

CASE #5: PERSONAL RELATIONS IN THE COMPANY ENVIRONMENT & WITH COMPANY PEERS

“Company Peers Cross the Line?”

Maintaining high standards of honesty and integrity in today’s business world takes an inner toughness and resolve to persevere, often under extreme pressure or even under the threat of losing your job.

Fred A. Manske Jr.

Your name is Kate. You received your degree in business management three years ago from Due West, a small southeastern liberal arts college. After graduation you were interviewed by a number of companies and took a job as a trainee with Diverse Products in Boston. It is a company whose products and marketing practices you admired.

The training program was extensive, giving you exposure in all locations and phases of the company operations to provide you a broad knowledge base of the company. After nine months you received an excellent performance review and were considered for several different positions. You were finally asked to join the expanding long range planning team that at the time consisted of a manager, John Larkin and his secretary, Pam. The position required extensive report preparation and you were provided the services of an administrative assistant.

During your interviews you found John to be low-keyed and very articulate. As you began to work with him you also observed that he was very business-like, forthright and open to your ideas and suggestions, and so the two of you got along well. Long range planning activity acted as the central planning function for the whole company. You enjoyed your work and the feeling of being at the center of strategy and direction.

The workload was very challenging from week to week and reached a peak during the week before the monthly board meetings. During this peak period there were frequent late afternoon meetings that sometimes stretched into early evenings. Frequently you and John, and sometimes his secretary, ordered in sandwiches or pizza and cokes so you could maintain continuity in your work and preparation.

One evening you forgot to order and when you broke, John suggested that the two of you stop by a local eatery for a bite before going home. Your conversation drifted away from business and John asked you how you liked Boston. You told him that you thought the amenities were marvelous, but that you had not yet gotten accustomed to the cold weather, even though you had been there almost 14 months. He asked if you had made any new friends and if you were socializing or dating. You gave positive answers to these questions.

John then asked you if you would consider having a non-business date with him.

You stated that you felt it was a bad idea because it could adversely affect your excellent work relationship. He replied that you were probably right. The subject was dropped.

The department’s work continued to progress and you participated in more presentations. You became known to more of the senior executives and selected directors. The company was doing very well overall and you received a very good salary increase after one year. In addition you were given an expense account for business contacts out of the office and travel. Due to your position in corporate planning, you were informed confidentially of a pending merger between Diverse Products and Lothrop Manufacturing Company. The merger could double the size of the company.

At one of your late afternoon work sessions John again raised the question of a more personal date. You responded that you felt it would be a bad idea because of the potential effect on your work relationship. All that John said was "That's too bad."

You had to work one Saturday morning after a heavy work week in preparation for the Monday board meeting. All administrative assistants were on hand to complete the board reports. You were completing a major report that had been in the works for almost three months. When you finally finished in mid-afternoon, John suggested that you should get together for dinner to celebrate the completion. Without giving it too much thought you agreed. John picked you up and you had a very nice time at dinner. You shared wine and laughed a lot. When you returned to your apartment complex, you said "Thank you, John. Good night. I had a very enjoyable evening." John responded, "So did I, but you should try to relax a little more," and then quietly walked away. As you got ready for bed you were bothered by this comment as it was unlike John.

One afternoon about a month after the dinner John came to your office and said, "When we had dinner we talked about music and you said that you enjoyed serious music. I have two tickets for the Boston Symphony concert Saturday. Will you go with me?" After considerable thought you said that you would love to because Mozart was your favorite composer. You and John enjoyed the concert and stopped for ice cream on the way home. At the door you thanked John and told him that you had a wonderful time. He replied in a lighthearted way, "So did I, but I still wish you would be a little more friendly."

Several weeks later after one of your late afternoon and evening sessions with sandwiches, it had become dark and John took you home. John asked if he could come up for a cup of coffee and you agreed. As the coffee was perking, John turned on the radio and took your hand and started dancing. At one point the dancing stopped and you gently pushed him away and said that it had been a long tiring day and that the coffee was ready. As you poured the coffee and John took the opportunity to tell you that he was attracted to you and enjoyed your company. He hoped we could have a more romantic relationship.

You responded that this was hardly the time to talk about it since you certainly didn't feel that way at this moment.

John quickly changed subjects, saying, "Incidentally, with the Lothrop merger coming up we are going to have to add a couple of analysts to our department. I thought they could report to you which would mean a promotion and manager's title for you. Think about it." You and he finished your coffees and John left with a cordial, "Good night," and a clasping of your hand.

You didn't sleep well. You had thoughts spinning around in your head. You suddenly began to think about the company's policy on sexual harassment, which was clearly stated and a positive one. The policy provided for a confidential procedure for reporting harassment and prohibited any retaliatory action against those who make allegations. The next day you put it out of your mind and things were normal but perhaps a little more restrained and impersonal. During this period you and John interviewed a number of candidates for the new jobs. Each candidate was told that he or she would probably be reporting to you. Two were finally selected whom you and John believed to be well qualified. Each of them said they had to give their present employers two weeks' notice. You were pleased with this new move in your career.

At a subsequent meeting in John's office he told you that he wanted to discuss organization with you because he really had not yet decided whether he wanted the new employees to report to you or to him. John said that he had discussed the new structure with the Human Resources department and they

saw advantages either way. If they reported to you it would probably be of help in your own development, but having all three of you reporting to John would be more of a normal organization structure. You expressed astonishment, since the candidates were told that they would probably be reporting to you. John explained, "It was necessary that they not be told they would be reporting to me, so that they would not be disappointed or feel misled if I subsequently decided they should report to you. I can always raise their reporting relationship without any repercussions, but I can't lower it."

John then asked if you had any further thoughts on the organization structure, saying, "It would be a lot easier if you were more relaxed and open. If they report directly to me, I obviously will be spending more of my time in the office with each of them and less with you. Maybe that's the way you want it, and I do want to please you."

You took a deep breath and took a tight grip on the arms of your chair and exclaimed, "I believe that I'm entitled to that promotion – you as much as promised it to me. My ratings have been excellent. Senior management and the directors have commented on my excellent presentation. I would be very disappointed if I didn't get it. I like you. I enjoy working with you. But I also believe that for the most efficient and productive department operation our relationship should be strictly business and limited to the office. Right now my only concern is my job and my career, and I do not want to divert my attention from that with a personal or emotional relationship, particularly with someone in the office. We have demonstrated that we work extremely well together as a team. The whole company knows that fact. I'm sure that Tom, your boss, must be very pleased with the way that things are going. I only hope that you will see fit to go ahead as planned so that we can concentrate on our jobs. I would hate to have it continue to bother me."

John opened his mouth as though to respond, but then upon reflection closed it. He finally replied, "I'm sorry you feel that way. I'll take it under advisement. Thank you for your advice."

The next day was Friday and when you arrived at the office you were surprised that John and Pam were already there. Pam handed you a paper and said that John wanted you to see it before she put it into general distribution. It was a notice announcing that two new analysts would be joining the long range planning function in ten days, and that each of them and you would be reporting to John. Not wishing to give Pam any cause for gossip you thanked her and went to your office.

Questions:

1. If you were in Kate's position, what do you think your reaction would be?
2. Do you think you and John can continue to have a normal and productive business relationship in the office?
3. What options does Kate have? Might this include a basis for filing a sexual harassment case? What ethical as well as legal issues are raised?
4. People often say that hindsight is 20-20. Should Kate have done something different earlier in her relationship with John?
5. Because of the "power structure" involved in a boss-subordinate situation, is it ever ethically proper for a boss (of any gender) to ask a subordinate for a "date"? If your boss asks you for a date and you are attracted to him/her, what would you do (and why)?

Doing nothing is doing something. Some of the worst decisions are the ones that were never made.