

Tyrannical or Terrific? An Employee's Response to a Leader



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On Monday, October 22, 2001, I called Ava Yamamoto, my boss at the Palazzo Shoe Store in Las Vegas, to let her know that I had to leave town for the weekend, although I was scheduled to work.

"You are irresponsible for asking for days off and not calling far enough in advance," Ava responded testily.

I stated that I had some issues I had to deal with and could not do anything about the circumstances.

"Heather, you give me a headache and you nag me too much," Ava exclaimed. "First, you complain that you have no hours. We give you back your hours, and now you want time off. You are the only part-time employee and therefore you are last on my list to help. You are just a fill-in. You have not been here long enough to start asking for favors, and I will absolutely not give you the weekend off. If it was that much of an emergency, you would have left today."

I explained to Ava that I could not get any flights today that I could afford. It would be much cheaper for me to leave over the weekend. She asked repeatedly why I needed the weekend off. I stated several times that it was a personal and private issue. My long-term boyfriend of two years was stuck in Canada due to the terrorist attacks (he was not a U.S. citizen), and I wanted to fly to Canada to try to help him get back to Las Vegas. He owned a small Internet café on the famous Las Vegas Strip and was desperate to get back. Plus, he was part of my family, and my family was very important to me. I knew Ava would never accept this as a legitimate excuse to leave work for the weekend.

"In my working history, I have never had an employee who would not tell me what the problem was," Ava claimed. "Let's call it a day if you cannot do what I say. You need to call me back in an hour with your decision."

I told her I needed longer than that to see if I could change my plans.

"Okay, you have three hours to call me back or you are off the schedule."

I hung up and angrily thought, "I can't believe I've just been given an ultimatum! After I tell Ava that I have a family emergency and need to take the weekend off, she basically tells me I need to work as scheduled or I'm fired."

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The names of all persons and some organizations have been disguised. The case was written as the basis for class discussion; the events described are not intended to illustrate either effective or ineffective managerial practices or the handling of a managerial situation.

ELEGANCE AT PALAZZO

I am Heather Rosenberg, a 20-year-old student at the University of Nevada, Las Vegas. I landed a job at Palazzo Shoe Store, a high-end Italian shoe store in The Forum Shops at Caesars Palace Casino in Las Vegas, Nevada, through my father who had close relations with the store's owner, Leron Edwards. I was elated to learn that the entry-level sales position came with a 9.75 percent commission on sales, a standard commission in the shoe business. Due to the upscale nature of the store and the average price of its shoes, I thought I would be making a handsome income to cover my college expenses.

Palazzo opened in 1998 at The Forum Shops, an upscale shopping center attached to Caesars Palace. Caesars Palace was one of the most famous casino hotel/resorts in Las Vegas, with more than 2,400 luxurious rooms. Many of the customers of the Palazzo Shoe Store stayed at Caesars or other high-end casino hotels while in Las Vegas. Because the shoe store had such a unique collection of the finest quality shoes in the world, many people made trips to Las Vegas specifically to come to the store. Most of the customers were wealthy and came to the store to spend money. I enjoyed dressing up for work and being a part of the glamour, and it was exciting for me to be around these affluent customers.

Ava Yamamoto, the store manager, often made trips to Europe with Leron to attend the finest shoe conventions in the world. Because of her connections with the biggest names in the shoe industry, Ava had shoes made from her own designs that were unique to Palazzo. The store carried brands such as Bruno Magli, Stefano, Cole-Haan, Bragamo, Donald J. Pliner, and Moresch, with prices ranging from \$200 to \$800 for a pair of women's shoes and upwards of \$1,250 for some men's shoes. The shoes were made of the finest hand-sewn leathers and other materials, including peccary, which is tanned boar skin, and ostrich leg skin. The store also had a discount shoe rack with prices from \$50 to \$250.

In addition to shoes, Palazzo carried a selection of Italian-made leather jackets by designers such as Bruno Magli and Stefano that ranged in price from \$1,500 to \$2,000. Long- and short-sleeve shirts and men's sweaters ranging from \$100 to \$200 complemented the shoe collection. Finally, the store carried fine accessories such as expensive leather belts, purses, and cosmetic bags typically ranging from \$50 to \$200.

IN THE BEGINNING

In early July 2001, I talked to Leron on the phone a few days after my father had called him to say that I was interested in the sales position he had available at his Las Vegas store. I told him I was *very* interested in the job. He said he would be flying into Las Vegas on business in two days and would like to meet with me at the store. When I met Leron in person, he was very nice. He knew all of the employees by name, and everybody knew who he was. He introduced me to Nikki, the assistant manager, who interviewed me. He also introduced me to Ava. Although I had no experience working in a shoe store, I did have retail and cash-handling experience. Ava told me that my inexperience would not be a problem because the staff could train me. Nikki told me what my job duties would be and hired me on the spot. She was very nice, but I got the impression that she was not very smart. I later learned from the other employees that she had a reputation for being an "airhead" and a pushover in the store.

My first day on the job was not what I expected. I learned that my 8-hour shift would consist of staying in the storeroom and stocking shoes all day. Although I agreed that this would help me learn the storeroom, when I found out that I would be there for the next two to three weeks, I was not pleased. I came into the job thinking I would be on the floor helping customers and selling shoes. I knew my time would come, but I couldn't bear the thought of stocking and "tightening" the two-floor storeroom for the next couple of weeks.

I consider myself the type of person who will complete a job to the very best of my ability. So, I started to psych myself up for the next two weeks and challenge myself to become the most efficient employee in the storeroom.

I didn't realize what I was in for until I made my first mistake in tightening the bins. Tightening a shoe bin consists of organizing the shoes by color, material, size, price, and heel size. Tightening a ten-foot-by-ten-foot shoe bin was very difficult. On average, it took anywhere from 15 to 30 minutes to tighten a whole bin. Even one mistake meant redoing the entire bin.

On my third day in the storeroom, I placed a shoebox in the wrong place. When Ava checked the bin to see that everything was satisfactory, she found the misplaced shoebox and made me feel guilty about it. It seemed as though she thought I did it on purpose. I felt like Ava always had to make her power as manager known to the entire staff. When I told Nikki that Ava made it seem like I did it on purpose, Nikki told me that other employees felt the same way. To me, Ava seemed to thrive on the power she got from being the store manager, not to mention she was very "particular" about "her" storeroom.

During my sixth day on the job, I was desperate to get on the sales floor. I was working an evening shift with Nikki, and Ava was not around. I knew I could do the sales job. I was comfortable being around wealthy people (as my family was not poor), and I thought I could judge what they liked. I cornered Nikki and started pleading my case. I said that I would never learn to sell if I didn't get a chance. I told her I was going crazy in the storeroom and that my parents raised me well and I knew how to interact with the clientele. Nikki was reluctant at first, but I knew that if I kept pushing and pleading, I could get her to cave in. Finally, Nikki did give in and put me on the floor. I was so excited to prove I could do the job. When the next customer came through the door, I was ready to go. It just so happened I got lucky, and my first customer was a "whale." A "whale" was a customer who came into the store to buy and typically walked out of the store with many pairs of shoes. By the time the customer left, my first sale had totaled over \$1,000. I was very excited because I proved that I could do the job, not to mention that I had just made \$97.50 in commissions. I made more sales that night and my commissions for the shift totaled almost \$150!

The next day, Ava was upset when she learned Nikki had put me on the sales floor. Apparently, she reminded Nikki that she had never given permission for me to be on the floor. Ava told me that I was neither experienced enough nor ready to work with customers. She contemplated putting me back in the storeroom for another week, but I pleaded with her and argued that I was a good salesperson and had proven my capabilities the previous evening. I told her that I had sold more than some the employees who had been there for years. I even threw in how punctual I was in coming to work, and how I had been diligent in not taking more than the limit of three minutes to get shoes from the storeroom to a customer. I added that if I did not get a chance to try to sell, then I would never learn the proper techniques and I would not be able to advance

in my career. I was very persistent, and Ava agreed to let me stay on the floor, but not before making it very clear to Nikki and me that if I received a warning about my behavior on the sales floor, I would be back in the storeroom tightening the bins.

Ava's warning made me feel she was punishing me. Isabelle, one of my co-workers, sympathized with me, telling me that Ava liked to punish everybody. Isabelle was my age, 21, but married and not in school. She confided that she had called in sick on July 4th, and Ava had been punishing her ever since, consistently scheduling her six days a week with 11- to 12-hour shifts. According to Isabelle, the punishment was even more severe than what might appear on the surface because she received all of the slowest shifts and yet got every Saturday, the busiest day of the week, off. As a result, Isabelle was not making as much money in commissions and had to work twice as hard to try to make up for her bad hours and shifts. After hearing stories such as Isabelle's from some of the other employees, I started to get an idea of what to expect. Nikki had even confided in me that Ava had once made her cry.

AVA YAMAMOTO

Ava had been with Palazzo Corporation for almost ten years. Although she had a husband and two dogs, from what I could tell, she seemed to live to work. She once told me, "I don't have time for any children in my life." Ava had an aura about her that was very intimidating. I cannot recall ever hearing her say "thank you" or "good job" to any of the employees. It seemed she knew how to confront only the negative side of things. I once overheard her say, "I am not here to make friends. I am here to do a job. Sometimes things can be unfortunate, but it is important to keep business as business. I know people think that I'm a bitch, but I don't really care."

This was evident by an encounter that she had with Isabelle. Isabelle once told me that she asked Ava if she could take vacation time to see her grandparents in Alabama because they were getting old and probably did not have that much longer to live. Ava told Isabelle, "That is fine. You can take your vacation now, but if one of them croaks in two months, you are not going to get any more time off. You have to decide to see them when they are dead or when they are alive." Isabelle told me that Ava once said that she herself had siblings die in the past and had still come into work.

Ava was the type of person of whom I never wanted to ask a question, because I knew she was going to yell at me for not knowing the answer. After she got mad at me, she would continue to talk about it for several minutes and make me feel stupid about it. She told me that she was bothered by the change in work ethic that she noticed in me and some of her newer employees. As a result, she thought of the training she provided her employees as "career boot camp." According to her, "Young kids these days have no idea what true professional selling is all about. They have no commitment, discipline, or dedication to their careers." She would mention how she wished things would go back to how they were in the old days.

I found Ava to be obsessed with impressions. She was about fifty years old, but you would never know it by looking at her. I was shocked when I learned her age from another employee. She also seemed to be a perfectionist. She would always wear hip and trendy outfits, which I guess fit in with the image of the store. She was very thin and bragged about never working out. It was common knowledge in the store that Ava's diet consisted of mostly grapefruit and Metabolife (a diet pill), and that she and her husband

both drove BMWs. It seemed as if Ava made it a point to let everyone know that on her dinner breaks her husband took her to fine restaurants such as The Palm steakhouse.

Ava impressed upon us that the store always had to be in perfect condition so that every customer would have a perfect first impression. She often commented, "None of these other stores [in The Forum Shops area] have any standards. Half of them do not even greet you when you walk in the door." Ava, on the other hand, made it a point to have trendy music playing in the store and salespeople who greeted the customers.

Because of her standards, sales technique training was also very strict. Ava had a policy that salespeople had to get every customer who walked in the door to try on a leather jacket. She said that Palazzo sales were better than our competitors' because they never pushed their outerwear. We were selling five to six leather jackets a week *per employee*, while our competitors were selling only five or six leather jackets per week for *all* their employees combined.

Ava would typically spend one day training each new employee on the floor after his or her time in the storeroom. During that day (my eighth day of work), she taught me many great techniques to help my sales. We were required to greet every customer and state our names. She also taught me how to suggest different outfits that the customer could wear with each pair of shoes. We always complimented the customer, no matter how the shoes looked. In addition, we were required to bring out more shoes than the customer requested. Sometimes it was easy to simply "tell" the customer what he or she was going to buy, especially the men. We would often use lines such as, "We should also get this pair of socks and this belt to complement your new shoes." Because of these demanding standards, Ava ran a very successful store, and from what I could tell by talking to some of the employees from other shoe stores in The Forum Shops, we were making about 25 to 50 percent more in commissions. However, because of Ava and her standards, Palazzo also had a reputation of being the toughest place to work. Certainly our training was much more extensive than in the other shoe stores. Other store employees I talked to indicated that they spent only a day or two in the storeroom, and only had to shadow a fellow employee for a couple of hours before being put on the floor.

Whenever I was working, Ava typically spent most of her time in the back of the store. She would occasionally come out to the floor and help us sell when it was busy, or when somebody was on break. Whenever Ava did help customers, she was very good, and I enjoyed watching her in action. She was exceptionally knowledgeable, always complimentary, and provided exceptional customer service. The rest of the time that Ava spent on the floor, she usually changed displays and made sure everything looked perfect to the customer.

During my interview, Leron had told me that Ava had designed the entire concept of the Palazzo shoe store. She did all of the buying for the Las Vegas store, as well as for the other two Palazzo stores in Charlotte, North Carolina, and Scottsdale, Arizona. Because she also designed shoes made exclusively for Palazzo, he respected her immensely. Although I found her to be a very tough person to work for, Ava seemed to know how to run a successful and profitable organization. Leron told me that the Las Vegas unit was more profitable than the other two units were.

MY CO-WORKERS

I enjoyed working with customers and helping them find things that made them happy. I also enjoyed the time with my co-workers. We had close relationships with one another. We had a common bond of "taking the heat" from Ava and we motivated each other to get through the tough times.

I was a confident sales associate except when Ava was around. I felt like she hovered over me when I had a customer and jumped in and took over because she thought I was not doing it right and would lose the sale. However, even during my first day on the floor with Nikki, I started selling shoes at the level of all of the other employees, with the exception of Michael.

Michael had been there the longest. He was in his late forties and was married with no children. Michael had been there since the store opened and was the "top dog" salesperson. Everybody seemed to look up to Michael for advice; he was a great role model for all of us. My first month there, Michael had sales of over \$100,000 (in a single month), which broke his previous sales record. Ava seemed to love Michael, always giving him the best shifts. He told me that she had wanted him to become the assistant manager before Nikki was hired, but that he had turned down the job because it was not worth the extra pressure of working so closely with Ava. I think because of the sales that he made, Michael was the one person to whom Ava did not seem to give a hard time.

Fernando had been there the next longest. He was in his late twenties with a wife and child. He had been the assistant manager before Nikki arrived, but told me he demoted himself. The extra money was not worth the extra responsibilities he said, especially working with Ava.

Isabelle had been there about two years. She and Nikki had come to the store together because the two of them had worked together at a previous job. José had been there about eight months. He was in his late twenties and had a girlfriend. Although José was a good worker, in that he always showed up for work and did his share, to me, he didn't seem to take his job very seriously. He told me that he would sometimes go out to his car to smoke pot during lunch breaks, and I think he thought this was "cool." A few other employees were open with me about their pot smoking, but they did not do it while they were working. However, all of the employees, except for Ava and me, smoked cigarettes, and they all liked to take smoke breaks out in the front of the store (in the mall area).

Maria had the shortest tenure with the company, aside from me. She had been hired one week before I was. In her mid twenties, and a single mother, I thought Maria was cute, young, and hip, and we got along very well. Maria had previous shoe experience at a store where customers picked out their own shoes and took them to the counter.

DAILY LIFE

Typically, I worked with one or two other employees at a time with one manager. Ava was usually in the back doing ordering, scheduling, payroll, etc. Nikki was usually in the front supervising sales. Luckily, because of this arrangement, I did not have to spend much time working with Ava. As I think is common in many other workplaces, we gossiped about our managers, Ava and Nikki, most of the time. Employees in the store seemed to know all of the latest rumors going around.

Most of my duties were typical for a retail store. We had to be in the store half an hour before opening and after closing to make sure that everything was clean and in order. We acted as our own cashiers, so when I was finished helping a customer, I would also ring up the sale.

I love to dress up, and I thought all of the employees at Palazzo dressed nicely, albeit somewhat "hip," and had professional attitudes. We liked to sell. We had a list at the register called the "Up Dog" list. When you were on the floor, you would put your name on the list. When a customer came into the store, whoever's name was on the top of the list would help that customer. When finished with a customer, we would cross our name off the top and put it at the bottom of the list. Because of this method, everybody had an equal chance at sales. We never had sales goals, because of the luck of the draw. Some days I could leave the store without having had one sale. In the end, it seemed that our average sales usually balanced out somewhat, although Michael was usually at the top. Everyone appeared to be very supportive of one another's sales, and would congratulate others on catching a "whale." At the end of every night, we posted all of the day's sales in the back room so we could see who sold the most. This list included a weekly running total as well. We would always try to beat each other's sales. It was a friendly rivalry.

We would occasionally have sales promotions with different shoe vendors. Donald Pliner had a promotion in our store that offered us free Donald Pliner shoes, or extra money, if we sold a certain number of his shoes. When promotions like this were going on, we would all compete to see who could sell the most. These promotions were nice extra incentives.

Every employee got a lunch break every shift. However, because we couldn't earn any commissions during the lunch break, most of us would take about fifteen minutes to eat something fast and hurry back to the sales floor. Many employees also took several smoke breaks during their shift, especially if their name was at the bottom of the "Up Dog" list. However, they always seemed to keep one eye on the store; I never had to look for anyone, as they would quickly extinguish their cigarettes and return to work if they saw the store was getting busy.

Sales people at Palazzo received either an hourly wage or the 9.75 percent sales commission *per shift*, whichever was higher. Thus, if I worked an eight-hour shift and the commissions I earned during that shift totaled less than what my total wages would be for the shift, I received the higher amount, which in this case would have been my shift wages. Typically, an employee's commissions were higher than their flat wage. I averaged \$15 to \$20 an hour in commissions. Right after I started working, Ava raised the hourly wage by \$2 per hour, to \$13 per hour. Ava told me, however, that I would still receive \$11 per hour for a while because I did not have any experience and was a new employee. Even though I typically made more in commissions, there were some days that I didn't, and thus what I made for an hourly wage was important to me. I soon discovered, much to my dismay, that Ava was paying Maria \$13 an hour, even though Maria was hired only one week before I was. I came to accept that Ava was just inconsistent like that. Sometimes she did things I could not explain.

For example, during one of my first few shifts on the sales floor Michael told me that he heard I was Leron's niece. I explained that I was not and asked him who told him that. He replied that Ava had supplied him with that information. When I confronted Ava about her statement, she just told me not to take things personally.

I found Ava extremely demanding; she did not put up with any excuses. She once told me, "I don't put up with any shit. If you give me shit you are out." During my third week on the job, Maria called into work saying she could not make it because her shower was broken. Maria later told me that Ava told her to shower in the sink in the break room at the store. On a separate, earlier occasion, Maria told me that she had called in saying that her car broke down and she could not make it to work. She said that Ava told her to take a taxi to work and she would pay for it.

After about a month, I had pretty much adjusted to the daily life of working at Palazzo. I had my daily routines down and was progressing nicely. After less than two months of working, I was recognized for being the employee with the second highest sales. Unfortunately, this good news was followed by some bad news as well . . . the terrorist attacks of September 11, 2001, in New York City.

EVERYTHING CHANGED

The attacks affected Palazzo, like many other businesses across the country. Our store opened at the same time as usual, 10:00 A.M., but closed two hours earlier every night. The Las Vegas casino industry was suffering huge financial losses. High rollers were not coming to town, and JAL airlines canceled its direct flight from Tokyo to Las Vegas, a flight that used to carry high-end tourists who liked to spend money gambling and shopping. Because of the resulting security and economic worries, the tourists coming to Las Vegas were of lower socioeconomic status and were not the retail "whales" that we were used to serving. These "new" tourists drove in from California or flew in on discounted flights. They looked for cheap hotel rates and were not likely to spend \$300 on a pair of shoes.

I was not "officially" laid off, but my hours were cut to zero. Although I was the newest employee and expected to have my hours cut, I did not expect to stay as an employee with no hours. I confronted Ava and asked if she had reduced anyone else's hours. She responded that she had cut Maria's hours, yet I noticed on the schedule that Maria was still working almost full-time. I didn't understand how a one-week difference in seniority could result in being given no hours. Ava explained, "Maria has a kid and the other employees have seniority. You are young enough to still rely on your parents for money."

Ava's comment made me furious. I thought my personal situation was irrelevant. My sales had always been higher than Maria's, and, in my opinion, she was unreliable. Maria seemed to call in often with excuses as to why she could not come into work. Ava's decision baffled me, yet there were many things that Ava did that I could never explain.

Ava called me three weeks later, on Monday, October 1, asking if I could work the swing shift on Wednesday. I accepted the shift willingly and excitedly. I had been very patient up to this point and was relieved to get some hours back. Tuesday afternoon I called Palazzo and spoke with Nikki to confirm the schedule. She said she was looking forward to seeing me. On Wednesday, I showed up on time, enthusiastic, and ready to work. I was immensely disappointed that both Ava and Nikki had made the mistake of telling me to come into work, when actually I was not on the schedule until the following Wednesday, October 10. They sent me home, but before leaving, I made a minor complaint and stated that they, as managers, should be more organized. They did not pay me for my time, although I thought legally they should have.

Holding on to this job by a thread, I showed up to work the following Wednesday. I quickly discovered that Ava had fired Maria because she had called in with so many excuses, which was why I received some shifts. Nevertheless, I was fresh from my break and ready to get back into the swing of things. Within the first three days back at work, I again climbed the charts to the second highest sales, behind Michael.

THE LAST STRAW

Although I had returned to work and my sales were back where they had been prior to September 11, I was upset that my boyfriend was still stuck in Canada. I hated being apart from him and knew that he was worried about his Internet café business. Feeling helpless, I decided that the best way to help him was to fly to Canada.

Once I had made my decision, I called Ava. I assumed since it was Monday and I wasn't going to fly until the weekend, she would have plenty of time to find someone to cover the schedule. Unfortunately, I was not prepared for the reaction I got from her—she told me that I had to work or I would lose my job.

I was shocked, hurt, angry, and didn't know what to do. I called my father and told him what Ava had said.

Rather than siding with me, he said, "I don't think she's so bad."

I couldn't believe he said that. "She's an awful manager!" I cried as I hung up the phone. I still didn't know what to do, and my father's words kept ringing in my ears. I had three hours to decide.