

Title:

A Tale of Three Cases: OB/HR Cases Developed After Attending a 2017 OBTC Workshop

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Abstract:

This workshop will present three OB/HR cases that were initiated by the authors during a case writing workshop led by Jack Brittain at the 2017 OBTC. The first case involves selection and job search related issues when a candidate is overqualified for the position. The second case focuses on the transformational and LMX leadership qualities of an individual who also occasionally engages in abusive supervision. The third case focus culture at a small company with a start-up mentality. The third case is also useful for discussing sexual harassment and is particularly timely given the #MeToo movement.

Keywords: overqualification, leadership, culture

Introduction

Three cases were developed to provide instructors of organizational behavior and human resources with additional tools to bring difficult concepts to life in the classroom and to therefore, also increase student understanding and engagement. The cases were developed by the authors after attending a case writing session led by Jack Brittain of the University of Utah at the 2017 OBTC Conference. Thus, in addition to providing additional instructional tools, this session also shows the value that can come out of attendance at OBTC Conference sessions. The three cases focus on various topics which allow for in depth discussion on the topics of:

- 1) selection and job search strategies when candidates are overqualified for a position,
- 2) identifying transformational leadership constructs in a leader who simultaneously exhibits some aspects of abusive supervision, and 3) discussing culture and risk in a small organization with a start-up type culture, including issues of sexual harassment. These cases were written for students in the late undergraduate stage of their education but may also be useful in graduate programs as well.

Theoretical Foundation/Teaching Implications & Learning Objectives by Case:

1. TWO SIDES OF THE SAME COIN: CONSIDERING OVERQUALIFICATION FROM THE EMPLOYER AND EMPLOYEE PERSPECTIVES

Purpose: To explore the intricacies involved with selection and job search activities when the candidate is overqualified for the job. In Appendix A, in the teaching note, we discuss how this case can help instructors to review relevant HR course concepts which can be found in any HR text. Related topics include: Job Satisfaction, Commitment and Employee Engagement, Employee Turnover, Retention, Legal Considerations including the ADA ,

selection criterion including person/job fit, Succession Planning, Career Planning and women and careers.

Learning Objectives:

1. Explore the challenges related to the selection and evaluation of applicants who are overqualified for the position.
2. Recognize the complexities associated with the job search and career choices of overqualified applicants.
3. Highlight the commonly held beliefs and biases that are associated with overqualification from the human resource management perspective and from the applicant's perspective.

In the teaching note, we provide several additional reading resources including:

Erdogan, B., Bauer, T.N., Peiro, J.M., & Truxillo, D.M. (2011). Overqualified employees: Making the best of a potentially bad situation for individuals and organizations. *Industrial and Organizational Psychology*, 4, 215 – 232.

Forbes Coaches Council. (2017, May 12). Should you hire an overqualified candidate? 14 Things to consider. Retrieved from <https://www.forbes.com/sites/forbescoachescouncil/2017/05/12/should-you-hire-an-overqualified-candidate-14-things-to-consider/#4f33a7b24036>

Gallo, A. (2011, March 3). Should you hire an overqualified worker? Retrieved from <https://hbr.org/2011/03/should-you-hire-an-overqualifi>

Lou, M. (March 29, 2010). Should you hire someone who is overqualified? The New York Times Economix. Retrieved from <http://economix.blogs.nytimes.com/2010/03/29/should-you-hire-someone-whos-overqualified/>

Martinez, P.G., Lengnick-Hall, & M.L. Kulkarni, M. (2014). Overqualified? A conceptual model of managers' perceptions of overqualification in selection decisions. *Personnel Review*, 43, 957 – 974.

O'Connell, A. (2010). The myth of the overqualified worker. *Harvard Business Review*, 88, 30 – 30.

Wilkie, D. (2013, December 12). 'Overqualified': Is it code for 'too old?' Retrieved from <https://blog.shrm.org/workforce/overqualified-is-it-code-for-too-old>

2. JACK JONES, CEO, TECHNOLOGY TRAINING, INC.

This case was written to be used in either an organizational behavior course or a leadership course at the upper undergraduate or graduate levels. This case focuses on Transformational Leadership and Leader-Member Exchange (LMX) qualities in an individual that also exhibits some aspects of abusive supervision.

Learning Objectives

Different aspects of the case may be emphasized depending on the needs of the instructor:

- Identification of qualities of transformation leaders as the Four I's (Idealized Influence, Intellectual Stimulation, Inspirational Motivation, and Individualized Consideration);
- Discuss how a leader can be identified as transformational, yet still have developmental needs as it relates to some aspects of the theory;
- Identification of the In-group and Out-group aspect of Leader Member Exchange and how some leaders may wield In-group membership as a source of power;
- Discuss Abusive Supervision and how some otherwise strong leaders may also engage in aspects of Abusive Supervision;
- Consider what an individual might do if they find themselves in a situation working for an abusive supervisor.

Jack Jones is pretty strong transformational leader. He certainly exhibits inspirational motivation and intellectual stimulation. He exhibits some aspect of idealized influence as many individuals seem to admire him and emulate him. Sometimes his behavior,

however, falls down in terms of being a role model that others should follow. He talks a good game regarding individualized consideration. Yet his behavior shows that this is a developmental area for him. He has little tolerance for employees that cannot keep his pace and as a very energetic and competitive individual, it is a pace that would be difficult for most individuals to keep over time. Jack also uses the LMX concept of in-group and out-group overtly to manage his team and in some cases, to punish his managers. Although having in-groups and out-groups are a natural part of management, it should not be so obvious to the team when people are moved in and out of these groups. In this way, as well as others, Jack starts to exhibit some aspects of abusive supervision. This is not an uncommon phenomenon as some of the most well known transformational leaders are notoriously difficult to work for.

Questions for students to consider regarding Jack:

1. Overall, would you consider Jack to be a Transformational Leader? Why? Or why not?
2. On which of the 4 I's of Transformational Leadership is Jack strong?
3. In which areas of Transformational Leadership does Jack need development?
4. How does the LMX theory of leadership apply to this case?
5. Is Jack someone you would like to work for? Why or why not?
6. What do you think Julie should do? Is she the right fit for this position? Is she the right fit for this position at TTI?
7. What should someone do when they find themselves working for an individual that can be abusive?

Prior to the case, instructors may want to review the literature on **Transformational Leadership** and especially discuss the constructs of transformational leadership in some detail (the 4 I's):

- **Idealized Influence** – individuals who act as strong role models for other and are someone that other individuals want to emulate.
- **Inspirational Motivation** – the ability to articulate a clear and compelling vision and to get others to commit to that vision.
- **Intellectual Stimulation** – stimulate followers to be creative and innovative and challenge the status quo.
- **Individualized Consideration** – leaders focus on the care and development of their followers and help them group through personal challenges.

See Northouse (2015) or other leadership texts for additional information on TL.

Instructors may also wish to review **Leader-Member Exchange Theory**, and especially focus on the **In-Group and Out-Group** aspect of the theory. Northouse (2015) and other leadership texts can also be helpful with this theory.

Lastly, this case has an interesting aspect of **Abusive Supervision**. Therefore, instructors may also want to review this concept with students prior to discussing the case. Abusive supervision is a dysfunctional type of leadership that includes hostile verbal and nonverbal behaviors toward subordinates. Examples of abusive supervision include ridicule, public criticism, the silent treatment and may include more severe behaviors such as verbal or physical threats (Stewart & Brown, 2014). Many HRM texts will be a good research for more details on this concept.

Citations

Northouse, Peter G. 7th Edition (2015). *Leadership: Theory and Practice*.

Stewart, G. L., & Brown, K. G. 3rd Edition (2014). *Human Resource Management*.

3. BAD PUBLICITY FOR COMPASS MARKETING

Purpose: The purpose of this case is to discuss culture and related issues that face companies of various size. This case focuses on a small company. Hard charging startup cultures and sexual harassment don't just happen at companies like Uber. But, between the revelations there and from the #MeToo movement, even small companies need to consider the impact that partners have on a company's culture. In an organizational behavior or leadership course, students can discuss the impact of culture and the fine line between a company that is having a good time, and one that looks like Compass' culture. In a HR course, the company's legal obligations regarding sexual harassment should also be emphasized.

Learning Objectives:

From this case, depending on the needs of the instructor, students should be able to:

- Gain insight into the impact of corporate culture on employee (and leader) attitudes and behaviors;
- Understand the importance of culture, especially for a startup;
- Grapple with multiple perspectives on a difficult organizational crisis;
- Discuss the responsibilities of a leader to address inappropriate behavior;
- Learn the connection between culture and sexual harassment;

- Consider the viewpoints of witnesses to sexual harassment in addition to the victims.

For instructors that want to focus on culture, especially in a startup environment, we recommend the following readings:

<https://www.wired.com/insights/2013/09/how-do-you-define-startup-culture/>,

<https://www.entrepreneur.com/article/287927>,

[https://www.inc.com/marcel-schwantes/5-characteristics-of-startup-cultures-that-crush-it-and-it-](https://www.inc.com/marcel-schwantes/5-characteristics-of-startup-cultures-that-crush-it-and-it-works-for-corporate-g.html)

[works-for-corporate-g.html](https://www.inc.com/marcel-schwantes/5-characteristics-of-startup-cultures-that-crush-it-and-it-works-for-corporate-g.html), and <https://www.forbes.com/sites/forbescoachescouncil/2016/10/18/10-key-steps-to-develop-your-startups-corporate-culture/#d0686d27b3bf>)

For HR classes, we recommend that instructors review the current law on sexual harassment and the impact of witnessing such harassment. Some sources we recommend:

1. Current law on sexual harassment: <https://www.aauw.org/what-we-do/legal-resources/know-your-rights-at-work/workplace-sexual-harassment/>)
2. Employment law: <http://employment.findlaw.com/employment-discrimination/sexual-harassment-at-work.html>.)
3. Implications of being involved in a sexual harassment investigation: <https://www.nytimes.com/2017/04/10/upshot/its-not-just-fox-why-women-dont-report-sexual-harassment.html>.

Exercise Overview:

Each of the three cases is detailed in the Appendices: Appendix A contains material regarding the overqualification case, Appendix B contains material regarding the transformational leadership case, and Appendix C contains material regarding culture in a small company. Please see the Appendices for the case materials which would be provided to students. Each Appendix also includes a detailed teaching note for the instructor with suggestions on how to run the exercises.

Session Description:

In order to make this an interactive OBTC session, we request a 60-minute time slot. We believe that participants will be more comfortable using the exercise in the future if they have first experienced the exercises themselves. Therefore, we have designed the session to be as interactive as possible. Our session outline is:

5 minutes - Introduction/Background & Learning Objectives

15 minutes - Case 1: Two Sides of the Same Coin: Considering
Overqualification from the Employer and Employee Perspectives
Participants read the case (5 min) and discuss (10 min)
Case/exercise is attached – See Appendix A

15 minutes - Case 2: Jack Jones: CEO, Technology Training, Inc.
Participants read the case (5 min) and discuss (10 min)
Case/exercise is attached – See Appendix B

15 minutes - Case 3: Compass: A Case on Company Culture
Participants read the case (5 min) and discuss (10 min)
Case/exercise is attached – See Appendix B

10 minutes - Question and Answer session
Distribute materials

Unique Contribution to OBTC:

Two of these cases have not been presented previously nor are they under review anywhere else. The case on overqualification has been recently accepted for publication in a book on experiential teaching in Human Resource Management. This book is expected to be

published by August, 2018; see below for the citation minus the authors names. The case has not been presented or published elsewhere. All three exercises have been used and tested in classroom environment by the authors at their own university but have not been distributed to any other instructors or universities.

In press. *Two sides of the same coin: Considering overqualification from the employer and employee perspectives*. In Suzanne de Janasz & Joanna Crossman (Eds.), *Teaching Human Resource Management: An Experiential Approach*. London: Edward Elgar.

APPENDIX A.

TWO SIDES OF THE SAME COIN: CONSIDERING OVERQUALIFICATION FROM THE EMPLOYER AND EMPLOYEE PERSPECTIVES

By Katina Thompson & Susan Dustin
Illinois State University

Purpose: To explore the intricacies involved with selection and job search activities when the candidate is overqualified for the job.

Time: This exercise should take 75 minutes to complete depending on the length of the discussion. A typical timeline is presented as follows:

- 0 minutes – Assign Case A as out-of-class reading
- 10 minutes – Small group dialogue (3-5 students)
- 10 minutes – Small group report out
- 10 minutes – Large group dialogue
- 10 minutes – Debrief Case A
- 10 minutes – Distribute Case B for in-class reading
- 10 minutes – Large group dialogue¹
- 15 minutes – Debrief / Q&A

Resources/Set-up: This case has two parts (Cases A and B). In order to complete both classes during one 75 minute class period, Case A should be assigned as out-of-class reading. Students should be familiar with HR best practices regarding planning, recruitment, selection procedures, and employee retention. Case B involves individual job choice which would be influenced by job characteristics theory, employee motivation, the job applicant's job search behaviors and career planning as well as personal goals.

Exercise Instructions:

CASE A - Read the *Two Sides of the Same Coin* Case A. From the HR perspective, you (your group) must come to a consensus about whether or not the position should be offered to Karen. Be sure to consider information from our class and/or other classes to support your decision and explain your reasoning. Additional information is included in the Appendices of the case to assist you in your decision-making.

CASE B - Read the *Two Sides of the Same Coin* Case B. From the job applicant's perspective, what do you think is the best decision for the applicant to make?

¹ We omitted the small group dialogue for Case B because we feel that the decision to accept or not to accept the position is an individual one. If time permits, feel free to have a small group discussion for Case B as well.

Should Karen pursue the position at the IRS or not? Should she change her job search strategy? Be sure to consider information from our class and/or other classes as well as your personal and professional goals to support your decision and explain your reasoning.

Discussion/Debrief: Below is a suggested list of questions for each case to help facilitate discussion. Prior to distributing the cases, it may be helpful for instructors to review relevant HR course concepts which include job satisfaction, organizational commitment, employee engagement, employee turnover, selection, and retention. You might also consider succession planning, career planning, women and careers, and legal considerations that influence the selection process.

Job Satisfaction, Commitment and Employee Engagement

Job satisfaction is the positive feelings and evaluations derived from an individual's employment in a job.

Organizational commitment is the degree to which workers believe in and accept organizational objectives and want to remain employed at a company.

Employee engagement is the extent to which an employee's thoughts and behaviors are focused on his or her work and their employer's success.

Employee Turnover

Turnover occurs when employees leave an organization and have to be replaced.

Retention

Retaining high quality talent is important to employers. Many factors affect employee retention such as employee-supervisor relationships, job security and work-life balance, compensation, training and development, and employer culture and practices.

Legal Considerations

Equal employment opportunity (EEO) must be considered in every step of the recruiting process.

All State and Federal guidelines such as The Americans with Disabilities Act (ADA) and Uniform Guidelines on Employee Selection Procedures should be followed.

Selection

Selection is the process of choosing individuals with the correct qualifications needed to fill jobs in an organization.

Selection criterion are characteristics that a person must possess to successfully perform job duties.

Person/job fit is matching the knowledge, skills, abilities, and motivations of individuals with the requirements of the job.

Succession Planning

Succession planning is preparing for inevitable vacancies in the organization.

HiPos (high potential individuals) are individuals who show high promise for advancement in the organization.

Career Planning

A *career* is a series of work-related career decisions a person makes throughout life.

Women and Careers

Sequencing is a common career approach for women that includes working before children arrive, stepping off when children are younger, and returning to careers when children are older.

Potential Discussion Questions

Case A

1. What do you identify as the major issue(s) in this case?
2. What are your perceptions of overqualified job candidates? What evidence do you have to support those perceptions?
 - a. Are Megan's reservations justified? Is she considering valid selection criteria?
 - b. Given the costs associated with turnover, is Jason following human resources best practices?
3. Are there any legal or ethical considerations that should impact Megan and Jason's decision making?
4. What recruitment and selection strategies should the organization use? Should they always select the most highly qualified candidate? Or, should they select the candidate that best meets the range of qualifications for the job?
5. What are the potential benefits of hiring an overqualified candidate? What are some potential downsides?
6. Should Megan or Jason talk to the candidate to get more information regarding why she applied for this position before making a decision?
7. What decision would you make if you were responsible for HR selection for this position. Why?

Case B

1. What do you identify as the major issue(s) in this case?
2. If the position at the IRS is offered to Karen, should she accept it?
3. Are there potential implications to her job satisfaction or commitment?
4. Are there any career planning implications to Karen of accepting a position for which she is overqualified?
5. If you do not think Karen should accept the position, should she change her job search strategy? If so, how?
6. Do you think Karen is making any mistakes with her current job search strategy?
7. As a woman returning to work after taking time off to parent young children, how might work-life balance considerations impact her decision making?

Additional Readings

- Erdogan, B., Bauer, T.N., Peiro, J.M., & Truxillo, D.M. (2011). Overqualified employees: Making the best of a potentially bad situation for individuals and organizations. *Industrial and Organizational Psychology*, 4, 215 – 232.
- Forbes Coaches Council. (2017, May 12). Should you hire an overqualified candidate? 14 Things to consider. Retrieved from <https://www.forbes.com/sites/forbescoachescouncil/2017/05/12/should-you-hire-an-overqualified-candidate-14-things-to-consider/#4f33a7b24036>
- Gallo, A. (2011, March 3). Should you hire an overqualified worker? Retrieved from <https://hbr.org/2011/03/should-you-hire-an-overqualifi>
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- Martinez, P.G., Lengnick-Hall, & M.L. Kulkarni, M. (2014). Overqualified? A conceptual model of managers' perceptions of overqualification in selection decisions. *Personnel Review*, 43, 957 – 974.
- O'Connell, A. (2010). The myth of the overqualified worker. *Harvard Business Review*, 88, 30 – 30.
- Wilkie, D. (2013, December 12). 'Overqualified': Is it code for 'too old?' Retrieved from <https://blog.shrm.org/workforce/overqualified-is-it-code-for-too-old>

TWO SIDES OF THE SAME COIN: CONSIDERING OVERQUALIFICATION FROM THE EMPLOYER PERSPECTIVE (CASE A)

Megan Moore, a supervisory contact representative for the IRS, just interviewed the best candidate for a contact representative that she's seen in a long time. The candidate, Karen Donovan, is smart, confident, professional, and she has experience providing customer service over the phone. The problem is that she is overqualified. The contact representative position requires a high school diploma and Karen has an MBA and 8 years of experience in information technology. Although Karen is an excellent candidate, her qualifications exceed Megan's. Why would Karen even want this job? Megan inherently believes that people who are overqualified for their jobs are constantly searching for something better. The turnover rate amongst contact representatives is already high, and Megan's team is two people short. She can't afford to repeat this search in a year if she hires Karen and then she leaves. The decision of whether to hire Karen is not Megan's alone. The human resources (HR) staffing consultant will also weigh in on the decision.

Jason Frost is an HR staffing consultant for the IRS. His primary responsibility is to hire the most talented and most diverse job candidates that he can find. Currently, they are recruiting candidates for the contact representative position. Jason's job is challenging due to the sheer number of applications that the IRS receives. In this current batch of applications, Jason received several applications from people who were unqualified, but fortunately, most of those candidates are weeded out by the human resource information system. He also received a few applications from candidates who are overqualified for the position. Most staffing consultants exclude these candidates as well, but Jason does not. While some of his coworkers believe that overqualified candidates will leave when better opportunities arise, Jason firmly believes in hiring the very best applicant and providing a work environment and opportunities that will make them want to stay. For that reason, he submitted Karen's application for Megan's review.

The interviewing phase of the job search recently ended. Just as Jason assumed, Karen was awarded the highest scores of all candidates in the face-to-face interviews and in the Meet and Deal panel interview (see Appendix A.1). Jason and Megan are scheduled to meet this afternoon to determine who will receive the job offer. While the decision is clear to Jason, Megan will work more closely with the employee, so he often gives her more latitude in making the decision. Megan is a no-nonsense, by the book type of person. With her, there is very little gray area -- everything is black or white. Although her hardline way of viewing things has caused its share of conflicts, most people agree that Megan is an excellent manager and that she is well respected, though not always well liked, by her coworkers.

Jason suspects that he and Megan will have a very interesting meeting.

APPENDIX A.1

IRS Contact Representative Job Description

Salary \$33,175 to \$55,258 / Per Year

Duties

Contact representatives primarily in the IRS Wage and Investment Division accepting telephone calls from the public to offer assistance, resolve problems and collect information regarding tax administration. These interactions may include resolving issues involving delinquent taxpayer accounts which may require researching the taxpayer's ability to pay, creating monthly payment arrangements, and/or establishing property liens against the taxpayer.

Qualifications

Candidates must have a high school diploma and at least two years of college-level education. Candidates must also have at least one year of work. The IRS Contact Representative position does not require any specialized, agency-specific experience. Applications from candidates with no previous federal government experience are welcomed.

All qualification requirements must be met by the closing date of the announcement. This career ladder position which leads to a director-level position and which has stringent federal government service requirements. In order to be hired at a higher level, the candidate must have completed the required years of service in a federal government position.

Candidates are required to successfully complete a Meet and Deal panel interview where their ability to interact with the public effectively will be assessed. The Meet and Deal panel interview will mimic situations that candidates may encounter in telephone and/or face-to-face interactions on the job.

APPENDIX A.2

KAREN DONOVAN

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Atlanta, GA 12345

(111) 555-1234
karendonovan@email.net

EDUCATION

Master of Business Administration 2014 - 2016
University of Georgia, Athens, Georgia

Bachelor of Science (MIS) 2001 - 2005
Georgia Institute of Technology, Atlanta, Georgia

PROFESSIONAL EXPERIENCE

Application Architect ACCENTURE Birmingham, Alabama 2009 – 2013

- Collaborated with business clients to identify required system functionality and other IT system requirements.
- Managed a team of subordinates to ensure accurate completion of requirements and high quality project delivery.
- Redesigned technology architecture to improve ease of use and efficiency
- Led software development reviews that evaluated software estimation efforts, quality assurance, risk management, and delivery methodology.

Software Developer ACCENTURE Birmingham, Alabama 2008 – 2009

- Managed batch processing for twelve systems across nine states in telecommunications industry.
- Redesigned batch operations which decreased runtimes by 25% to increase efficiency.
- Utilized strong interpersonal skills to interact with internal and external clients.
- Developed application code and written documentation with Capability Maturity Model (CMM) Level 3 distinction.
- Delivered excellent customer support by providing 24/7 production support.

Systems Engineer AMSOUTH BANK Birmingham, Alabama 2006 – 2008

- Analyzed productivity and effectiveness of complex IT infrastructures.
- Tested and installed vendor upgrades and patches for Sungard's Trust system upon release.
- Demonstrated excellent abilities in COBOL programming, debugging techniques, database management, and file maintenance on an IBM 370 platform in an MVS environment.
- Conducted end-to-end testing of complex projects and month-end processing.

Programmer Analyst RUSSELL CORPORATION Alexander City, Alabama 2005 – 2006

- Managed production support and COBOL projects for GEAC's accounting applications.
- Communicated with all levels of management regarding IT projects.
- Functioned as maintenance coordinator and primary support for Information Expert.
- Developed and executed test cases to ascertain that user requirements were satisfied.

**TWO SIDES OF THE SAME COIN: CONSIDERING OVERQUALIFICATION
FROM THE EMPLOYEE PERSPECTIVE (CASE B)**

At age 32, Karen Donovan lived on the outskirts of a metropolitan area with her husband and two kids, ages two and four. She'd been a stay-at-home for four years. Karen sat down at a coffee shop in dismay. She thought she'd done all of the right things, executing her plan perfectly, but she still did not have a job. What was happening?!

Four years ago, Karen decided to leave her dream job to become a full-time mom. She knew that this decision could adversely impact her career, but she had a plan. While she was raising her six month old daughter, Karen would return to school to earn an MBA. She and her husband wanted two kids so they planned to have the second one within the next year and a half. Karen imagined that she would spend four years out of the workforce and then return to continue her information technology (IT) career. She knew that it would not be easy to start all over, but she had a total of eight years of experience, including five years with one of the largest consulting firms in the world, and impeccable references. Last year, she graduated with an MBA from a well-respected school. Karen never imagined applying for a position for which she was overqualified.

Karen began her job search approximately three months ago. Her job search included registering as an IT contractor with consulting firm, scouring online job sites, and reaching out to her professional contacts from her previous job. Still, she had no leads on a new position. Her old boss who had since retired surmised that maybe she had stayed out of the game a bit too long. He suggested that four years may not be a long time in some fields, but it was an eternity in IT. After two more weeks with no prospects, Karen relented and began applying for jobs anywhere she could get her foot in the door.

After a few minutes of wallowing in self-pity, Karen checked her email. She'd just received an email from Jason Frost from the IRS. The IRS had several lucrative positions for people who had federal government experience and who met the education and/or experience requirements. One drawback was that the commute would be 50 minutes one way on a good day, when traffic is light. When she quit her job four years ago, Karen was earning \$82,000 in an upwardly mobile and flexible IT position at a prestigious firm. Now, she was considering accepting a job where she'd answer the phones at the IRS for \$33,000 a year.

Appendix B.**Jack Jones, CEO, Technology Training, Inc.**

**By Susan Dustin & Katina Thompson
Illinois State University**

Jack Jones was a first time CEO at Technology Training, Inc. (TTI), a firm which focused on training complex selling skills to sales people in the technology industry. TTI had been a family owned company for years until it was purchased by an investment firm and Jack was hired as CEO. The company revenues were only about \$50 million but still, in the highly fragmented training industry, TTI was well-known, had a great reputation, and considered to be a big player.

Jack had worked in a number of large organizations in sales leadership positions prior to taking the position at TTI. His last position was as VP of Sales for a \$4 billion organization with over 1,000 sale people. So, Jack had plenty of experience. Still this was his first role as CEO. Jack was hired for the CEO position at TTI over several other candidates largely due to his charismatic and persuasive personality. Jack was one of those people that others liked to be around and associate with. People wanted to be like him. He was very competitive and had lots of energy. In his college days, he was a nationally competitive runner. He carried this competitive and team spirit into the workplace as he always liked to win. Jack was a great speaker and very good at articulating a vision that his team members could get behind. He had a way of making the individuals that were a part of his team feel that they were definitely on the right team and that he was behind him. And individuals that weren't working for him wanted to be. His energy and enthusiasm were that contagious.

Despite being a much smaller organization, the move to TTI was a big leap for Jack. There was so much to do as the family that had previously owned the company did not make many investments in the people, products, marketing or infrastructure. They had been taking the profits out of the company for years. As a result, the products needed updating to keep pace with online learning technologies and the marketing materials looked like they were stuck in the 1990's. Additionally, the team that was in place at TTI was not particularly strong and some people had to be removed right away. The family that had been running the organization made most of the decisions themselves and, therefore, had a lot of employees that were used to being told what to do. Jack new he had to replace some people immediately and one of those was the V.P. of Marketing.

Jack decided to hire someone who had worked for him at his former company, Julie Campbell, as the new VP of Marketing and Development. Like Jack, Julie had considerable experience working in large organizations. She had always been in sales

and marketing roles and was a Director of Marketing for Jack at his previous organization. Jack liked that she had direct sales experience so she could relate to the business. Julie also had an MBA from Northwestern University, a top school in marketing, so Jack felt that she was qualified for the position. A hard-worker and a competitive individual, Julie had always had a goal of becoming a VP by her early 30's. She was 32 and excited to start her new position as VP of Marketing and Product Development at TTI.

One of the first things that Julie did when she started was to assess her team. Like Jack, she realized that although her team consisted of a lot of nice, young, smart individuals, they had not been trained well nor had they been empowered to make decisions by the previous VP of Marketing. In fact, the previous VP had been a bit of a tyrant so many of the employees were afraid to make decisions on their own. Julie had a very different leadership style. She liked to give her employees direction and empower them to make their own decisions, while mentoring them along the way. Some of the existing employees were thrilled with her leadership style and rose to the occasion, while others struggled as they were more comfortable in the previous environment.

Julie's other immediate focus was to assess the company's current marketing strategy and materials. It was easy to tell the company needed a complete marketing overhaul. Although the company had solid brand strength in the industry, they were in desperate need of rebranding immediately as even the logo looked hopelessly out of date. Julie knew there was much to be done when she took the position but it was a challenge to know where to start. She and Jack were meeting multiple times a day at this point and she sought his advice on where he'd like to see her focus her efforts first.

In this most recent meeting with Jack, they discussed the many different things that needed to be done. Jack was a man with countless ideas and enthusiasm for getting them done. One of the things that Julie really liked about working for Jack was that he was always challenging the ways things had been done in the past and was constantly searching for new and better solutions. Julie felt like she was never thinking more strategically than when she was in a meeting with Jack and she appreciated both that opportunity and the challenge. The two of them discussed many different directions and Julie left the meeting feeling focused. She and Jack had agreed that she needed to focus on the corporate rebranding, including updates to all the marketing materials, and to begin to explore ways to enhance their on-line delivery options.

Over the next several months, Julie worked as hard as she possibly could on these initiatives. Most days were 12+ hours long. Plus, she was on the road 100% as she hadn't yet moved, so she was living out of a suitcase. Unmarried and without kids, she was up for the challenge and excited about it but she began to get frustrated with Jack's incessant ideas. Every week, he would bring her one or two more new initiatives to

consider. He was so excited about the business and the many different directions they could take to grow it quickly. One of his goals was to generate double-digit revenue growth swiftly so they could sell the business to another investment firm with two years. This would return a profit to the current investment firm as well as result in a nice payout for the senior leadership team as they had all been granted stock options. It was difficult to get Jack to prioritize all his ideas and initiatives and the work just kept piling on Julie. After six months of keeping up the grueling pace, it was beginning to wear on her. Yet she tried not to let it show.

In meetings with the TTI staff, Jack would share his vision and in doing so, he helped to keep the team enthused. Julie would listen as he stressed the importance of family and work-life balance to the group. But his actions seemed to speak differently when it came to his senior leadership team. He seemed to have extremely high demands for all them, but to Julie, it seemed he was most demanding when it came to her. Recently divorced, she wondered if it was because she wasn't married and didn't have any kids. Did he think she didn't deserve some work-life balance too?

A board meeting was coming up and Julie had been working closely with Jack on the presentation to the board. They had also called one of their Regional VPs of Sales, Elizabeth, to help with the presentation. Jack seemed pleased with the format that Julie had come up with and the presentation was coming together nicely when Julie suddenly started to feel ill. She left the building and got sick in the parking lot. Assuming she had food poisoning, Elizabeth insisted that Julie let her take her to the hospital to get checked out. The vomiting and pain were increasing, and Julie reluctantly agreed. They were to fly out the next day for the board meeting; the timing couldn't be worse.

The wait in the ER was long but finally they got Julie into a room. Jack kept calling Elizabeth for updates. There really weren't any other than Julie was in a lot of pain and that they had her hooked up on a morphine drip while they were doing tests. Jack said to Elizabeth, "You tell her I NEED her to be on that plane tomorrow for the board meeting!" He wasn't kidding. Elizabeth responded, "Jack, I think you need to prepare yourself that may not be possible. She's REALLY sick." Elizabeth walked back into the room and said to Julie, "I can't believe it. He sounded like he thought you're faking this so you don't have to go to the board meeting." At that point, Julie was in too much pain to care. The next day Jack and the Company's Chief Financial Officer left for the meeting without Julie.

Julie was released from the hospital without a clear diagnosis. After a few days she felt better and returned to work but had to slow her pace a bit. She still didn't feel great but there was so much to be done that she didn't have time to be sick. Julie noticed Jack was now treating her differently. He was icy toward her in several meetings and made some biting comments about her illness being really bad timing. Although upsetting, because

no one had worked harder for Jack than Julie had, this didn't really surprise her. Jack had a pattern of building people up and being really close to them but when that person did something that didn't go as he wanted or expected, they would suddenly be on the outs. It happened with one of the other Regional VP of Sales who was going through a divorce. Julie remembered Jack saying, "Mike's head is not in the game. He's not giving it his all." Based on this and her own experience, Julie began to notice that if you couldn't give 110% to Jack at all times, it just wasn't enough. That was a tough pace to keep up over the long run. His talk of the work life balance seemed just that - talk.

A few weeks went by and Julie had another similar attack of stomach pain and vomiting. At home this time, she went to a local ER and the doctors saw that she was having a gallbladder attack. Julie was relieved to finally know what was going on. It hadn't just been stress. Surgery was planned for the next day, however, during the evening her gallbladder burst and the doctors performed emergency surgery. Afterwards, the attending physician said, "Wow - you were really sick and had to have been for some time." Julie had been so focused on her work, she had tried to just push through the discomfort.

Back home and recuperating, Jack showed up at her doorstep the day after her surgery with flowers and a stack of work 6 inches high. He said, "I've scheduled a conference call for tomorrow. You'll be able to participate, right?" Of course, Julie said yes.

Over the next week, Jack had Julie fully involved and making decisions via conference call despite the fact that she was recuperating and still on pain medications. Unfortunately, some of those decisions turned out not to be the best. One involved the launch of a new training program. Jack felt Julie had spent about \$75,000 more than she should have on the direct marketing for the program. For the next several weeks, Jack brought this issue up in front of others in senior staff meetings. It was clear to everyone that he was not happy with Julie. But Jack had created a very competitive environment amongst his leadership team. They all knew that they, too, could fall in and out of favor with Jack at any time. And, they were just glad it was Julie that was out of favor right now.

Despite idolizing Jack and finally having obtained the position of her dreams, Julie began to think that this job might not be worth all the stress. There seemed to be no pleasing Jack. She felt like she had gotten on his bad side and there was no way to work herself back into his good graces. She began to ponder her career choices. Was she really even cut out for senior leadership after all? Or was it just too difficult to work for Jack?

Teaching Note for Jack Jones at TTI

This case was written to be used in either an organizational behavior course or a leadership course at the upper undergraduate or graduate levels. This case focuses on Transformational Leadership and Leader-Member Exchange (LMX) qualities in an individual that also exhibits some aspects of abusive supervision.

Learning Objectives

Different aspects of the case may be emphasized depending on the needs of the instructor:

- Identification of qualities of transformation leaders as the Four I's (Idealized Influence, Intellectual Stimulation, Inspirational Motivation, and Individualized Consideration);
- Discuss how a leader can be identified as transformational, yet still have developmental needs as it relates to some aspects of the theory;
- Identification of the In-group and Out-group aspect of Leader Member Exchange and how some leaders may wield In-group membership as a source of power;
- Discuss Abusive Supervision and how some otherwise strong leaders may also engage in aspects of Abusive Supervision;
- Consider what an individual might do if they find themselves in a situation working for an abusive supervisor.

Jack Jones is pretty strong transformational leader. He certainly exhibits inspirational motivation and intellectual stimulation. He exhibits some aspect of idealized influence as many individuals seem to admire him and emulate him. Sometimes his behavior, however, falls down in terms of being a role model that others should follow. He talks a good game regarding individualized consideration. Yet his behavior shows that this is a developmental area for him. He has little tolerance for employees that cannot keep his pace and as a very energetic and competitive individual, it is a pace that would be difficult for most individuals to keep over time. Jack also uses the LMX concept of in-group and out-group overtly to manage his team and in some cases, to punish his managers. Although having in-groups and out-groups are a natural part of management, it should not be so obvious to the team when people are moved in and out of these groups. In this way, as well as others, Jack starts to exhibit some aspects of abusive supervision. This is not an uncommon phenomenon as some of the most well known transformational leaders are notoriously difficult to work for.

Questions for students to consider regarding Jack:

8. Overall, would you consider Jack to be a Transformational Leader? Why? Or why not?
9. On which of the 4 I's of Transformational Leadership is Jack strong?
10. In which areas of Transformational Leadership does Jack need development?
11. How does the LMX theory of leadership apply to this case?
12. Is Jack someone you would like to work for? Why or why not?
13. What do you think Julie should do? Is she the right fit for this position? Is she the right fit for this position at TTI?
14. What should someone do when they find themselves working for an individual that can be abusive?

Prior to the case, instructors may want to review the literature on **Transformational Leadership** and especially discuss the constructs of transformational leadership in some detail (the 4 I's):

- **Idealized Influence** – individuals who act as strong role models for other and are someone that other individuals want to emulate.
- **Inspirational Motivation** – the ability to articulate a clear and compelling vision and to get others to commit to that vision.
- **Intellectual Stimulation** – stimulate followers to be creative and innovative and challenge the status quo.
- **Individualized Consideration** – leaders focus on the care and development of their followers and help them group through personal challenges.

See Northouse (2015) or other leadership texts for additional information on TL.

Instructors may also wish to review **Leader-Member Exchange Theory**, and especially focus on the **In-Group and Out-Group** aspect of the theory. Northouse (2015) and other leadership texts can also be helpful with this theory.

Lastly, this case has an interesting aspect of **Abusive Supervision**. Therefore, instructors may also want to review this concept with students prior to discussing the case. Abusive supervision is a dysfunctional type of leadership that includes hostile verbal and nonverbal behaviors toward subordinates. Examples of abusive supervision include ridicule, public criticism, the silent treatment and may include more severe behaviors such as verbal or physical threats (Stewart & Brown, 2014). Many HRM texts will be a good research for more details on this concept.

Citations

Northouse, Peter G. 7th Edition (2015). *Leadership: Theory and Practice*.

Stewart, G. L., & Brown, K. G. 3rd Edition (2014). *Human Resource Management*.

Appendix C.**Bad Publicity for Compass Marketing**

By Mary Sue Love
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“Houston, we have a problem,” texts Jill, an employee at Compass Marketing, to Keith, her managing partner.

What now, Keith Davis, managing partner at Compass Marketing, wryly thinks as he grabs his phone to reply. Compass Marketing is a full-service marketing company based in the Midwest. With revenues approaching two million dollars annually, Keith knows Compass is poised to explode onto the scene in a big, new way. And Compass is Keith’s baby, he started this company eight years ago with his partner Mark. While Mark is the writer, Keith’s job is to sell. But as managing partner, he’s had his hand in every aspect of this company. It’s been his whole life these last eight years, he’s sacrificed his kids, his health, relationships, his pay; he even lived in the office for a couple of those really lean years. Keith is proud of what he’s built and how it represents his hard-charging, fun-loving style. It’s a point of pride that his marketing firm has a “Mad Men” feel and you can always hear him boasting that his office bar is better than many restaurants. Compass happy hours are famous among his clients and friends for their free-flowing booze and anything goes atmosphere. Keith thrives on the chaos, the energy, and the fast pace he’s nurtured at Compass.

And here is Jill, thinks Keith, trying to rain on the parade. He quickly texts her back, “what now?”

Jill Brings Bad News

Jill is like a daughter to Keith in many ways. She started at Compass over five years ago, when things were hand to mouth. She’s matured and wanted to work her way into sales. As a matter of fact, when she decided she wanted to move to Denver, Colorado, Keith convinced Mark to let her work remotely and start building a presence for Compass there.

“There’s a new review on Glassdoor.com. I think you really need to read it.” Keith pulls up the review and is chagrined to see the headline “Rampant Sexual Harassment.” Someone who identifies as a full-time employee has written this:

Glassdoor Posting
Rampant Sexual Harassment by Management

Pros

I actually like working here. The clients are great and the work we do is challenging and we don't screw them over like other agencies do. It's a good place to learn if you can tolerate the disorganization and hostility.

Cons

The owners act like they're still in a frat house. Company events are heavy on the booze and the locker room talk would make Billy Bush² blush. The men here act like the office is a playground for them to prey on women. It's tacitly approved by management and the partners are the biggest offenders. The women in management pretend to be appalled and then violate your confidentiality and mock you for being too weak to deal with it. They treat clients with the same disrespect; it's embarrassing and surprising they haven't been sued.

Advice to Management

Maybe hire a managing director who isn't jealous of women who are more attractive than her. Stop making excuses for people with anger management issues. Yeah, it sucks that your wife left you but maybe if you paid as much attention to her as you do your hot interns she wouldn't have.

Keith angrily thinks through his small group of employees to see who could have written this heresy. Certainly, none of them. He then starts to wonder if there is someone he's angered, someone who would write this out of spite. He begins to reread the review looking for clues. Someone has to be angry at Lana, our managing director he thinks.

Compass Marketing's Organizational Culture

Compass has gone through many changes in the last two years. First, they added a third partner, acquired his agency, and doubled their size to about twenty employees. Then, six months later they brought in Lana as managing director. Her PR/video production company (co-owned with her husband Carl) had been renting space from Compass. These decisions have been fraught with difficulty. Legal expenses alone for the acquisition ran over \$30,000. Then, the new partner, Sam, refused to use Carl's video production company, even though his office was right next door and his wife was now their employee. Things between Lana and Sam have been especially tense since Sam lied to Carl about the last job he decided to send to another videographer. Sighing, Keith walks out to tell his partners and Lana the bad news.

Even Keith, who is famous for missing everything around him, can see that Lana is visibly upset by what has been said. Mark pipes in, "Those comments about you, Lana, are unprofessional and rude. I bet it violates Glassdoor's policies for professionalism. I bet I can get this taken down!" After a short discussion, they all agree that Mark should

² For those who do not remember, Billy Bush was with President Trump on the Access Hollywood video (https://www.nytimes.com/2017/12/03/opinion/billy-bush-trump-access-hollywood-tape.html?_r=0)

pursue this route. Then, they work through the list of employees one by one to discuss who would want Compass to be maligned like this.

Finally, Lana appears about to erupt. “What about the accusations of sexual harassment?” she spurts out. “What about the frat house culture?”

Keith jumps in to defend Compass’s culture. “Everyone loves our culture,” he says. “People love the fun atmosphere, the laid-back style, they’re going to flock here when we get the old school pin ball machines I’ve ordered!”

“Someone seems to think it’s gone too far,” says Lana as she shakes her head. “You thought letting dogs in the office was a good idea, even after Jim’s dog bit three people. Mark may be able to get this down from the website, but we have to call our HR firm and begin some sort of formal investigation. Coming on the heels of what *just* happened, you know we can’t afford to let this slide.”

No one really wants to think about what happened last quarter. Lana was approached by an employee one afternoon. “I am incensed by what I just witnessed,” storms Grace as she rushes into Lana’s office. “Mark is at it again, and I won’t stand for it.”

Mark’s behaviors are always over the top, but he’s so often good-natured, and occasionally his work is so brilliant that people overlook things. With his tousled hair, his attempts to retain his youthfulness with his Chuck Taylor Converse high tops, Mark is a creative-type; he has the air of a tortured writer about him. And like Hemingway, he’s had his struggles. He’s been on the mend for three or four years now. But still, his behaviors are childish, his jokes off-color. His flatulence has been the topic of conversation at more meetings than anyone can number and one time he played a practical joke on an employee that left the father of a newborn, Ken, thinking he was without a job. He recorded the whole thing and made fun of Ken for the absolute terror and dejection on his face. Clients and new employees alike are warned, “Mark will do something to offend you. We never know what it will be, but we do know it will happen. But, you’ll love his work.”

Lana turned away from her thoughts about Mark to reflect on the conversation she had with Grace a few weeks ago. It turned out Grace had just witnessed Mark’s behavior with another employee, Sarah. Sarah, an Orthodox Jew, is the quiet type. Pregnant with her fourth child, Mark keeps predicting that she’ll not return, leaving them in the lurch for a new administrative assistant. According to Grace, Mark just made Sarah incredibly uncomfortable discussing his sex life and propositioning her in the process. He laid his head on her desk, tousled his hair, and said, “This is how I wake up in the morning. Wouldn’t you like to wake up beside me?”

Lana called the HR Firm and an investigation ensued. It turned out that Mark’s behavior with Sarah was not uncommon. It seems she’s been the topic of his lewd comments for months. And Sarah wasn’t alone. Mindi, one of the artists, admitted during the investigation she’d been approached by Mark, too. Mindi, like Sarah, is quiet and conflict averse. Neither Mindi nor Sarah wanted Mark to be punished too hard. Sarah said

she just wanted him to leave her alone in that way. Eventually, Mark was given a week's suspension without pay and a stern warning to seek professional help with his demons.

Things had settled down since then, Lana thought. Did word somehow get out about this, is someone disgruntled, wondered Lana? Sarah's sister is an attorney, maybe she just couldn't let her sister's treatment go without some sort of action. Is this better than a lawsuit? Or worse, has Mark's behavior not stopped and we have new concerns to worry about?

Lana takes a deep breath, and turns to the partners, "What are we going to do so this doesn't take us down?"

Bad Publicity for Compass Marketing Teaching Note

This case was designed to be used in both OB and HR (or even Entrepreneurship) courses. Depending on the course, the instructor may choose to emphasize different aspects of the case.

Learning Objectives

From this case, depending on the needs of the instructor, students should be able to:

- Gain insight into the impact of corporate culture on employee (and leader) attitudes and behaviors;
- Understand the importance of culture, especially for a startup;
- Grapple with multiple perspectives on a difficult organizational crisis;
- Discuss the responsibilities of a leader to address inappropriate behavior;
- Learn the connection between culture and sexual harassment;
- Consider the viewpoints of witnesses to sexual harassment in addition to the victims.

Hard charging startup cultures and sexual harassment don't just happen at companies like Uber. But, between the revelations there and from the #MeToo movement, even small companies need to consider the impact that partners have on a company's culture. In an organizational behavior or leadership course, students can discuss the impact of culture and the fine line between a company that is having a good time, and one that looks like Compass' culture (here's a short video on organizational culture: <https://hbr.org/video/5686668254001/the-8-types-of-company-culture>). In a HR course, the company's legal obligations regarding sexual harassment should also be emphasized.

In this case, there are also two primary partners to consider, Keith and Mark. Mark should be easy for students to discuss. He has a past history of inappropriate remarks and sexual harassment.

Questions for students to consider regarding Mark:

1. How many strikes should a partner get?
2. What are the leadership implications of having a partner with a history of sexual harassment and other inappropriate behavior?
3. Does Mark put Compass at risk? How should this be mitigated?
4. Is Mark predatory, is he targeting employees who are not likely to complain?
5. How do you manage creative types?
6. What are the company's responsibilities to various stakeholders? Other employees? Their customers? Suppliers?

Next, students can consider what Keith contributes to the situation:

1. Keith vigorously defends Compass' work hard/play hard culture.
 - a. Is he part of the problem? If so, how? (Here are some additional readings on startup cultures: <https://www.wired.com/insights/2013/09/how-do-you->

[define-startup-culture/](#), <https://www.entrepreneur.com/article/287927>, <https://www.inc.com/marcel-schwantes/5-characteristics-of-startup-cultures-that-crush-it-and-it-works-for-corporate-g.html>, and <https://www.forbes.com/sites/forbescoachescouncil/2016/10/18/10-key-steps-to-develop-your-startups-corporate-culture/#d0686d27b3bf>)

- b. What is his responsibility to manage Mark?
- 2. Is the culture a source of the company's competitive advantage?
 - a. Or is it holding Compass back?
 - b. Do the risks outweigh the benefits?

Finally, for HR classes, students can review the current law on sexual harassment. But, also, they can discuss the impact of witnessing such harassment:

- 4. What is the current law on sexual harassment? (Students might find useful information here <https://www.aauw.org/what-we-do/legal-resources/know-your-rights-at-work/workplace-sexual-harassment/>)
- 5. How would you suggest Compass deal with this problem?
 - a. Are laws different for smaller companies? (This may help outline some of the liability Compass may face if there is a repeated claim against Mark <http://employment.findlaw.com/employment-discrimination/sexual-harassment-at-work.html> or <https://hbr.org/2017/12/why-sexual-harassment-persists-and-what-organizations-can-do-to-stop-it>.)
- 6. We don't talk about the impacts of witnessing such harassment for individuals like Grace. What are the impacts for witnesses?
- 7. Finally, neither Sarah nor Mindi reported Mark's behavior. Why? (You may assign this article from the New York Times <https://www.nytimes.com/2017/04/10/upshot/its-not-just-fox-why-women-dont-report-sexual-harassment.html> to discuss some of the implications of being involved in a sexual harassment investigation.

As companies grow, the values and mindsets of its leaders may have to grow and mature as well. This case can serve to highlight some of the risks that a can bring a successful company on the brink of success down while also highlighting issues of culture and its impact on behavior.