

# WORKING PAPER

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No. 00-01Mg

February 2000

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## THE CASE OF RHONDA

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## ABSTRACT

The case involves a long-term, highly productive employee who has increasingly become less productive and disruptive of the workplace. Because of the strength and quality of her past contributions, the owners of the small business which employs her have been reluctant to confront the issue directly. The situation continues to deteriorate as the employee seeks to change employment, while deceiving her employers regarding her interest in strengthening her contributions to the firm. Falsification of a recommendation letter leads to the employee's termination.

## THE CASE OF RHONDA

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### Case Objectives and Use

The case illustrates a rather common personnel issue often encountered by managers responsible for supervising long-term employees. While the setting is a small advertising and graphics design studio, it is applicable for all organizational scenarios. Students will gain insight into the following dimensions:

1. The importance of progressive discipline.
2. The management of job actions and summary termination.
3. Behavior which helps and hinders teamwork.
4. How to motivate employees.
5. An employer's obligation to meet the needs of all employees, not just satisfy the needs of one.

The case is appropriate for use with undergraduate and graduate courses in Human Resources Management, Human Resources Law, and Small Business Management.

### Case Synopsis

The case involves a long-term, highly productive employee who has increasingly become less productive and disruptive of the workplace. Because of the strength and quality of her past contributions, the owners of the small business which employs her have been reluctant to confront the issue directly. The situation continues to deteriorate as the employee seeks to change employment, while deceiving her employers regarding her interest in strengthening her contributions to the firm. Falsification of a recommendation letter leads to the employee's termination.

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## CASE STUDY

### The Case of Rhonda

Marilyn and Rock Gamble are the working owners of a well established, highly-professional advertising agency with an excellent reputation for creative work in both graphics and media production. They have owned the agency for twenty years, employ five other individuals, and generate gross billings of approximately \$3.5 million annually. The agency is located in an at-will employment state.

Rock is the forty-eight year old creative director of the agency, and is the primary account executive for the automotive accounts. He is impulsive, highly creative, ambitious, confrontive, and works extremely hard. Where Rock is impetuous, volatile, and assertive, Marilyn is highly organized, calm, handles stress well, and is very much a feeling person. Marilyn is the informal office manager and primary account executive for the hospital sector. Both have strong personalities, deal with the public well, have excellent language skills, and are talented professionals in their respective areas of expertise. Together, Rock and Marilyn make a good team.

The other members of the agency staff vary considerably in talents, age and personal circumstances. All are women, and Marilyn is quite sensitive to their needs for sick days to tend to children, the need to leave work early or arrive late on occasion, and other considerations supportive of professional women. Marilyn is a caretaker, and is quite uncomfortable with conflict and confrontation.

Rachelle, the receptionist, is twenty-four, quite personable, and has a four-year-old son in daycare. She is pleasant, manages the public well, and is dependable. She also

does a lot of miscellaneous tasks such as overnight mail, errands, and other things that tie up the loose ends on many projects.

Paula is the production/traffic manager. Paula is in her middle twenties, single, frank, energetic and spirited. She loves her work and is good at it. Hers is a high-stress job as she is the communications center for the agency. She is bombarded with information throughout the day and tends to be abrupt with people. She has been with the agency three years, is a workhorse, makes very few errors, and is the control center for the management of all production jobs.

Andrea is the accountant. She is thirty, married to a career Army officer, and has been with the agency for eighteen months. She is also responsible for media buying and maintains all financial records. She is quiet, reserved, functions well with others but due to the nature of her tasks she tends to stay to herself. She is a solid contributor.

Gwen is the graphics designer. She is fortyish, not particularly stylish, and is also a workhorse. She has teenage children. Her responsibility is to generate creative design, and put into finished form the creative work of others. She is an expert in computer design and is an excellent proofreader. Of late, her creative work has been uninspired but other elements of her work are laudible.

Together, Rachelle, Paula, Andrea and Gwen are the core of the production team. They interact constantly with one another, consult often on the status of projects, and give and receive help from one another on whatever needs to be done to achieve immediate objectives. Their communication is very rich, filled with banter and light-hearted teasing, and they share a lot personally and professionally. They are very conscious of deadlines and work to "get it done", the informal motto of their production group.

Rhonda is the lead copywriter. She is in her early forties with two early adolescent children who constantly call her at the office. Initially a tremendous contributor to the agency team, her work has suffered substantially in the past six months. She is not writing good copy, is missing deadlines, and her work is uninspired. She has been taking excessive sick days, comes in late, takes long lunches, and leaves at the stroke of five. Her attitude has become poor, and somewhat cynical. In addition to the above-market salaries and benefits received by all employees, Rhonda is the only employee who receives an agency car for her use at no expense other than gas.

Unlike previous years when Rhonda interacted fully with others on the staff, recently her performance and personal demeanor have begun to affect others in the office. The existing office climate is one which encourages involvement and mutual support among all staff. Communications are quite informal, interaction is high, and the driving spirit is to be supportive of one another. This is quite important as it is a high production agency, often resulting in significant levels of stress as deadlines approach for numerous jobs.

Increasingly, Rhonda has become aloof, catty in her remarks about Marilyn and Rock, disparaging of others' work, demanding, and presenting an air of superiority. In essence, a self-constructed prima donna. She sees herself as extraordinarily talented, knowledgeable of the cutting edge of her field, and capable of significant leadership. Unfortunately, her increasingly inflated opinion of herself and her capabilities are not supported by the quality of her work or her production of copy.

Nonetheless, Marilyn and Rock value Rhonda's talents. On her good days, she writes excellent copy and really does offer outstanding ideas. When motivated, she can

be a very positive, creative force in project design and execution, and can inspire others to be so as well. Importantly, she relieves Rock and Marilyn of the major burden of writing copy, which can be quite time-consuming and creatively demanding. For this reason, Marilyn and Rock continue to work with Rhonda, stroking her on good days and tiptoeing around her on bad days, hoping that she will move through this stage in her life and again become the consistently outstanding performer she had been.

During this period as her work declined, Rock or Marilyn would occasionally make comments about her work or attitude, but always informally and off-the-cuff. Due to the pressing work schedule and the personal discomfort of the situation, neither Rock nor Marilyn sat down formally with Rhonda to provide her feedback and seek to understand what was motivating her behavior.

While Rhonda is respectful of Rock's creative talents and role as titular head of the agency, she is disparaging of Marilyn's management of the agency. Rhonda is percolating with ideas about how the agency could, and should, improve its performance, and shares these ideas from time to time with other staff, and occasionally with Rock and Marilyn. In Marilyn's presence, Rhonda shows due deference. After all, Marilyn does write the paychecks. However, behind Marilyn's back, Rhonda comments negatively about Marilyn's conservative management style, her inability to write good copy (from Rhonda's perspective), and the lack of development of client accounts to better utilize the agency's capabilities. Rhonda is convinced she could perform all of these responsibilities much better if given the opportunity.

Marilyn and Rock are regularly apprised of Rhonda's behavior by loyal staff who are disgruntled by her negativity and lack of team work. Silently, they wish she would go

away. Her behavior is beginning to negatively impact this group. Rhonda's failure to meet copy deadlines is delaying others' work, creating additional pressure and stress. Increasingly, people are being snappish, and are beginning to gossip about Rhonda and her "problems."

Recently, the agency engaged in a planning activity to clarify its mission and consider repositioning the agency in an expanding marketplace. A driving force in urging the agency to become more aggressive and consider expansion was Rhonda. Among the tasks identified in order to support growth was the development of an employee policy and procedures manual which would put in writing many of the agreed-upon understanding which guided personnel practices in the office.

During the planning activity Rhonda was a real supporter of emerging ideas about team work, creating supportive environments to enhance productivity, and moving the agency forward. Following the planning activity, however, her behavior did not correspond with positions she espoused during the planning sessions. Quite the contrary. Her personal behavior and work-related attitudes continued to be counterproductive.

In early June Rhonda requested a meeting with Rock to present a proposal she had outlined. The meeting took place at The Club, a private dining and recreation facility where the agency holds a corporate membership. In the proposal she presented in significant detail what she wanted in terms of job responsibility, account control, and other advancement-related topics, including a request for a \$10,000 salary increase. In exchange, she promised certain things, including far higher levels of personal responsibility, bringing the agency into the twentieth century on computerization, a change in attitude, and more. All of these promises would have been highly desirable



and probably worth the salary increase, in Marilyn and Rock's estimation, if indeed Rhonda could deliver, but they thought it was a rouse. Nonetheless, they agreed to give her the salary increase in increments as she was able to demonstrate what she could deliver under the proposal. After all, it sounded great on paper, and if it would bring about the desired team work, it would be worth it.

In the latter part of June, Rock and Rhonda had a second meeting in which she tried to convince Rock that she would be much more productive if she could work from home, function independently, and have greater responsibility for her work. Rock responded that he thought that this was "a great idea, but that in their industry those folks are called freelancers." The implication was that if Rhonda wished to be an employee, that was great, but her work was to be done in the office where she could be part of the team. Rock assured Rhonda that if she wanted to get another job, he would support her and volunteered to help.

The next day Rhonda again came to Rock and said she really wanted to talk some more about the meeting from the night before. She was not satisfied with the outcome of the meeting and hoped to discuss it further. Rock denied this request. This was to become a continuing pattern as Rhonda sought continuing changes in her employment relationship, each seeking to enhance her authority, stature, or independence.

The middle of the third week in October, Rhonda informed Rock that she was applying for a public relations/advertising position at the local hospital. At the same time, one of the office staff discovered a letter of recommendation, signed by Rock, on Rhonda's desk, a letter Rock had never written. The staff member advised Rock of the presence of the letter, whereupon Rock walked into Rhonda's office, picked up the letter,

and read it. Rock asked, "What is this, Rhonda?" She responded that it was a "draft" of a letter of recommendation she had composed for Rock's approval and signature, and that she wanted to talk to him about it. The photocopy which Rock was examining was signed with his name. Rock said, "Well, Rhonda, it's signed. You didn't send it signed, did you?" Rhonda responded, "Oh, oh, of course not!" Rock responded, "I'll write you a letter, but it will be my own letter." He then went into his office and called the chief administrator at the local hospital, a close friend, and asked if he had a letter of recommendation for Rhonda written by Rock. His friend said he did. Rock asked if it was signed. The administrator said it was. Rock then advised him that he had never written the letter nor signed it. His friend's response was "Oh my god, just keep me out of this!"

Rock was scheduled to be in media production off-site immediately following his discussion with his friend, the administrator, and was unable to follow up immediately with Rhonda. That day (a Thursday), Rhonda left early for lunch, about 11:30 a.m., and didn't return to work for the remainder of the day. She did, however, leave Rock a note saying she wanted to talk about the recommendation letter. Rhonda didn't come to work Friday. Over Friday and the weekend, Rock and Marilyn talked with their attorneys and decided what they wanted to do and how to do it. The decision was to terminate Rhonda immediately. At 7:30 a.m. Monday morning, Rhonda appeared at the Gamble's house saying she wanted to talk about the letter. Rock responded that since it was business, they would talk about it at the office.

Shortly after 8:00 a.m., Rhonda arrived at the office, whereupon Rock offered her the chance to resign, but to do it right then. He said to her, "You broke all of the rules,

Rhonda. You can't stay here." She wanted time to think about resigning; Rock insisted that she do so immediately. Rock then asked for her office keys and car keys, and gave her a box to gather her personal belongings. He concluded their discussion by saying, "Rhonda, you did this to yourself. I've given you every chance down the line." By 11 a.m. Rhonda was no longer employed and had vacated her office.

In following up on the matter, Marilyn and Rock discovered a letter on Rhonda's computer, written the week after the initial June meeting, forwarding her resume to another agency in a nearby city. Clearly, the contents of the cover letter indicated that Rhonda was using the new agreement as a bargaining chip with the other agency, and she included her newly-expanded responsibilities in her resume in a manner suggesting she had experience in these new areas. As Marilyn reflected later, "Every time I think of Rhonda I still feel ill!"

As Rock concluded, "Rhonda now possesses both titles, 'my best employee' and 'my worst employee'. When she was good, and doing solid work, her performance was excellent. But this deteriorated substantially as her ambitions and inflated self-perception grew."

Perhaps most telling is Marilyn's assessment of the incident and its impact. "Did it make us stronger as an agency? No. Did it take the rose off my glasses? You bet it did. It made me want to get out of this business. In retrospect, I will say that we always had the terrible feeling that we couldn't get along without Rhonda. I found out we could. In her last two years, we rewrote a lot of her copy. After she left, we made as much money or more than we did before. Her departure lifted morale; it removed the tension and stress. I think the employees were proud of us for letting her go."

Rock, in his acerbic way, summed it up. "Rhonda was so smart that she fooled everybody, and she finally fooled herself."

**Instructor's Manual**

**THE CASE OF RHONDA**

## THE CASE OF RHONDA

### **CASE OVERVIEW**

The case involves a long-term, highly productive employee who has increasingly become less productive and disruptive of the workplace. Because of the strength and quality of her past contributions, the owners of the small business which employs her have been reluctant to confront the issue directly. The situation continues to deteriorate as the employee seeks to change employment, while deceiving her employers regarding her interest in strengthening her contributions to the firm. Falsification of a recommendation letter leads to the employee's termination.

### **OBJECTIVES**

The case can be processed along the following dimensions:

1. The importance of progressive discipline.
2. The management of job actions and summary termination.
3. Behavior which helps and hinders teamwork.
4. How to motivate employees.
5. An employer's obligation to meet the needs of all employees, not just satisfy the needs of one.

### **COURSES AND LEVELS**

The case is appropriate for use with undergraduate and graduate courses in Human Resources Management, Human Resources Law, and Small Business Management.

## DISCUSSION QUESTIONS AND ANSWERS

1. *Why did Marilyn and Rock Gamble wait so long to deal with Rhonda? Discuss.*

Some reasons might include:

- Marilyn's discomfort with conflict and confrontation.
- Although Marilyn is the office manager, her role is "informal". With no formal definition of roles, it may have been unclear who should "handle" Rhonda, so Marilyn and Rock may have wanted the other to do it.
- Rhonda's work was periodically very good, so they hoped the current situation was temporary and it would improve.
- They feared that the organization "couldn't get along" without Rhonda.
- They were afraid Rhonda might get mad and quit.

2. *Would you have handled Rhonda differently? Explain.*

Initially she was a tremendous contributor to the agency team. Marilyn and Rock should have actively intervened when her work began to suffer substantially, rather than "tiptoe" around her on bad days. Such a dramatic change in productivity and attitude had to have a reason. Rock and/or Marilyn needed to sit down formally with Rhonda, discuss expectations and provide feedback regarding those expectations and query her regarding the changes in her behavior. Perhaps Marilyn and Rock could have offered her assistance to identify and solve her problems, professionally and personally.

3. *Could the other employees have helped the Gambles in dealing with Rhonda?*

*Explain.*

In several ways they did. It was the other employees who informed the Gambles of the forged recommendation letter, and who kept the Gambles regularly apprised of Rhonda's behavior. This information came from disgruntled employees, however, and worked against the "team spirit" of the group. An us-versus-her adversarial situation was developing, with team cohesiveness breaking down.

Rhonda's change in behavior might be attributed to her feeling like an outsider. Her support of emerging ideas about teamwork and creating supportive environments, followed by no change in her behavior and a request to work at home, supports this hypothesis.

The other employees could have helped provide an inclusive environment for all employees. Rhonda's "superior attitude" may be a defense mechanism. The others could have tried to include Rhonda in their group.

4. *What did the hospital administrator mean by "Oh, my God, just leave me out of this!" Would you have reacted differently? Explain.*

The administrator is a wimp! He should have thanked Rock and tossed Rhonda's application in the reject pile because of her forgery. He's obviously afraid of getting involved in any possible litigation and wants to protect his organization from getting dragged into it.

5. *Do you agree with Rock's statement to Rhonda that: "I've given you every chance down the line"? Why? Why not?*

Did he give Rhonda chances? Certainly. This is best supported by his handling of her proposal and request for a change in her responsibilities and salary. Did he



give her “every chance down the line”? Not really. He provided her no warning concerning his increasing dissatisfaction with her work. She obviously felt that she could do whatever she pleased. He owed it to her to have provided warnings long before her firing. Also, he didn’t allow her to work from home, sometimes refused to discuss issues with her, and did not provide feedback to her.

6. *Do you think Rhonda’s problem was more than just an inflated self-perception? Justify your answer.*

Work does not suffer substantially over a six-month period solely due to inflated self-perception. Something else is at work here. Some possible reasons:

- Feeling her work is not rewarded.
- Feeling her work is not appreciated.
- Not getting the feedback her ego needs.
- Being an outsider in the group.
- Deflated sense of worth at home resulting in an over-inflated sense of worth at work
- Significant personal problems, i.e., why all the sick days?

7. *How might Rock have employed the principles of progressive discipline to better manage the issues presented by Rhonda?*

Rhonda needed to be made aware that actions have consequences. Rock or Marilyn occasionally making comments about her work or attitude in an informal and off-the-cuff manner downplayed the seriousness of the situation. Rhonda should have been formally apprised of expectations and the disciplinary results of failing to live up to those expectations. They should have informally discussed

her poor performance with her and tried to seek courses and possible cures. If this failed to work, verbal and written reprimands should have followed. Included in this could be deductions in pay for time not worked and loss of the company car. Ultimately, discipline may require more severe action such as suspension, and finally, firing, if necessary.

8. *Did Rock follow appropriate steps in terminating Rhonda? What might he have done differently? How could Rock and Marilyn have better protected themselves now that they are faced with a terminated employee?*

Rock didn't follow progressive discipline in his handling of Rhonda. There are instances, however, where termination is an appropriate first step. Forging a document and lying are serious offenses. Rock was smart to approach her directly about it, and then to verify the forgery. Rock and Marilyn were smart to contact an attorney about legal implications. They gave Rhonda the option to resign instead of being fired. She was not given any time to think about resigning however – she had to do it immediately. In allowing Rhonda some input into her severance, Rock and Marilyn could have better protected themselves from a disgruntled employee claiming unjust discharge. Following through on their plan for a formal employee policy and procedures manual to put many agreed-upon personnel practices in writing also would have helped protect them.

9. *In an at-will employment state, what legal exposure do Rock and Marilyn face, if any?*

In an at-will state, an employee can be fired for good reason, no reason, or a reason that is morally wrong without being guilty of a legal wrong. The Gambles

have significant protection legally. Rhonda would have to prove that the Gambles had violated some specific aspect of labor law, such as breach of contract, or discrimination such as sex or age. In some states, discharged employees have been successful in claiming they were unjustly discharged because of implied contract. This states that if their performance had been seen as adequate in the past, it is implied that their employment continue. Since the Gambles didn't use formal progressive discipline (plus the case doesn't state anything about using performance reviews that could have documented poor performance) they may have some legal exposure if Rhonda uses the implied contract argument.

#### **ANALYSIS**

See Questions and Answers.

#### **REFERENCES**

None.

#### **EPILOGUE**

None.