

MIT 2005 - Essay #4

Please tell us something meaningful in your life over the past year (up to 500 words).

Last February, I asked to be transferred to a different department where I was hoping to gain more insight into contract management and procurement processes. As a result, I received a leadership role on a vendor selection effort for a crucial component of a Navy defense system.

This was yet another chance for me to prove myself. I had to quickly become familiar with every technical option available and learn the proper procedures for Military supplier sourcing, a rather convoluted and bureaucratic process. In a relatively short period of time, starting with 15 manufacturers and working our way through the bidding process, we narrowed the field down to three serious candidates.

Ironically, after six months of an intense search, our formal selection process resulted in a tie. Consequently, a preliminary internal decision was made to stay with the original supplier, which once again provided the lowest bid. However, fully convinced that going back to the incumbent would be a grave mistake, I took initiative to write a formal "white paper" on why it could end up costing our company millions of dollars in another recall, not to mention our reputation with the customer.

After a few sleepless nights and in just three pages of condensed analysis, I presented the numerous technical and financial risks of doing business with the current vendor. Among other concerns, I cited their prior history of cost and scheduling overruns as well as an unacceptably high rate of field failures that we've experienced in the past.

I also researched the vendor's financial standing and questioned their ability to meet our requirements going forward. Lastly, I detailed the advantages of selecting the more mature products offered by the competitors, which our customer clearly preferred, and advocated performing additional cost-benefit analyses before a final decision was made.

As soon as my trade study was released, it took on a life of its own, circulating its way to upper management and prompting them to reevaluate the situation. Upon serious consideration, they came to agree with my conclusions and decided to award the contract to a more reputable manufacturer, despite a higher initial cost.

Last year I could only speculate about what it would be like to make a real difference at the corporate level of a Fortune 500 company. This summer I got to actually live through the experience and it provided me with the kind of exhilaration that makes life worth living. I also reaffirmed my desire to become more involved in the decision making process, rather than just performing the supporting engineering tasks.

Overall, this was a great opportunity for me to analyze a business problem and to learn how to effectively communicate my findings to others. Once again, I realized the importance of having a good understanding of the dynamics of an organization and how invaluable it can be in trying to influence the direction in which the company is moving. This is precisely the kind of knowledge that I hope to expand upon at Sloan.