have a very broad spectrum on our SMT. We have people who only want to talk about day-to-day operations: "Are we executing?" Other people want talk about whether we are rewarding these teams: "Are people feeling right?"

Diversity is good, but there are people for whom this is going to be more of a challenge than for others. We're 30% to 40% bought in.

— Doug Dehaan

Doug Dehaan was initially resistant to concerns over work/life issues, but came to reconcile work/life balance with Time to Market in light of one of Esther's recent presentation to the Site Management Team.

I was probably one of the biggest negative resistors. I would say that I absolutely refuse to talk to any of my employees about work/life, because I don't feel I can do it credibly. I've been asking them to work harder now than I've ever asked them. We have all these new initiatives. Every time you introduce a new initiative, not only do they have to do their current job, but they've got to figure out this new way of doing it. And we've loaded tons!

In comes Esther Williams saying: "I'm going to tell you how you're going to explain work/life balance to your employees." And I finally felt comfortable. I said: Let's get Esther in front of the SMT. This is something I feel I can talk to my employees about.

Esther told us: "Here are programs funded in this division that the company is going to give to employees to help them in their personal lives outside of work, which will potentially relieve them of stress in their personal lives, and will make their work and personal life experiences better." It wasn't going in and saying that we've got all these new initiatives and we're going to figure out how you guys can work less. That's not real.

Employees know that they're not going to be working less because it's the nature of what we're trying to go through right now as a company. And if we achieve all of this, if we get past TTM and we stay on technologically, our jobs may start to become easier and we can be more consistent in our schedules and not work on Saturdays to catch up, and stay ahead of the competition. But short-term, we're not there.

So, Esther put forth these programs that I really like — things like financial education. Think of it: all these people with credit card debt and problems balancing their checkbook, or gambling issues. They probably spend a large amount of time worrying about it. And this would enable them to spend less time worrying about this at work.

These are the kinds of things that hit home for me with work/life balance: how employees can live a more fulfilled, quality life by giving them tools not only for work, but also tools to help them at home.

— Doug Dehaan[4]

Core team leaders and work/life balance

In the opinion of Joan Motsinger, a Seagate core team leader, each person in her position has the responsibility to model work/life balance. After more than fifteen years at Seagate — first as a team leader in the recording head division and more recently as a core team leader in ESG — Motsinger believes that work/life balance at Seagate is individually, not organizationally, managed.

I was working seventy to eighty hours a week when I got married at age thirty-three. I made a conscious decision then to be home from work by 6:30 p.m. Then, when I had a baby at age thirty-five, I got a personal computer so I could work from home, and I changed my work schedule so I could leave the office every day at 5 p.m.

When I first found out I was pregnant, I established some ground rules for my team, too, telling them I would be gone by 5 p.m.

Everyday you have to emphasize the person. It's been ingrained in people that they have to work eighty hours. The reality is that you're not good if you're working eighty hours. So, we have to lead by example: to be excellent, and then go home.

— Joan Motsinger

Alan Saunders is another core team leader in ESG. He champions work/life balance by supporting his teammates, who "can work any hours they need to work." The restructuring into core teams, in his view, has helped work/life balance.

Within core teams, the work is more cyclical, and work/life balance is accomplished because the work is more evenly distributed.

— Alan Saunders, core team leader

---

[4] Doug Dehaan will be leaving the SMT to assume a new position as vice president for Advanced Concepts Manufacturing.

Assessing the outcomes

How successful has ESG been with regard to time-to-market, work/life balance, and harmonizing the two?

> With respect to time to market, in the high end [the ESG division], the feeling is that there's some mild progress being made. The progress in the desktop division is more pronounced, where they went from late to market to on-time or ahead.
> Part of their progress is that they had more distance to travel, and also that the core team roll-out occurred a bit earlier for them than it did in Minnesota. It was harder to embrace in Minnesota, at first. Some of the team stuff was flat-out resisted at first.
> Not everything works the first time. There's a little bit of finger-pointing, and a natural resistance to change.
>
> — Brent King, Transformation Office lead

> As far as bottom-line progress goes, if you look at the three programs that we drove through the core teams, we didn't hit our dates on any of the three programs. But all three are very difficult programs. Although we didn't outrun the other guy, we outran the bear.
> Even though we didn't hit our own schedules, we beat our two main competitors. And that's a really successful thing, because in the past we haven't always done that.
>
> — John Weyandt

And what about work/life balance, John Weyandt's other "bookend objective" for ESG? In the view of several core team members:

> It's so contradictory to the goal of faster time to market. Employees just don't see it as possible.
>
> — A core team member

> Acceptance of work/life programs depends on management. However, here there's an enlightened versus the "old guard" — unenlightened management.

— A core team member

People feel guilty about going home.

— A core team member

The company has been beating on the employees to meet the objectives. The company has exhausted the employees. Everyone needs time to rejuvenate.

— Extended core team member

Having core teams makes it worse. The work demands have increased for everyone — for both the core and extended core teams. Work/life balance is for management, but not for lower-level personnel.

— Extended core team member

Esther Williams and Sue Eklund are preparing for their next meeting. They want to review the status of their work/life balance-related initiatives, and consider what else might be done at Shakopee to help the process along (see **Exhibit 15**, which presents a time line of organizational events at Seagate). They recognize that Seagate employees, for the most part, feel the onus is on them to balance work and life. These two women want to explore what the *company* can do to change the culture and make it easier for employees to deal with work/life issues.

Seagate Technology
Teaching Notes

Phyllis Siegel

Synopsis and Overview

Seagate Technology, Inc. designs, manufactures, and markets products for storage, retrieval, and management of data on computer and data communications systems. The company has 85,000 employees located around the world. The case centers on the High Performance Products (HPP) division, a business segment, which comprises roughly 40 percent of Seagate's total annual sales and specializes in the design, manufacturing, and the marketing of ultra-high-performance disc drives. Design and production centers are located in Minnesota, Colorado, and Oklahoma; the case focuses on the Twin Cities Operations (TCO) in Minnesota, which employs approximately 651 individuals in the HPP division.

A major change initiative occurred at Seagate at the beginning of 1998: a shift to a team-based work environment that involved redesigning the organization into core teams. At the corporate level, CEO Steve Luczo and CTO Tom Porter characterized the core team restructuring as necessary for ensuring Seagate's time-to-market leadership, and continued product performance, competitive advantage, and profitability. The need for such change had became apparent in 1997 when Seagate fell behind IBM on the technology curve and performance declined at FYE 7/1/98.

As of January 1999, there were a total of 17 core teams in operation at the Minnesota, Colorado, Oklahoma, and Singapore sites. Five core teams are up and running at TCO. Historically organized around function with product line management in charge of tracking the progress of all programs and with senior management heavily involved in strategy formulation as well as day-to-day decision making, the shift to core teams

created several visible changes. First, each core team, guided by a project team leader and comprised of six individuals from the respective functional areas of design engineering, product line management, materials engineering, quality control, operations, and manufacturing, is now in charge of the product planning through drive development stages of a particular project. Second, the physical location of core teams into one common area promotes more direct and multi-way communication between and among core team members. Third, the empowering the core teams to take ownership over the operational aspects and daily decisions surrounding a particular project should theoretically enable senior management to spend more time on corporate visioning, strategy formulation, and employee development.

In the context of these major changes, John Weyandt — the senior vice president in charge of the HPP division — has articulated two business objectives: faster time to market (TTM), and employee work/life balance.

There has been a general feeling that some "mild progress" is being made with respect to TTM. While internal goals haven't always been met, the competition has been bested. Senior managers expect progress to be a bit slow at first as the division moves up the learning curve.

As for work/life, most employees feel the onus is on them to balance these two domains. Seagate — once known as "Slavegate" — is a company where individuals have typically felt their managers were not understanding, and raising work/life issues risked incurring managerial "wrath."

Nevertheless, the attention paid to work/life in HPP has increased, due in large part to the efforts of Esther Williams, the manager of corporate benefits, and Sue Eklund, who heads up the transformation team, training, and organizational learning and development. They have been indispensable in their roles as champions of change. Their dogged persistence has succeeded in getting both many at Seagate — both senior leaders and grassroots employees — to embrace work/life balance as an important business objective.

There are several other key players involved. At the senior leadership level, Tom Porter — Seagate's chief technology officer — views work/life balance as a product of TTM rather than a means to an end. He champions work/life by providing financial resources for various work-life initiatives and related programs, making himself available to Esther and Sue, and being supportive and accommodating of his employees' needs. John Weyandt made a visible commitment to work/life balance by stating it as one of his two key objectives at a meeting with the CEO and other corporate executives. As a leader of change, he demonstrates the importance of work/life balance by "walking the talk." He is empathic and sensitive to the needs of his employees. He holds frequent conversations

and meetings with his managers and employees and discusses the importance of work/life, and he appears to spend a lot of time in personal self-reflection on the issue.

The Seagate case can be used to demonstrate several basic lessons:

1. Champions of change can be anyone (i.e. the Chief Technology Officer) and come from anywhere in the organization (Line/Staff, Management/Non-Management, Top-Down/Bottom-Up/Lateral).

2. The ultimate success of work-life programs depends on receiving visible and substantive support from the CEO and the senior management team.

3. The company's strategy, structure, people, work, and existing policies and practices must reinforce the importance of work-life balance in order for any W-L initiative to be successful.

4. Middle-level managers (specifically their attitudes and behaviors vis-a+vis work-life balance and towards employees who seek to achieve it) are a crucial linch-pin in determining the successful implementation of a work-life initiative.

Suggested Study Questions

- What occurred that brought about the need to implement a change initiative at Seagate?
- How did the organization get individuals to buy in to the need for change?

Employee surveys that reveal various sources of frustration and dissatisfaction with the existing system are an effective tool for managers to utilize in communicating the need for change and in garnering employee support for the change initiative.

The importance of monitoring and reinforcing change cannot be over-estimated. Champions of change must continuously communicate the objectives and values of the change initiative, ensuring that individuals are "on board" or helping them get back on track if they go astray. Employees must be rewarded for embracing and practicing the desired attitudes and behaviors.

The effectiveness of a change initiative often hinges on middle management. If these managers are not on board with the change initiative (or the strategic objectives driving the change), then any anticipated benefits may not be realized. Hence, senior leaders must constantly look for and manage pockets of active or passive resistance.

- What strategies did Esther Williams and Sue Eklund use that were instrumental to the success of the initiative?
- Are there alternative or additional approaches or tactics that Esther and Sue could have used to promote work/life balance as a priority for the HPP division?
- Would these approaches have been as effective?

- As Seagate's Chief Technology Officer, what role did Tom Porter play in promoting the organization's shift to a team-based environment and its restructuring into core teams?
- Was he successful in promoting both time to market (TTM) and work/life objectives?
- Going forward, what action steps should he take to promote both objectives?
- As the head of the High Performance Products Division, what role did John Weyandt play in promoting the organization's shift to a team-based environment and its restructuring into core teams?
- Was he successful in promoting both time to market and work/life objectives?
- Going forward, what action steps should he take to promote both objectives?

It is important for senior leaders to have a clear understanding of and agree on the objectives accompanying the change initiative and to share a common philosophy with regard to work/life balance. This philosophy must be clearly and constantly communicated to the rest of the organization.

Senior leaders at Seagate differ in articulating the role of work-life balance. For example, whereas John Weyandt sees his division's objectives as faster time to market and work/life balance, Tom Porter emphasizes that the focus on work/life balance can occur only once the time to market objective is achieved. Unless senior management reaches a consensus over the definition and role of work/life balance, employees will find it difficult to embrace this objective. Without a well-articulated philosophy, employees may not feel empowered or "safe" to discuss work/life challenges or feel that they have the leverage to do so. Future communication regarding work/life balance must be consistent when coming from senior leadership.

- Given the nature of the industry and the unique characteristics of Seagate (i.e., its history, culture, workforce, leadership, structure), what resources are required to drive change and meet successfully the stated objectives of the HPP division?

- Assuming that both Tom Porter and John Weyandt are committed to the importance of work/life balance as a division-level objective, what type of strategy should they devise with respect to ensuring that this objective is successfully met?
- How can they implement it in such a way that employees will understand, buy in, and commit to achieving this objective?
- Would the nature of the strategy and its implementation change if work/life balance were to be articulated as a corporate-level objective?

- Are the time-to-market and work/life balance objectives contradictory or complementary?
- What are the relative advantages and disadvantages of linking these two business objectives?
- What recommendations would you make concerning the successful integration of both objectives?

- What could or should Seagate —at the corporate level, division level, leaders, change agents — have done differently with respect to implementing and managing the transition to core teams and in promoting and reinforcing the objectives of time to market and work/life balance?