

bookkeeper. The council determined that Suzie's deceit was the source of the problem and did not make any changes to the structure of the church.

As a result of the meeting, Suzie recognizes that although her intentions were compassionate, her actions were unethical and, perhaps, illegal. Nonetheless, she is convinced that the church should spend the money on the homeless shelter. Furthermore, she does not have the money to pay back what has already been spent by the shelter. The council is unsure of how to proceed. Clearly, Suzie's actions constitute serious infractions on multiple levels. However, in the public eye, her crime likely will be viewed as one of compassion as she did not materially benefit from the sale of church-owned stock. If the church decides to pursue legal action against Suzie or otherwise harshly penalize her, it risks incurring ill will both within the church and in the outside community. Already, some homeless people from the Haven and church members have threatened to stage a protest if Suzie is punished.

### Discussion Questions

1. How should the church council deal with Suzie? Explain.
2. What effect has the church's organizational structure had on the situation? In particular, what effect has it had on the overall accountability of its staff and council?
3. What should Suzie have done after she found the old stocks? Why?
4. What mechanisms could the organization put in place to guarantee transparency and prevent this type of situation from occurring in the future?
5. The case involves a faith-based nonprofit; could such a situation occur in a nonprofit that is not faith based? In a governmental agency? Would the type of organization involved make a difference in terms of what happened and outcomes? Why?

# 4

## THE RIO ESTRECHO AUTHORITY

Robert A. Croft,  
Jennifer M. Giancola, and  
Scott Crawford

### OVERVIEW

#### Abstract

Organizations, whether in the public, nonprofit, or private sector, often must contend with the divisive issue of the perceived conflict between the institution's interests and employees' or community's interests. The Rio Estrecho Authority, a special district government, administers and regulates waterways of the Rio Estrecho basin. Recent events have required the organization to consider alternative retrenching strategies. This leads to a situation that requires an employee to make a difficult decision. The values and norms within a given organization are often subject to alternative interpretations in dynamic, high-stress environments. This case study examines the individual, administrative dilemmas raised by these issues in the context of organizational decision-making processes.

#### Main Topics

Bureaucracy and structure, Decision making

#### Secondary Topics

Political context, Intergovernmental relations

#### Teaching Purpose

To examine the difficulties of balancing organizational demands and both professional and individual responsibility; it also discusses issues surrounding intergovernmental and political accountability and transparent communication to employees and the community.

#### The Organization

The Rio Estrecho Authority (REA). The Spanish Lake Project (SLP) operates under the auspices of the REA.

### Main Characters

- Thomas Fernandez, CEO of Rio Estrecho Authority
- David Winter, Southern Regional Director
- Daniel Kraves, Head Operations Officer for Spanish Lake Project
- James Blackstock, member of the special group
- Travis Cole, Dean Burke, the other members of the special group

## BACKGROUND

Beginning in the 1960s, southwestern states and the metropolitan regions within those states began to experience rapid population growth that has lasted to the present day. During this time, Regional City evolved from a mid-sized, provincial town to one of the largest cities in the nation. As the city and its surrounding suburbs grew at a rapid rate, so did the need and demand for a new reservoir that could meet the water supply requirements of the area. Consequently, in 1970, the Rio Estrecho Authority (REA) in conjunction with the state government and Regional City decided to dam the Rio Estrecho and create a lake that would include parts of four nearby rural counties.

From its inception, the Spanish Lake Project (SLP) was unpopular in the two counties that stood to lose the most from its construction. Madison and San Patricio Counties would lose whole towns, cemeteries, and farmland to the advancing waters of the newly formed lake. Lacking the financial and political resources to fight against the construction of Spanish Lake, the citizens of these two counties were ultimately powerless to stop its construction. In 1974, the dam was completed and large portions of Madison and San Patricio Counties were submerged beneath its waters. From that moment on, a strong sense of enmity existed between those who administered the lake and those who were displaced by it. This animosity lasted for nearly a decade.

Upon completion of the dam, REA built a facility to house the administration of the SLP. The SLP facility initially had an adversarial relationship with the local population, resulting in the inefficient management of the lake's resources. This, however, began to change in 1982 with the hiring of Daniel Kraves as the Spanish Lake Project facility manager. Born and raised in Madison County, Kraves understood the concerns of the local population. In turn, the residents were cautiously optimistic about the hiring of "one of their own." Moreover, over time, Kraves changed how the SLP did business. He began by hiring Madison and San Patricio county residents for SLP jobs, which gradually resulted in a dominant local perspective, both culturally and politically, taking shape within the organization. Subsequently, Kraves, through the force of his personality and the goodwill engendered by a now predominantly local workforce, succeeded in persuading the surrounding communities of the viability of the lake as a financial resource. As the years passed, Daniel Krave's leadership style came to characterize the SLP's relationship with nearby communities.

Although the SLP's main purpose was to provide water for the greater Regional City area, it also became a recreational haven for many of the state's residents. Boating, fishing, and camping provided both entertainment and financial opportunities for the local population. All these were in due course licensed and taxed by REA through the auspices of the SLP. The revenue generated thereby was a boon for both the REA and the local communities. As a result both the SLP and the nearby towns grew during the decade. By the mid-1980s, the SLP had become an integral part of the community, providing either directly or indirectly employment opportunities for a large portion of the local residents. Rather than hating the REA, the residents of Madison and San Patricio Counties began to rely on income derived from the lake.

At the center of this economic upswing was the SLP. In both practical and symbolic terms, the SLP became for many locals an extension of the community. Increasing revenues from licensing and taxes resulted in the steady expansion of the SLP during those years. Staff increased from 30 in 1974 to 165 by 1985 with almost all these employment opportunities being filled by the local residents. The SLP became the single largest employer in San Patricio County and the second largest in Madison County.

Daniel Kraves received a lot of credit in the sleepy hamlets of the region for the successes of the SLP. He cultivated this acclaim and built the ethos of the SLP on the principle that, unlike its parent organization, REA, he and his employees put the local community first. Often seen shaking hands and encouraging both employees and local residents in their endeavors, Kraves's hands-on, casual approach to leadership became the *modus operandi* of the SLP. Both on a practical and a philosophical level, the SLP under Kraves's leadership began to consider itself separate and unique in comparison to the REA as a whole.

The SLP expanded as an organization well into the 1990s. Revenues from licensing, permits, and other recreational activities continued to grow, further solidifying the already close relationship the SLP had with the community. To many locals, the SLP was now an integral part of the community it served. Loyalty to one was tantamount to loyalty to the other. Therefore, when Kraves left in 1995 to become county commissioner of Madison County, the local residents were concerned that the SLP would lose its close identification with the community. Appreciating the unique situation of the SLP, REA selected for the job Kraves's handpicked successor: Ben Kraves, his son. Ben, having worked for the SLP since graduating from college, fully embraced his father's vision of the organization and understood its role in the surrounding communities.

Ben proved a very able and popular administrator, who took charge of SLP just when Spanish Lake began to experience a real estate boom. Seen as an attractive alternative to the urban and suburban settings of greater Regional City, new residential and commercial developments began to appear in earnest. This proliferation of summer homes, expansive

narinas, and trendy restaurants created an entirely new revenue stream for the authority. As the lake region grew so did the SLP. Over the next decade, the SLP grew to include more than 400 full-time, part-time and seasonal employees. As the SLP increased in terms of workforce size so, too, did its economic importance to the people of Madison and San Patricio Counties.

## ORGANIZATION

The state legislature created the REA as a special district government in 1955 and charged it with three major functions, which included "maintenance of a Master Plan for basin-wide development, serving as local sponsor for federal water projects and providing services authorized by the Legislature within REA's defined territory." This defined territory encompasses the seventeen counties that are in the Rio Estrecho's watershed. The authority operates a wide variety of facilities, which include wastewater treatment plants, water supply and storage projects, and recreation facilities. The REA receives no direct funding from state tax revenues and therefore must find alternative ways of financing, which include the selling of water, commercial and marina leases on water projects, and funding by cities that need water suppliers.

The structure of the organization includes a board of directors composed of twenty-four members who are appointed by the governor and approved by the state senate. These board members come from the counties that are within the jurisdiction of the REA, and it is their responsibility to decide on policy initiatives, which the REA then carries out. The main offices of the REA are the General office, which shares headquarters with the Northern Region office, and the Southern Region office.

The Southern Region office is a small facility of about thirty administrators and staff who function mainly as an administrative, information, and decision-making conduit between its subunits and the general manager, executive committee, and the board of directors of REA (see the Appendix). According to the organizational chart, the SLP reports directly to the Southern Region office; however, in practice, because of the size of the operation and the revenue it generates, it tends to function more like an autonomous unit. The SLP is structurally a reflection of its parent organization, the REA. As such, the SLP, like the REA, is a bureaucracy that emphasizes hierarchical controls for accountability and to maintain the status quo.

Organizationally, the SLP encompasses a variety of professional and functional areas, including wastewater treatment, dam maintenance, lab analysis, security, inspections, and record keeping. The continued and rapid growth of Spanish Lake as a recreational retreat, coupled with the surge in commercial and residential real estate, resulted in an increase in employees

## THE RECORDS DEPARTMENT OF SLP

As a result of increased demand for permits and licenses, the largest growth in personnel has occurred in the Records Department of the SLP. Records at the Spanish Lake Project had always been kept in paper files with no systematic backup since the facility was built, which has led to numerous files being misplaced and increasing costs associated with tracking them down. Although previously an adequate system, the demands of an ever-growing service base have rendered the record-keeping techniques obsolete and non-cost effective. An avalanche of paper records in the form of maps, inspections, permits, and employee files has resulted in an inefficient and expensive system that requires more personnel to complete its assigned tasks than it really should. By late 2005, the office staff had ballooned to 127 employees.

At the same time, external factors such as property damage caused by Hurricane Rita and an economic downturn have led to severe shortfalls in SLP revenue. In addition, regional rivals are aggressively competing with Lake Fuerte for the area's recreational income. The overall economic forecast is also trending downward. Taking into account the predicted decline of future revenue streams, the chief executive officer of the authority, Thomas Fernandez, asked his staff to begin a reorganization of the authority that would result in a significant cost savings. Fernandez, who is appointed by the governor, is also concerned that the SLP's fiscal troubles might create a political issue for the governor who is running for reelection. He asked his staff to begin an immediate analysis to determine the least efficient units within the organization. As might be expected, the Records Office was ranked among the top of these poorly performing units within the REA.

Fernandez is considering a number of options for reorganizing the department, including eliminating it, which would annually save the authority millions of dollars. Current operations would be contracted out to a private company and any of the employees who would be retained could be transferred to other units or perhaps rehired by the company. Realizing the inevitability of at least some job reduction, the Southern Regional manager, Dave Winter, decided to form a three-person special project team to analyze and make recommendations regarding future job reduction in the Records Department. Winter, moreover, believes that it is imperative that employees of the department and the staff of SLP, in general, do not know the true purpose of this special group in advance. Therefore, each group member is instructed by Winter to, if necessary, inform inquisitive employees that the group is designed to recommend changes that will improve work conditions and bolster worker morale as a means to enhance productivity.

## JAMES BLACKSTOCK

James Blackstock has spent the past ten years after college working at the Southern Region office of the Rio Estrecho Authority. Extremely loyal and hard working, James has built a reputation as an up-and-coming "company

an," having risen to the position of chief financial auditor for the region, growing up in nearby Madison County, James had always wanted to work for the REA; as soon as he graduated from the state university, he immediately went to work for the Southern Region office. Almost everyone he knew in his hometown either worked at the local branch of REA or the Spanish Lake project, or had family that did. Ambitious, James harbored hopes of one day becoming the overall general manager of the authority.

Upon arriving for work in August 2006, James was informed of a request to attend a 9:00 a.m. meeting in the office of David Winter, his boss. Arriving at the meeting, James discovers that he was being asked to be a member of an ad hoc team of three with the responsibility for making decisions concerning reorganizing the Records Department, which would probably entail a significant reduction in workforce. The team was told that revenues were down sharply and the department needed to be streamlined and modernized. Almost in passing, Winter says that Fernandez would be pleased by a plan that "really cuts the fat" and makes the Southern Region office look good.

Already feeling conflicted and nervous that the planned reorganization might result in the laying off of old neighbors and friends, James became more dismayed when David informed him that under no circumstances was he to enlighten anyone of the actual purpose of his team. If asked, he and the other team members were to claim that they were there to determine ways to reorganize the department to make it work more effectively. In fact, they were to strongly imply that the team's objective was to save jobs and not to cut employees from the payroll. According to David, the only person at the SLP in the know about the job cuts was Ben Kraves.

Grudgingly, James accepted the assignment after his supervisor let him know that refusal to participate would seriously jeopardize his fast-track career at REA. The team would have ten days to compile and report its decision and would start the next day. Taking part in the ad hoc team with James were two fellow members of the Southern Region office, Travis Cole and Dean Burke. Travis and Dean were both new to the REA and lacked the strong personal attachment that James had with the employees from Madison and San Patricio Counties. As far as they were concerned, the task was a straightforward one. James, however, remained deeply torn by the assignment. Several questions kept going through his mind as he readied himself for the assignment: What if he had to recommend letting go of a family friend or neighbor? Were other options even seriously considered—ones that might not result in wholesale layoffs? Were the cuts being made for sound financial reasons? He knew that in one way or another he would probably be acquainted with almost everyone under consideration for force reduction. Furthermore, he knew that he would have to lie to them when they asked him what his team was doing at SLP.

On a personal and professional level, he felt more discomfort over this assignment than anything else he'd done in his ten years with the SLP. Upon arrival at SLP the next day, the team got quickly to work. After a few days of observing and detailing the work process, it became clear to the

members of the team that the office and Records Department were indeed overstuffed and in need of a modernized, more efficient record-keeping system. However, James was truly struck by the *esprit de corps* of the department, which he is sure would suffer greatly if jobs are cut. Moreover, the employees express their willingness to be transferred to other units if the team concludes that the SLP is truly overstuffed. It is also clear that the department's workers were totally in the dark regarding the team's true mission. The unsuspecting employees sincerely believed that James and his colleagues were interested only in improving their work conditions and saving their jobs. The whole experience was turning into an ordeal for James. Everywhere he went at the SLP he saw someone he knew, greetings were exchanged and old tales retold; however, none of that changed the fact that changes had to be made. The problem was how to convey this to the workforce of the SLP.

Particularly troubling for James was the case of Shea Parsons, an old high school friend. James knew that it was inevitable that Shea's job in the records section of the department was slated for elimination. Complicating the situation for James was Ben Kraves, long-time friend and fishing buddy of James's father, Ron Blackstock. Ben, angry about the possible reductions in staff, had confronted James, saying, "Does your Daddy know what you're going to do to the people you have grown up with? It is shameful and I am of a right mind to tell people what you are really doing here. How do you think people like Shea are going to feed their families?" Conflicted and confused, James just walked away; after all, he had a job to do.

On August 25, having completed the evaluation process, all that remained was for the group to reach a decision. James and the other members of the ad hoc team left the SLP in the morning to arrive in time for their meeting with Winter. Driving back to the Southern Region office, James felt a sense of relief on the one hand that it was over. On the other hand, decisions still had to be made and he hoped made for the right reasons. He, however, felt a sense of regret that he could not be up front with those affected by the reduction in staff. Surely, the process could have been more transparent, James thought.

## PRIVATIZATION

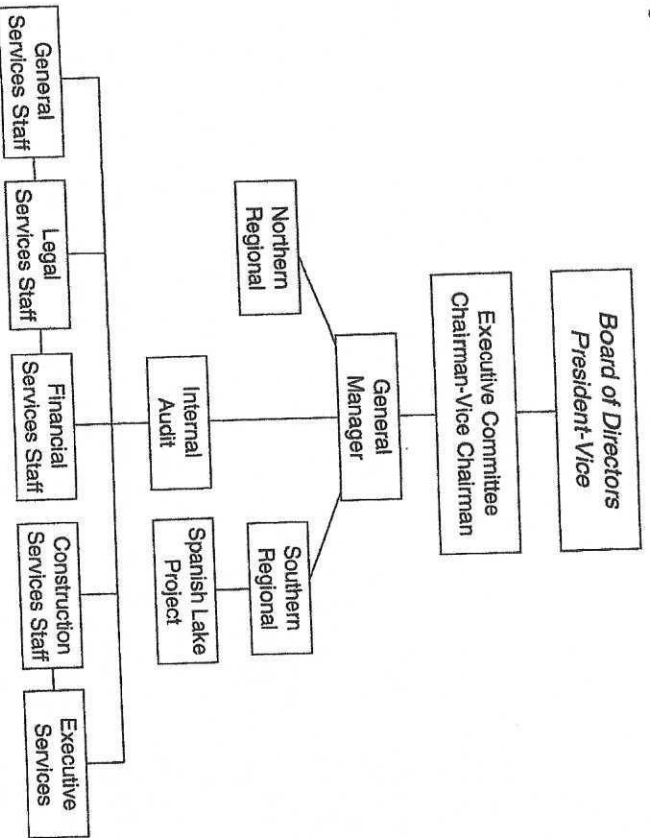
One of the options being considered for the SLP is to contract out its services to a private, for-profit company. This is an idea that is currently favored by some in the Southern Regional office, including David Winter. Blackstock remains skeptical because of his close ties with the workforce of the SLP and the community there. Part of the group's mission is to report back to Winter on whether the contracting-out option is viable. Winter wants to appoint an internal task force to study the feasibility of privatizing the SLP that will likely have larger ramifications for the rest of the authority. The findings from the ad hoc team will be used by the task force in making its recommendations.

### Discussion Questions

1. Do you agree with Winter's decision not to reveal the purpose of the special group to the SLP? Why or why not?
2. What do you think Blackstock will recommend to the other members of the special group? Explain.
3. What types of issues should Winter's privatization task force consider? Should privatizing the SLP be done if the task force finds that savings would result?
4. What role did the political climate play in the situation? Explain.
5. Do you think the process would have been "better" had the decision making occurred at only one level of management? How did the dual layers of management complicate the situation?

### APPENDIX

#### The Organizational Structure of the Rio Estrecho Authority



# 5

## UNITED STATES COAST GUARD

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### OVERVIEW

#### Abstract

This case examines the bureaucratic structure and authoritarian culture of the military. Although many of these qualities allow the military to achieve its desired objectives, at other times such characteristics are a barrier. In this case, a new captain, Ron Sandura, takes control of the Coast Guard ship, the *Henry*. Ron's leadership and management style do not meet the crew's expectations in terms of positive motivation, port privileges, downtime, and so on. As tension mounts, Ron's subordinate, Clark Minneo, must decide how to handle the situation in order to prevent further decline of the crew's morale and work outcomes.

#### Main Topics

Leadership, Bureaucracy and structure

#### Secondary Topics

HR administration, Organizational culture

#### Teaching Purpose

To analyze culture and motivation within a military organization, and to propose suggestions for improvements in leadership and HR management

#### The Organization

The *Henry*, a U.S. Coast Guard river-tending ship

#### Main Characters

- Ron Sandura, Ship Captain
- Clark Minneo, Executive Petty Officer

## BACKGROUND

The Coast Guard is the oldest continuous seagoing service in America, and it has a rich maritime tradition. As a government entity and military service, the Coast Guard has a bureaucratic structure and well-established culture that help ensure the completion of its mission. It is a highly mechanistic organization that relies on rigid policies and procedures. These characteristics do not allow much flexibility and, like other branches of the armed services, crew members must follow the orders and duties they are given.

The culture of the Coast Guard is well defined, even in its motto: *Siemper Paratus* (Always Ready). Some primary elements of its culture include sacrifice, stewardship, dedication to duty, compassion, leadership, selflessness, and integrity. Possibly, the most integrated aspect of this culture is the work ethic and selflessness that exist within the organization. Coast Guard members take pride in the sacrifices they make and they reveal in their role as overachievers. In fact, there is an unwritten rule that prevents the members from complaining. No matter how difficult the task, no matter how long the watch, and no matter how unpleasant the situation, the crew does not complain or ask to be relieved. Although many of the traits found within the Coast Guard culture represent admirable and redeeming qualities, they also can create problems as seen in this case.

The Coast Guard has a long tradition of dedicated men and women who work extended days under harsh conditions for little pay. As a branch of the armed forces, the Coast Guard is not allowed to reward its members with monetary incentives, bonuses, overtime pay, or any other compensation of this nature. As such, it is customary in the Coast Guard to be rewarded in one of three other ways: medals/honors/awards, a pat on the back, and time off from work. These rewards are held in high regard by the members of the Coast Guard: not only as feedback on a job well done, but also as the only true addition to the basic compensations that a life of public service offers.

There are many customary ways in which these perks are doled out to Coast Guard crews. First, for Coast Guard units that spend great lengths of time at sea, there is a system known as tropical hours. This is an in-port work schedule that starts early (usually around 6:00 or 7:00 a.m.) and ends early (usually around 12:00 or 1:00 p.m.). These short days maximize the free time that Coasties have when they are in their homeport. It allows the crew to spend more time with their friends and family and make up some of the time that they spend away from home while at sea. Another method of reward is for the command of a unit to give a few days off (not vacation but just free days or "liberty"). Typically, if a ship is gone for a week or two, the captain might give a day or two of liberty to compensate for the time away from home. A cruise of a month or two might garner as much as a week or two of time off and cruises of three months or more can lead to even more compensatory time.

Individual achievements and contributions of crew members are often rewarded with modale awards, and honors. Some of these are informal

and relative to the command, but others are fully sanctioned by the Coast Guard and the results are kept in the permanent records of the individuals. Other methods of compensation include shorter workdays on Fridays, special food or celebratory meals on board, morale-boosting activities (bowling, golf, a trip to the movies, etc.), and simple recognition in front of the crew for a job well done. Any or all of these forms of reward are routinely dispersed aboard Coast Guard units and they are widely recognized and accepted.

## THE HENRY

The United States Coast Guard cutter *Henry* is a seventy-five-foot river-tending ship that is responsible for guarding and maintaining the navigable safety of more than 400 miles of the river valley. The crew of the *Henry* consists of fourteen crew members of varying age, background, experience, expertise, and tenure. The *Henry* and its crew spend an average of twelve to fifteen days per month on the rivers they patrol. When onboard, the crew works, plays, eats, sleeps, and lives together in quarters about the size of a two-bedroom apartment. In such an environment, unit morale is of the utmost importance and maintaining camaraderie is paramount to fulfilling the *Henry's* mission. If the crew is happy, then the job gets done smoothly and efficiently. If there is any ill will or discrimination among the crew, the days run long and the work suffers.

The *Henry* crew's primary tasks, known in maritime circles as "aids to navigation," are ensuring the safe flow of commerce through America's waterways and providing guidance to both commercial and recreational boaters. The crew of the *Henry* marks the main shipping channels river with navigation buoys; builds and repairs all shore side towers and structures used for navigational aids; and identifies and charts any dangerous shoal areas or other hazards to navigation. Life aboard the *Henry* is arduous, and the work is demanding. Because of the strong culture and work ethic the crew share, this mission is carried out with equal aplomb on 100-degree summer afternoons and in driving rain and snow on frigid January mornings.

## THE HENRY'S LEADERSHIP

The captain of the *Henry*, Ron Sandura, is a distinguished and highly decorated veteran with twenty-nine years of Coast Guard service. Sandura is noted as being a taskmaster, a disciplinarian, and an old-school leader without much of a soft side. He is notorious for working his crew for long days, hard hours, and with little time off.

During his six-month tenure as skipper of the *Henry*, Sandura has not given many awards, medals, or honors. In fact, he is not prone to thanking or congratulating the crew, and he doesn't feel obliged to give extra time

off or compensatory time away from work for the crew. Sandura does not believe in tropical hours or extra liberty after a long voyage. This leadership style has led to many problems aboard the *Henry*, and the overall morale of the men has gradually declined since Sandura took command of the ship.

For the experienced personnel aboard the ship, many of Sandura's tactics run contrary to what they have encountered over the years. For the junior members aboard the *Henry*, it has been a rude awakening—not what most of them signed up for at the recruiter's office. The veteran Coasties have soured and lost their drive. Several of the novice Coasties have become disgruntled, rebellious, and restless. There are now discipline problems, requests for transfer, and attempts to leave the Coast Guard early, just to avoid being under Sandura's command.

Captain Sandura is not the only player on the *Henry*. Although he has the autonomy to make most of the decisions concerning the command of his vessel, he has a command team that works beside him to run the day-to-day operations of the ship. Clark Minneo is the executive petty officer, the second in command and right hand man to Captain Sandura. He personally regulates the workflow and the climate aboard the *Henry* as much if not more than Sandura. Minneo is responsible for establishing the work list for all departments, ordering supplies, making financial decisions, deciding on matters such as sick leave and vacation, and dispensing punishment and discipline when necessary. He ultimately sets the tone and the mood aboard the ship.

Minneo and Captain Sandura have a cordial working relationship. Minneo is a rank below Sandura, but he has more direct experience and leadership credentials than the captain. This has been a sore spot for Minneo since Sandura became captain. Minneo believes that Sandura was appointed for political reasons without use of a fair hiring process. Furthermore, neither Minneo nor the other crew members were consulted when the captain's position became available. Although Minneo believes that he is more qualified than Sandura, he knows better than to challenge the system. He made the decision from the start to put his feelings aside for the betterment of the *Henry* and its crew, and he treats Sandura and his authority with respect.

## CAPTAIN V. CREW

This summer, the crew of the *Henry* set out on a particularly hot Monday morning, heading up the river on an excursion to service aids to navigation and to make any necessary repairs and adjustments to the existing structures along the river. The trip took the crew of the *Henry* eleven days round trip. This was the first lengthy trip that the crew had taken under Sandura's command. Crew members did not know exactly what to expect, but they were hopeful that it would mirror past trips that they had on the *Henry*

One of the benefits of being aboard a river tender, as opposed to a seagoing vessel, is that the work cannot be done at night. Navigating the river at night is one thing, but setting 1,500-pound buoys and climbing towers along the bank is a whole different story. Because the crew could not work at night, the *Henry* usually pulled into a port, a town, or at least to the side of the river every evening and stayed put until first light the next day. This gave the crew a chance to get off of the boat to go for a walk or even see a movie, depending on where the *Henry* docked. The crew worked hard all day and greatly appreciated this personal time when the day was done. This was recognized and accepted behavior in the river-tender community, and the crew of the *Henry* expected it. Along the *Henry*'s route were several towns that had the facilities to accommodate a large ship such as the *Henry* for the evening. Many of these towns also had distractions and amenities that the crew enjoyed. There were enough of these towns that on any given night, the captain could take his pick of ports.

On this trip, however, Sandura did something contrary to the accepted norm: he seemingly went out of his way to stop the *Henry* each evening a few miles above or a few miles below any towns along the bank. He chose places that, although suitable for the ship to anchor, did not allow for any recreation for the crew. Some of the stopping points were so isolated that the crew could not even exit the ship once moored. The members of the crew started to grumble among themselves. They had been working diligently and had completed every task asked of them on this trip. *Why was the captain not giving them the one perk that he had the power to give?*

As the trip progressed, Sandura continued to forgo the ritual of spending the night in port and proceeded to find various uninhabitable locales along the river. The morale of the crew was visibly affected. There was infighting, bickering among shipmates, lethargy, and a general uneasiness that was not normal aboard the *Henry*.

On the eleventh day of the journey, the *Henry* slipped back into its homeport, having covered more than 400 miles of river. The crew had placed more than seventy navigational buoys along the route and effected repairs to more than twenty shore-side structures. The temperatures had been in the nineties and the humidity had made the air thick enough to cut with a knife, but the members of the crew had performed their jobs in typical Coast Guard fashion.

Upon returning to port, the crew is required to perform numerous ritualized tasks before anyone is allowed to go home. These include washing the ship from top to bottom, offloading expended supplies, refueling, and writing reports that are required by headquarters. Another longstanding tradition upon returning from a mission is known as "quarters." Quarters takes place after all of the mundane returning tasks are completed. The crew of the ship gathers to discuss the trip it just completed. Crew members highlight any lessons learned, recall any close calls or safety concerns, and set the stage for the next mission. This is also a time for the captain to recognize the hard work and dedication of any or all of the crew members. Since the crew members do not get overtime pay, bonuses, merit raises, or any other form of compensation, this praise in front of their shipmates is important to morale.

During quarters for the preceding *Henry* mission, Sandura did not say a word apart from the review of the work done and some minor details regarding the next trip. Crew members were left wondering what they had done wrong on their mission that had made the captain act so abnormally harsh.

### THE LAST STRAW

After the crew broke from quarters, Minneo briefed them about when they had to report back to the ship for work. It is an unwritten rule in the Coast Guard that the crew should usually expect a day or two off after a ten- or eleven-day trip with no breaks. Clark announced to the crew that they were all to report back to work the very next day to resume in-port duties. They were not to receive any extra time off—a decision that, although presented by Minneo, had Sandura's fingerprints all over it. There would be no free time during the excursion, no pats on the back upon return, and no liberty for a job well done. The crew members were dumbfounded. Some shook their heads in disbelief, some sighed in disgust, and others had to muffle their shouts of anger. Although everyone was angry, no one aboard the *Henry* had the fortitude to question Sandura's tactics, and no one on the command team stood up for the crew.

This trend continued for the next several months, and the morale and drive of the crew members continued to plummet. There was no recognition, no extra liberty, no port calls, and no tropical hours. Instead, the crew received no extra days of hot, backbreaking work for a wage that barely kept them above the poverty level. In spite of the obvious effects that this was having on the crew, Sandura did not waiver in his leadership style or in his decision making when it came to matters of the crew.

Minneo knew things were not going well. He was well aware that the crew's expectations were not being met, but for some time neither he nor anyone else on the command staff did anything to influence the captain's decisions. In a culture where everyone must pull his or her own weight and there is nowhere to hide when the work begins, Sandura's leadership style went unchecked. No one complained directly to the command and the work continued to get done. The usual perks offered to the crew of a Coast Guard vessel were unofficial, not guaranteed. Under Captain Sandura, they were not even considered.

Eventually, even Minneo becomes impatient with Sandura. Even though he is a senior officer and has to set an example for the crew, Minneo wants to spend some time with his family and away from the boat. After a particularly hot, humid, and exhausting trip in August, Minneo decides to go to the captain's chambers to discuss the situation.

### Discussion Questions

1. How do you think Minneo should respond to the crew members? Should he give his input to the captain about what the crew expects?

- orders of the ship or formalized in some fashion to prevent the uncertainty the crew of the *Henry* experienced?
3. Is a bureaucratic/mechanistic structure still the best option for the military in today's environment? Describe the current structure and design elements and suggest changes, if appropriate.
4. What type of power base and leadership style does Captain Sandura possess? Based on leadership theory and research, create a leadership development plan for him.
5. How do the operations and culture of a military organization differ from other types of organizations, that is, nonprofit, public, and/or private? Do you think these differences are warranted by the types of extreme situations these organizations must face?