Balancing the Promise: Managing High-Stakes Demand Across Functions

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BUS:303 (section 2B)

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NorthPoint Solutions is facing a significant organizational issue. A lack of communication between the sales force and operations department has resulted in performance expectations that exceed what the operations team believes is feasible. The resulting friction stems from the sales team's commitment to exceptional service without adequately consulting operations regarding realistic timelines and service limitations. This report examines the perspectives of customer-facing and operational units, analyzes how tensions between them arise, and considers potential solutions through integration systems and strategies.

Perspective Examination: Customer-Facing Departments

The perspectives of customer-facing departments such as sales and marketing are primarily shaped by their responsibility to generate revenue, maintain customer relations, and increase market share for the firm. Olivia and Watson (2009, as cited in Kuznetsova, 2025) explain, “Sales and marketing typically prioritize customer service levels, revenue growth, market share, and product availability. Their incentives often reward growth and service outcomes …” (p. 16). Without established procedures to promote cross-functional integration and coordination, sales personnel will prioritize actions to maximize customer satisfaction and generate revenue, even when those actions create challenges for other departments within the organization.

Using this logic, NorthPoint's sales team, when presented with an opportunity to sign a client the size of Apex, is likely to prioritize securing the contract over fully evaluating whether the proposed commitments can be delivered within the firm's operational constraints. From the

sales department's perspective, providing customers with speed and flexibility is a critical competitive advantage, particularly when pursuing a lucrative, high-profile client. The sales department believes that, given the scale of the opportunity and the potential for reputational damage if the firm fails to deliver on its commitments, the operations department should be expected to take the necessary steps to fulfill the obligations outlined in the agreement.

Perspective Examination: Operations and Logistics Departments

Departments that deal with production have fundamentally different views than those of customer-facing departments. Their incentives are shaped by attempting to generate consistent, cost-effective, and reliable production of products and services. When these expectations exceed realistic levels, departments can face challenges including scheduling and staffing limitations, employee burnout, an inability to meet the needs of all customers, and supply chain or logistical failures. Ronken and Lawrence (1952, as cited in Lawrence, 1967) explain, "...differences in assumptions (orientations) between groups were related to difficulties in achieving collaboration" (p. 10). When departments responsible for maintaining an organization's production assume that leadership and other departments will tailor their commitments to what can realistically be achieved, while customer-facing departments assume operations will do whatever is necessary to meet customer demands, collaboration between the two becomes difficult.

In the scenario facing NorthPoint, the operations and logistics teams are likely to resent the actions of the sales team. Their lack of understanding of the constraints facing these departments in consistently fulfilling large-scale, highly customized orders will result in disruptions throughout the production and delivery process. The operations department believes

that, because it is responsible for fulfilling firm commitments, it should be consulted and granted a degree of authority over any commitments made.

Strategies for Integration

Integration strategies aimed at clarifying departmental goals, establishing shared objectives, and creating clear channels of interdepartmental communication will strengthen cohesion. "First, sales plays a role at the boundary of the organization, linking demands of the environment and internal operational capabilities of the organization to develop offerings and value creation, requiring mutual understanding between sales and operations functions" (Turkulainen et al., 2013, p. 1). Turkulainen explains that sales teams must understand operations in order to accurately represent the firm's capabilities. Conversely, operations teams must understand customer acquisition and retention to support the firm's competitive advantages. Though the productivity of high levels of cohesion between subsystems is debated in academic literature (Dess & Origer, 1987; Stagner, 1969; Whitney & Smith, 1983), the debate centers around the level at which it should exist and does not discredit the need for it in a firm.

For NorthPoint, establishing a sales and operations planning (S&OP) process, placing greater emphasis on accurate demand forecasting, and implementing cross-functional training would help address these issues. A formal S&OP process requiring the sales team to consult with operations before making commitments to clients would help ensure that all commitments remain operationally feasible. Ensuring demand forecasting is accurate would allow operations to better plan for high demand, utilize periods of lower demand to generate slack resources, and determine scheduling according to reliable metrics. Allowing departments to shadow one another or participate in cross-functional training would improve understanding of departmental

goals, operational limitations, and competitive requirements. These strategies would reduce tensions between departments and increase cohesion.

Consideration for Leadership

Leadership, when dealing with interdepartmental tension, should seek to increase organizational cohesion through corrective changes to operating procedures, as well as by providing departments with clear collaborative goals and cultural expectations. Procedurally, the establishment of a S&OP procedure, setting clear expectations for demand forecast reporting, and creating cross-training programs will all progress to that effect.

When investigating the differences in departmental goals, Shapiro explains (1977, as cited in Polychroniou et al., 2016), "Reward systems in Marketing functions are also based on benefits and criteria pertinent to sales turnover and market share; while reward systems in Production functions are usually based on minimization of cost and idle time" (p. 46). Given the stark differences in departmental goals, leadership should develop Key Performance Indicators (KPIs) that establish shared performance metrics across departments (see Appendix A). These metrics, when applied alongside a S&OP procedure, will help departments align around shared goals and operate more effectively with one another.

Ultimately, the challenges facing NorthPoint stem from misalignment between customer-facing and operational departments. Improving communication, integrating planning processes, and establishing shared performance metrics would help align departmental objectives and reduce organizational friction. These changes would enable NorthPoint to better balance customer expectations with operational capabilities.

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Appendix A

KPI	What It Measures	Why It's Shared
Order Promise Accuracy	% of client commitments validated with Ops before communicated to the client	Accountable for the promising process, not just the win
OTIF Delivery Rate	On-time, in-full delivery — tracked jointly, tied to both teams' incentives	Can't be hit by overpromising or by refusing flexibility alone
Forecast Accuracy	How closely Sales forecasts match actual demand for volatile accounts	Rewards disciplined forecasting; gives Ops planning visibility
Strategic Account Health	Whether major accounts stay satisfied and profitable to serve	Client satisfaction becomes shared, not Sales-only
Cross-Functional Response Time	Speed of Ops feasibility checks and Sales' early loop-in on deals	Makes early collaboration measurable, not optional

Table A1
Proposed KPIs for NorthPoint Solutions