

Josh Martin

by

Joseph C. Santora

Essex County College and TSTDCG, Inc.
New Jersey, U.S.A.

&

James C. Sarros

Monash University
Melbourne, Australia

This case may be used by current adopters of:

S. L. McShane *Canadian Organizational Behaviour*, 5th ed. (Toronto: McGraw-Hill Ryerson, 2004); S. L. McShane & M. A. von Glinow, *Organizational Behavior*, 3rd ed. (Boston: McGraw-Hill, 2005); S. L. McShane & T. Travaglione, *Organisational Behaviour on the Pacific Rim*, 1st ed. (Sydney: McGraw-Hill Australia, 2003)

Copyright © 2005 The McGraw-Hill Companies, Inc.

Josh Martin

By Joseph C. Santora, Essex County College, U.S.A. and TSTDCG, Inc., and James C. Sarros, Monash University, Australia

Josh Martin, a 41-year old administrator at the Centre Street Settlement House, a nonprofit social service agency with 70 employees and more than \$6 million in assets, sat pensively at his desk located outside the executive suite. He thought to himself, “No, it can’t be. I can’t have been working here for 20 years. Where did the time go?”

Martin has spent his entire adult life working at the Centre Settlement House. He began his career there immediately after graduating from college with a degree in economics and very slowly climbed the narrow administrative ladder from his initial position as the director of a government-funded project to his current position as the deputy agency administrator. In addition, for the past five years, he has been serving as the president of the agency’s for-profit construction company. He reports directly to Tom Saunders, the autocratic executive director of the agency.

Martin, a competent administrator, often gets things done through his participative leadership style. In the last few years, Martin’s job responsibilities have increased exponentially. He fills many informational, decisional, and interpersonal managerial roles for the agency. Six months ago, he was given the added responsibility of processing invoices for agency vendors and consultants, authority he shares in common with Saunders and the agency’s accountant.

Martin is rewarded handsomely for his role in the non-profit agency. Last year, he earned \$90,000, plus a liberal fringe benefits package that included an agency car, a pension plan, a medical health plan (including dental), a month’s vacation, 15 paid holidays, and unlimited sick time. Although he has received an annual cost-of-living allowance (COLA), Martin has no written contractual agreement and essentially serves at the pleasure of Saunders.

Martin pays a high personal price for his attractive compensation package. He is on-call 24 hours a day, complete with a beeper. Each Sunday morning, Martin attends a mandatory agency strategy meeting required of all agency managers.

Over the years, Martin has tolerated Saunders’ erratic mood swings and his inattentiveness to agency details. Tension between the two men reached a highpoint in recent months. For example, two months ago, Martin called out sick because he was suffering from a severe bout of the flu. Martin’s absence forced Saunders to cancel an important meeting to supervise an agency fiscal audit. Saunders responded to Martin’s absence in an irrational fashion by focusing on a small piece of tile missing from the cafeteria floor. He screamed at two employees who were eating lunch in the cafeteria.

“You see,” he said, “Martin doesn’t give a damn about anything in this agency. I always have to make sure things get done around here. Just look at the floor! There’s a piece of tile missing!” Mary Thompson and Elizabeth Duncan, two veteran employees, seemed shocked by Saunders’ reaction to the missing piece of tile. As Saunders stormed out of the cafeteria throwing his hands in the air, Mary turned to Elizabeth and whispered, “Saunders is really going off the deep end. Without Josh nothing would get done around here. I don’t see how Saunders can blame Josh for every little problem. I wonder how long Josh can take this unfair treatment.” Elizabeth nodded her head in agreement.

A month after this incident, Martin recommended pay increases for two employees who had received excellent performance appraisals by their supervisors. Martin believed that a two percent raise, admittedly only a symbolic raise, would provide motivation, would increase morale, and would not seriously jeopardize the agency’s budget. When Martin proposed his recommendations for employee raises to Saunders at the Thursday weekly fiscal meeting, Saunders vehemently rejected Martin’s proposal and countered it by ranting: “everybody wants a raise around here. It’s about time people started doing more work and stopped whining about money. Let’s move on to the next agenda item.”

Saunders closed the weekly staff meeting by saying “I’m the leader of this agency. I have to manage everything for this agency to run effectively.” Phil Jones, the director of field operations, turned to Paul Lindstrom, the fiscal officer, and whispered, “Sure, Saunders is the director of this agency alright, but he couldn’t manage his way out of a paper bag. Without Josh, this place would be in total chaos. Besides, at least Josh listens to us and tries to implement some of our ideas to make life simpler around here.”

Martin has often contemplated resigning from the agency to seek other public sector employment. However, he believes such opportunities are rare since he is a middle-aged, white male. Besides, Saunders knows just about every agency CEO in the public sector. Martin believes that Saunders would find out that he applied for a job as soon as his resume reached an agency personnel department. Moreover, Martin feels that his long tenure with the agency may be detrimental; most prospective employers would be suspicious of his motives for leaving the settlement house after some two decades of service. Martin mused, “Perhaps, I stayed too long at the dance.” Finally, given the present economic conditions in the state, many public sector agencies would be reluctant to match his salary and benefits package—at least not in his first few years of service.

Martin is uncertain of his options at this point. On a personal note, although his wife is gainfully employed and possesses good technical skills and experience in the printing industry, Martin still needs to maintain his present standard of living to support his family, including his two college-age daughters, a \$100,000 mortgage on his home, and other financial obligations. He has significant nonprofit and for profit experience and excellent managerial and leadership skills. Yet, he wonders if there is any way out of his current situation.