

Family Business

Topic: Compensation/Discrimination

Characters: Jane, Manager, Payroll Department for R&S Electronic Service Company
Brad, Owner of R&S Electronic Service Company
Eddie, General Manager
Greg, Service Technician and Eddie's brother

Jane has just been hired as the head of the Payroll Department at R&S Electronics Service Company, a firm of 75 employees. She was hired by Eddie, the General Manager of the company, who informed her of the need for maintaining strict confidentiality regarding employee salaries and pay scales. He also informed her that he fired the previous Payroll Department head for breaking that confidentiality by discussing employees' salaries. She was also formally introduced to Brad, the owner, who told her to see him if she has any questions or problems. Both Brad and Eddie made her feel welcome.

After three months of employment, Jane begins to wonder why Greg makes so much more in commissions than the other service technicians. She assumes that he must be highly qualified and must work rapidly because she has overheard Brad commending Greg on his performance on several occasions. She has also noticed Brad, Eddie, and Greg having lunch together frequently.

One day, Eddie gives Jane the stack of work tickets for the service technicians for the upcoming week. The technicians are to take whatever ticket is on top when they finish the job they were working on. After putting the tickets where they belong, Jane remembers she has a doctor's appointment the next morning and returns to Eddie's office to tell him she will be reporting late for work. When she enters Eddie's office, she sees Eddie give Greg a separate stack of work tickets. As she stands there, Eddie tells her if she mentions this to anyone, he will fire her. Jane is upset because she understates that Eddie is giving the easier, high-commission work to his brother. Jane also realizes that Eddie does have the authority to hire and fire her. Since she has only been at the company a short time, she is also still on probation. This is her first job since college. She wonders what she should do.

Author: Dr. Marilyn M. Helms, Associate Professor of Management, University of Tennessee at Chattanooga.