

Mini Case Number 2

Due in the beginning of March 16th class

FIRE ME WHY DON'T YOU?

Please read the attached case and answer the following questions:

1. What are the main issues in this case?
2. Would you have let Paul go as he requested?
3. Why do you think Judy was reluctant to let Paul go?
4. Do you think improvements could have been made to the performance appraisal process? Why or why not?

Your grade will depend on your understanding of the material presented in the case which will be demonstrated by a thoughtful and complete response to each question. Please do not take more than 3 pages to answer all three questions.

FIRE ME WHY DON'T YOU?

PROFILES

Paul Apel is the Second Shift Supervisor at Generations. He has been at the company for four years now and was promoted from the rank and file after two years. Paul has minimal experience as a supervisor and thus was afforded the opportunity to attend numerous training and development programs. Paul's mom, Grace Cotter also works at Generations.

Grace Cotter, Paul's Mom has been with Generations for 25 years. She is a Union Shop Steward. Grace has always been a very dedicated employee and is competent in all of the various operations that go into the production of the clothing lines Generations is famous for.

Jim Bausch, the Production Manager of Generations, was formerly an Industrial Engineer before he was promoted. Jim believes in mentoring and developing his employees and is supportive of the many educational programs available for those who want to move ahead in the company. Jim has a high level of trust in his supervisory staff.

Judy Donato is the Human Resource Manager of Generations. Judy began her career at the company as an administrative assistant for Dennis Howell. As the company grew, however, there became a need for a Human Resource department. The respect that the employees have for Judy was proof enough she was the best candidate for the position.

Joe Frazier is the other second Shift Supervisor at Generations. Joe keeps to himself and rarely collaborates with Paul on any production or quality matters. Joe's performance is excellent and customers rarely have any complaints about product that comes from his departments.

Dennis Howell is the Chief Operating Officer of Generations. Having come from the garment district in New York, Dennis is more than technically competent to do the job necessary for the customer. Dennis rarely holds departmental meetings and usually lets Jim handle the "people" end of the business.

Chang and Rosalina are employees on the Second Shift. They are very verbal in letting management know that something is wrong with the manner Paul treats their co-workers.

Cindy Lampson is the attorney who Paul has hired to represent him.

GENERATION'S NEWEST SUPERVISOR

Paul Apel, a Supervisor at Generations, has been with the organization for approximately four years. He was promoted from the rank and file after his second year with the company. Generations is a clothing factory with one location in the Northeastern portion of the United States. Being newly promoted, Paul was afforded a significant amount of training, development and mentoring. The Human Resource department created with Paul and his manager, James Bausch (Jim), a developmental plan. The plan outlined the competencies needed to be successful on the job and the focus of training and education in order to achieve mastery in these necessary skills and abilities. Paul was one of two supervisors on the recently enhanced second shift. Due to an average 15% growth in business in the past three years, management decided to increase the size of the workforce. Adding a larger second shift made sense since machinery and equipment were readily available. Generations has a first shift also but it was at maximum capacity. Manpower could not be added.

Paul held past positions of responsibility elsewhere as a prison and security guard. His mom, Grace Cotter, has been with Generations for twenty-five years. During the last ten years, Grace has been a union steward. Grace is a very dedicated, focused employee. She thought about retiring a few times so she could spend her days with her grandchild, Paul's son, but she decided at 60 years old she'd rather keep active and work. Besides, Grace was a valued employee and Generations appreciated this by rewarding Grace with out-of-contract bonuses and some extra time off when needed. Recently, Grace underwent hip surgery. Generations accommodated her due to the follow-up physical

therapy which took place during work hours. Her physician told her there would always be some residual pain but Grace forgets this while at work. Her pleasant demeanor and knowledge of the product line is one of the many reasons why so many employees of Generations want to work with and respect Grace. The admiration management has for Grace surely played a part in the decision to promote Paul over other qualified non-Generations candidates.

After two years as a supervisor of the 2nd shift, rumors about Paul began to make their way to Jim. One such story noted that Paul is rarely seen, if at all, during the second shift. He opens the shift up, sets up the various departments under his supervision, makes certain the work is distributed appropriately according to the production schedule, and then either disappears into his office or leaves the building. If an employee asks him a question he either ignores the employee or tells him/her to “do it the way they think they should do it.” There was additional hearsay that Paul had a temper. He would yell at his employees for no apparent reason. Most of the 2nd shift was Asian and Mexican.

During his first six months as a supervisor, Paul’s overall performance was rated as being Outstanding. This is the highest rating an employee can attain. Following the next six months his performance appraisal rating had dropped to a C+ (Competent Plus) which translates to functioning above average. During his second year, however, Paul’s execution and the productivity of his department during the 2nd shift began to deteriorate. Quality slipped and more often than not when the first shift arrived the morning after, they needed to clean up and also re-do some of the production orders because of errors made in sewing, cutting, and final pressing. This caused a backlog in shipping to world-

wide designers, distributors, and major department stores that were waiting for the new seasonal clothing lines. Top Management trusted Middle Management and the Supervisors. This trust resulted in an unwritten “hands-off” position toward the second shift. “If it ain’t broke don’t fix it” was the mantra of Jim and his first shift team. Unfortunately, recent events had begun to show that things were not as rosy as once thought.

Several key areas were in need of immediate focus for Paul; external customer attention, change mastery, leadership, work ethics, integrity, communication, internal customer focus, and development of self and others. **Human Resources** consistently works with Paul on updating his developmental plan. The recommendation was to provide another formal evaluation in three then six months later to be certain improvement was noted in these critical competencies. Paul expressed his dissatisfaction with this outcome but accepted the assessment none-the-less.

THE REPORTS CONTINUE

Jim and the Human Resource Manager of Generations, Judy Donato, continued to hear the reports from employees that Paul was not a pleasant person to work with. One tale said that Paul would not let employees go on their break unless they asked permission of him directly. Jim also noticed the error rate was significantly higher than previous on the 2nd shift. A plan to visit the 2nd shift unannounced was discussed between Jim and Judy. Each one did just this within the next week. Jim and Judy noticed the same thing. Paul, when visited unannounced, was either in his office reading the newspaper, on the telephone, or talking to the female coach of one of the physically challenged employees.

Generations had an agreement with the local Association of Disabled Citizens (ADC). Generations hired individuals who were somewhat physically challenged into jobs that were not too demanding. Accommodations were always made. This was a part of their community relations goals and objectives. ADC provided assistance in the form of a coach to help the employee(s) and also the company. The visits did not appear to cause any concern for Paul. He always explained who he was talking with and also why he might have been on the phone. The coach would immediately leave Paul's office when Jim or Judy arrived. Paul then would make his way into the plant and spend time on the floor with his employees as if to ignore the visitors.

Several days passed and there was little positive change in the reports from other employees. The scrap rate, productivity, and the quality coming from the 2nd shift were unchanged. Additional information surfaced that reported Paul would now leave the building for long periods of time with the ADC coach or another non-employee female who visited him. He waited until he certain Jim or Judy were not showing up and then he would change his personality, start his tyrants and leave. Nothing of this, however, was mentioned from the other 2nd shift supervisor, Joe Frazier. Joe's employee's never complained and their production results were well on target if not exceeding standards. Jim and Judy chose not to discuss any of this with Joe at this moment.

Judy and Jim began to investigate further what the grapevine was saying. Aside from increasing the amount of times they visited or stayed long past the primary shift, they would ask employees as they walked through the aisles during their visits, "how's it

going?” Usually they got nothing but silence especially when Paul was walking around. There were at least six occasions, during different times of the shift, within a three week period when they had arrived and Paul was no where to be found. They waited for about an hour each time. Upon Paul’s return he’d usually have a pizza box or a sandwich with him. His explanation was he went to get dinner and there was a crowd which caused the delay. Paul would always walk in with the coach from ADC.

THE VISITS WITH THE TEAMS

Judy decided one evening to join one of the team meetings from the shift. These took place on a bi-weekly basis. The teams would discuss projects, workloads, resources, processes, etc. During the course of one of these meetings, Judy decided to ask bluntly how they felt they were being treated by management. At first there was a deafening silence. Judy waited and asked again if management was pleasant and helping them get their work done.

“Quite frankly,” Judy noted, “the quality and productivity of your team on the second shift is not up to standards. Our customers are getting concerned about late shipments and shabby workmanship. Some of them are considering leaving us and going elsewhere for their clothing. That means layoffs if they do.”

Soon the silence was broken and Chang, an expert seamstress, interjected.

Chang: “He, Mr. Paul, yell at us. He no respect us, he tell us to take a hike when we ask him for help. Mr. Paul say go back to work and do what you are hired to do and stop

complaining. Then he closes his door with that woman inside his office. We no see him for long time. Every night this happens.”

Rosalina, another senior seamstress also broke into the conversation. “All I know is Mr. Paul sometimes leaves his office, walks out the building with the coach lady, and doesn’t come back for about two hours or more. It’s not our fault we are not doing good. He never helps us. Our needles are dull, our machines need adjustments and cleaning, and the cutting machine is not as sharp as it should be so our seams are off the line.”

Judy: “Why didn’t anyone ever say anything before today?”

Chang: “We afraid of Mr. Paul. He yell at us and tell us to find another job if we no like it here. Mr. Paul tells us there other people who he can get to do our jobs.”

Judy took notes as more information came from the team for the next thirty minutes or so all with the same theme; Paul may not have been living up to the expectations set forth during the performance evaluation. Judy decided that it was time to work with Jim on yet another plan to get to the bottom of the second shift challenges. Customers were not happy, employees were fearful, and with the increase of potential business coming to the company through some excellent new designs, marketing, sales, and styles, Generations needed to put its house in order.

Judy and Jim put together what they hoped would be one last plan to get this part of the shift back on track. The first action they took was to talk with Joe the other Supervisor.

Joe stated he was unaware of any of the problems employees claimed. Joe never heard any yelling or threatening coming from Paul. He also never saw Paul leave the building except to smoke periodically during employee's break time or their lunch. Joe did admit Paul's door was often closed but he figured he was working on production related issues. Joe's area of the factory was located quite a distance from Paul's section of the plant. The machines did make quite a bit of noise also. A huge wall divided them and there were separate entrances that employees could use if they so chose. Joe's section and teams were extremely busy and he did admit he has had little to no contact with Paul for months except to say hello in the beginning of the shift and at debriefing meetings with Jim.

Another week had passed since the team meeting and more data came in from Operation's Information System. It all pointed toward additional errors, shabby quality inspections, late shipments, elevated machine breakdowns, and increased customer returns. Productivity dropped to less than 84% based upon standard. Overall it did not look good. Judy and Jim agreed to meet with Paul formally and lay the facts out on the table in the form of another formal performance review with yet one last follow-up plan to improve.

THE FINAL PLAN TO GET BACK ON TARGET

Two days after they received the operations data, Judy and Jim asked Paul if he would join them as soon as he got his shift up and running. A little hesitant, Paul agreed. The three of them met in the conference room on the production floor so they would be able to monitor the factory just in case someone needed them. Jim began;

Jim: “Paul, we need to look at some of the recent numbers. They are not good and quite frankly I am worried. We are all worried. Well-Mart, one of our largest customers is about ready to pull the plug on our spring fashion line because of quality issues and late shipments. Paul, help me understand what’s going on? During your last performance review we put together a plan and you agreed to make some serious improvements. From what these numbers say we seem to be going in the wrong direction.”

Paul: “Oh not this again, Come on people, you’re just picking on me again and honestly I’m getting tired of this. In fact, to be honest with you, I think you’re harassing me. It’s not my fault you gave me a bunch of incompetents out there. These people can’t sew for nothing. Judy, where did you get them from? No matter what I do it’s not good enough anyway. My best is just not good enough for this place. It’s the same thing over and over again.”

Judy: “Paul, listen. I sat in on one of your team meetings from your shift last week. Your employees told me about you yelling at them constantly, threatening to fire them, and replacing them. Then they said you leave the building for long periods of time with the coach from ADC, or you close your door with the coach from ADC and are no where to be seen for the better part of the shift. We’re not sure what’s going on here Paul but as Jim said the numbers are not good and if what the employees are saying about your behavior, it may be inappropriate while here at work.”

Paul: “Oh yea you’re going to believe them over me now. Just like you both. I told my mother to get out of here a long time ago. You don’t appreciate anything I do. And my personal life is my personal life. If I want to go to lunch with a woman, that’s none of your business.”

Jim: You’re right to a point Paul. We’re not making this personal. What you do on your time is your business. What you do on company time and property is all of our business. It appears you are taking a lot of company time to work or talk with this lady. We heard that from more than just a few employees. She is supposed to be here to help coach her employee. Let’s get back to these numbers Paul. What’s your take on why they are still decreasing?”

Paul: “Hey Jim, no matter what I say it doesn’t matter. You’ve already made your mind up. Give me the review will you? No better yet, why don’t you just fire me. That’s what you want to do anyway. Fire me why don’t you?”

Jim: Looking very shocked at what he just heard. “Paul we have no intention of letting you go at this moment. We want to talk with you about your performance as we have been doing for months now. We want to share with you again some areas that need improvement. You need to take some ownership of the problem. We want you to focus on this and not blame everyone else. Judy’s staff will work with you on hopefully a last development plan so you get back on track. I want to put someone on the shift with you to lend a hand so he can help with the areas customers are concerned about.”

Paul: Becoming angrier, “I don’t need anyone to help me. Hey, this is ridiculous. You’re just out to get me no matter what I do or say. Fire me why don’t you? I’m tired of this already. I’ll just collect unemployment until I find another job. I can’t seem to please you guys anyway. It’s my entire fault, right?”

With that Paul rose from his seat, went to the door, opened it, and left. As Jim and Judy watched in utter amazement Paul walked out the exit door, got into his automobile and drove off the premises.

Judy and Jim sat speechless. They had not expected this sort of reaction. They looked at each other. Judy looking at Jim said, “Okay now what? One might consider this job abandonment.”

DISMISS PAUL OR NOT?

Jim: “Well, if he wants us to fire him why not. Let’s do it.”

Judy: “What! We do that and we’ll end up with a lawsuit on our hands. This was a performance review meeting and not a very good one at that. We did not come here to dismiss Paul. Since when does an employee ask to be fired? Something’s up with this guy and I don’t like it. ”

Jim: “I know Judy but I thought we can just let anyone go with or without cause. Didn’t you say once we were an employer at will?”

Judy: “Sure try it some time. He used the big “H” word on us Jim. He’s looking for something. I would not fire him, not just yet. I’d get him back in here and finish the evaluation first then we can decide what to do.”

Jim: “Doubt that will ever happen. He left the building Judy, remember? He abandoned his job. You tell me we can’t let him go for that? Now who am I going to get to cover the shift?”

Some more discussion took place. Judy and Jim waited a bit hoping Paul would return. Instead, after about 30 minutes the phone rang. It was Dennis Howell, the Chief Operating Officer.

Dennis: “Jim, it’s Dennis. I just spoke with Paul. He called me from his car. He said you and Judy were pushing him around and harassing him about 30 minutes ago, telling him he’s no good, that he curses at employees at night and said he is running around with some lady from the ADC? What’s going on? We got a lot of product to get out of here. Can I see you? Paul says he wants to meet with me and Judy also. I also got a call from Grace, Paul’s mom. She’s also on her way up to my office. She says her son also called her a few moments ago also and was really upset about the way he was being treated. Grace said that she doesn’t know the whole story but has heard some rumors that the 2nd shift doesn’t like Paul and wants a new supervisor because he’s too tough. I think we better talk before we have a real problem on our hands.”

Jim, Judy and Dennis met. Jim explained what happened at the recent meeting they had with Paul. He told Dennis they were just following the performance appraisal recommendations they wrote a few months ago. Dennis was aware of the production numbers, the quality decrement, and shipments being delayed from Paul's teams. Dennis had been working with Jim on this for quite some time. When Dennis heard that Paul wanted to be fired he was also quite surprised. He agreed with Judy that something must be wrong. He planned to meet with Grace in a few moments and had to get back to Paul about the meeting he asked for. Jim and Judy left Dennis's office.

AN ALTERNATIVE FOR PAUL

Paul did not show up for work the next two days although he had made a call and left a message that he would be out ill. He also followed up with a phone call during the day to meet with Dennis. Judy decided after the two days of call outs from Paul, to meet with General Counsel and asked that a release agreement be drawn up providing Paul with a severance package of 4 weeks pay if he signs and releases the company from any action. General Counsel had no idea why Generations should do this. If the Supervisor was ineffective and if he has not shown up for work the past few days then why not just let him go? Unless we have some doubts that the stories are true from the employees? After a two hour meeting, Counsel decided to agree. An agreement was created. Paul was contacted by Judy who left a message to meet with Jim and her the following day. They wanted to discuss his request.

Paul showed up Wednesday. This time, however, he went directly to Dennis and wanted to talk only with him and Judy. Dennis let Paul speak his mind and vent. He did not call Jim immediately. Judy joined them and was surprised Jim was not present. When Judy raised the concern about not having Jim in the meeting, Dennis ignored it and continued to ask Paul questions. Paul reported to them both that he feels there is no hope and no future for him at Generations, and that Jim is setting him up to fail. He again asked to be dismissed after a 30 minute discussion. When it appeared as if there was little hope to convince Paul to remain and finish working through the performance evaluation, Judy shared with Paul the "Release Agreement." She asked if he would consider something like that. Paul asked to see it first. Paul read it, signed it, and was handed a check for four weeks severance. A copy of the agreement was given to Paul. He left the building.

Judy informed Jim later about the meeting and its result. He was not pleased that Dennis held the meeting without him. He told Judy that undermines his authority and all the work he has done with Paul. None-the-less Jim had no choice but to accept what happened and now needed to make arrangements for a new Supervisor on the 2nd shift. Judy and Jim spoke to the teams on the shift to inform them that Paul would no longer be coming to work and they would soon have a new leader. For the time being though Jim would stay on the shift for a few hours and then Joe would take over from the other end of the plant. Everything would work out just fine so have patience. Jim gave some of the senior employees a bit more responsibility in the transition and told them their compensation would be adjusted accordingly.

PAUL'S ATTORNEY

Two days following that meeting, Human Resources was contacted by an attorney, Cindy Lampson who reported she was representing Paul. This made little sense to Judy but she took the call regardless. Since Jim happened to be with her she placed the telephone on conference so he could listen and comment if need be. The conversation was a cordial one. Notes were exchanged verbally. Paul's attorney, Cindy Lampson, noted that Generations had no grounds to dismiss Paul and they must reinstate him with full back pay. Paul was planning to pursue a lawsuit for unlawful discharge and harassment against Generations. To say the least Jim and Judy were again confused. Judy pointed out to Cindy that they were in possession of a release of all claims that Paul signed in acceptance of four weeks of severance pay.

Judy: "Paul chose to resign. We accepted his resignation. The company was very generous and provided him with a release and four weeks severance pay. I'm really not sure why Paul is saying we dismissed him. The letter we have on file from Paul states, "I am resigning my position as Supervisor of the 2nd shift of Generations effective immediately."

At that point, Cindy excused herself. She told Jim and Judy she needed a bit of time to discuss this action of which she was unaware with Paul. She asked Judy to kindly fax a copy of the release and Paul's signed letter. Judy obliged. Cindy was never heard from again.

Later that same day Generations received a “Notice of Hearing” from the State Department of Unemployment to be held on the behalf of Paul Apel. Apparently Paul had also filed for unemployment benefits. Jim asked Judy “how can he collect if he chose to resign from his position?” Judy was just as perplexed.

Because of their schedules, neither Jim nor Judy could appear in person. They made a phone call and sent a follow-up letter stating their position with back up documentation. The Unemployment Office phoned regardless on the date listed originally in their first correspondence. As Jim and Judy were walking out the door to go to an off-site meeting the receptionist stopped them. She told them there was an unemployment investigator waiting on the phone to talk with them both.

The investigator would not take no for an answer, nor was she going to re-schedule the hearing. She forcefully asked Judy for an explanation of the events that led up to the dismissal of Paul. Judy continued to note that Paul was given numerous performance evaluations, had a number of developmental plans and finally had voluntarily resigned. The company was in possession of a signature on a resignation letter to that effect. The investigator noted she was also in possession of the document. She then “demanded” that Judy fax over or deliver in person immediately all appraisals and notes in Paul’s personnel file. Judy asked for identification and informed the investigator of this inconvenience. If they wanted the file they could send along a courier with a subpoena. Following 30 minutes of working up the chain of command Judy finally gave up and faxed 39 pages of information detailing Paul’s work history including performance

appraisals, warnings, development plans etc. they were all received by the local Office of Unemployment.

Three work days later Generations received notice Paul was being awarded full unemployment benefits with no penalty. The investigator noted in her report that Generations forced Paul to resign against his will. It was not contestable.