

Case Study

Ethical Leadership

You are a regional retail Manager for a large national corporation. You report to an Area Director who reports to a Vice President of Operations. Your region consists of ten stores. Each store has a Manager and about ten additional employees, giving you around a hundred people reporting to you at any given time. It is your job to handle driving sales, customer escalations, store audits, leadership development and large scale training initiatives, investigations related to any employee concerns or fraud allegations, and anything else required for the successful operation of your region.

You have been in this position for just three months and were promoted to this position (within the same organization) because of your track record and ability to develop talented sales people and leaders within organizations. However, you quickly realized there were some large problems within the region, and had to terminate four managers after completing extensive investigations according to the protocol and process set up by your national corporation. Three of the Managers were terminated for conduct related issues (discrimination of another employee based on race/ethnicity, stealing of inventory, and applying bill credits to family member's accounts), and the fourth Manager had demonstrated significant and consistent operations issues over a series of time (didn't pass an audit for 6 months).

A couple of these Managers were very well liked by the rest of their management team, and had been with the company for many years. There are now mixed feelings about you within the region, including a somewhat negative sentiment to the manner in which you handle situations. Some people who knew you in your previous role still have hope that you will bring positive energy and changes to the region. However, a very vocal minority of your team feels you are a "hatchet man" and are out to fire people so you can build your own team from the ground up. It troubles you that there are employees who have this perception of you and your work, but, for legal reasons, you are unable to release many details of your investigations. You are very well aware that these perceptions of you impact the climate and culture of your region.

During a routine store visit, a newly hired employee tells you they are very excited that Jessica, one of the store's more senior Sales Representatives, will be receiving that location's Assistant Manager position. While there is an open Assistant Manager position, no interviews have even been conducted yet. You ask the employee how they know Jessica will get the position. He tells you that he overheard her tell a friend who came into the store, and it's common knowledge that Kevin, the Store Manager, has been grooming her for the position for some time now. He also said he heard that Jessica and Kevin communicate regularly via Facebook and will occasionally text each other outside of work. Later that night, you decide to quickly view Kevin's Facebook profile and observe that Jessica and Kevin are quite active in communicating with one another via this social media site. Additionally, as you go to Jessica's page, you notice that Kevin has commented on many of her pictures about how attractive he thinks she is.

As you begin thinking about what has happened in your new role during the past three months, and the sentiment of various employees related to your work, you realize that you have a significant choice to make.

To respond to the case study, please choose one of the options below and continue only with that option:

Option 1: *You decide that you don't want another investigation and look no further since there was no complaint by the employee.*

Option 2: *You decide there is enough information to proceed with a full investigation.*

Once you have selected an option, clearly identify which option you have chosen through discussion and proceed to address the following questions/issues below (as well as integrate any additional considerations). Please support your analysis with theory and research from the course readings and discussions.

Option 1:

1. In general, what are the various components of this situation that you must reflect upon in determining how to handle it? In your response, feel free to address (but not limit yourself to) the following:
 - a. Your role in the organization
 - b. The rationale used to put you in the position you are in
 - c. Your function and responsibility to the organization as a leader
 - d. Your feelings related to the sentiment employees have of your current activity related to investigations and terminations of employees.
 - e. The manner in which you received information regarding Kevin and Jessica
 - f. Social media and the effect these avenues have or do not have on perception of individuals and your organization
 - g. Your decision to utilize social media as a means for gathering information related to your employees
 - h. Specific dynamics relating to leadership in this situation (positional leadership, gender in leadership, etc.)
2. What makes this an ethical issue (or do you believe it is one)? If you do believe it is, what are the ethical components that make up this situation for you as a leader in your organization? What are things you must be aware of as you affirm your decision not to proceed with an investigation?
3. Of some of the ethical components you have identified, please discuss what makes them relevant to your decision.
4. As you think about social media and usage of this avenue for employees within your organization, what are the ethical implications social media as a leader within your organization?
5. You have decided that you do not wish to push forward another investigation and look no further at the situation, what is your basis for selecting this option?
6. How might this decision affect your ability to lead your team?
7. What values/ethical principles did you use to come to this decision?
8. What are your perceived benefits of proceeding in this manner?
9. What are your perceived potential consequences of proceeding in this manner?
10. What are some additional things to consider as you move forward?

Option 2:

Once you have concluded that there is enough information present to pursue a full investigation, you continue exploring on Facebook and notice that Jessica's page has posts from friends congratulating her on her new career move. She also has some pictures posted on her profile with her friends in what appears to be a bar and you can see that Kevin is pictured in the background. The next day, since Kevin uses a company phone, you decide to pull his text message usage from the past month. Kevin and Jessica have exchanged over 1000 text messages. Some of them you assume are work related (as they are exchanged during working hours), but many of them are late into the evening and into the early hours of the morning. Additionally, as you are able to pull the content of these messages, you notice that some of them are also very personal in nature.

1. In general, what are the various components of this situation that you must reflect upon in determining how to handle it? In your response, feel free to address (but not limit yourself to) the following:
 - a. Your role in the organization
 - b. The rationale used to put you in the position you are in
 - c. Your function and responsibility to the organization as a leader
 - d. Your feelings related to the sentiment employees have of your current activity related to investigations and terminations of employees.
 - e. The manner in which you received information regarding Kevin and Jessica
 - f. Social media and the effect these avenues have or do not have on perception of individuals and your organization
 - g. Your decision to utilize social media as a means for gathering information related to your employees
 - h. Specific dynamics relating to leadership in this situation (positional leadership, gender in leadership, etc.)
2. What makes this an ethical issue? What are the ethical components that make up this situation for you as a leader in your organization? What are things you must be aware of as you pursue your investigation?
3. Of some of the ethical components you have identified, please discuss what makes them relevant to your decision.
4. As you think about social media and usage of this avenue for employees within your organization, what ethical implications did you consider in making the decision to proceed?
5. You have decided that you wish to push forward with another investigation and look further at the situation, what is your rationale for selecting this option?
6. How might this decision affect your ability to lead your team?
7. What values/ethical principles did you use to come to this decision?
8. What are your perceived benefits of proceeding in this manner?
9. What are your perceived potential consequences of proceeding in this manner?
10. What are some additional things to consider as you move forward?