



## MCI Vision (A)

In early April 1991, Mr. Steven Zecola, vice president of marketing in MCI Communications' eastern division, was considering what actions to take concerning divisional marketing efforts for MCI Vision, a long-distance service designed for small- and medium-sized businesses. Vision had been introduced in July 1990, and 1990 results had surpassed goals. But 1991 first-quarter results indicated that Vision sales were running 50% below target levels.

Mr. Zecola was considering options ranging from revised pricing policies to new customer and salesforce promotions. Simultaneously, corporate product management at MCI was in the process of developing plans to revitalize Vision sales. As well as a pressing short-term decision, Mr. Zecola believed the Vision situation illustrated issues concerning changing competition in the telecommunications business and new marketing and sales requirements for new types of products being introduced by MCI.

### Company and Industry Background

MCI was the second largest U.S. provider of long-distance telecommunications services, with 1990 revenues of \$7.7 billion (**Exhibit 1**). MCI offered a variety of voice, data, and messaging services including global communications, telex, electronic mail, customized facsimile, and advanced network management services. The company's mission statement noted that "MCI's objective is leadership in the global telecommunications industry," and strategic priorities included growing faster than the industry, competing in all significant long-distance markets, expanding MCI's global presence, and "aggressively driving cost efficiencies through automation, rigorous expense control, [and] organizational efficiencies."

MCI was founded in 1968 and, for over two decades, had waged legal and regulatory as well as marketing battles with AT&T and others, requiring (as one executive explained) "high leverage and frequent brushes with bankruptcy, a willingness to repeatedly alter plans in the face of new threats and opportunities, and low tolerance for systems and wallflowers." One result, many observers believed, was a distinct organizational environment. Throughout the 1980s, the

---

*Professor Frank V. Cespedes and Research Associate Laura Goode prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. Certain company data, while useful for discussion purposes, have been disguised.*

Copyright © 1992 by the President and Fellows of Harvard College. To order copies, call (617) 495-6117 or write the Publishing Division, Harvard Business School, Boston, MA 02163. No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise—without the permission of Harvard Business School.