**JONES & JONES ACCOUNTING**

Ron Powell received his B.B.A. degree in accounting from a state university in the Northeast and began his career at the Chicago office of Jones & Jones, a large accounting firm, in 1991. Nine years later, he became a partner in the firm, one of the youngest ever. The firm’s executive committee spotted Powell’s leadership potential and aggressive style and, in 2003, called on him to open a new office in a suburb of New York. The work was predominately doing audits that required considerable judgment and self-control on the part of subordinates. Powell was quite task oriented, yet he used a democratic leadership style. He insisted that the entire office be on a first-name basis and encouraged subordinates to participate in decision making.

Long range goals and objectives were known by everyone, but the methods of achieving the goals were very unstructured. The office grew rapidly, and the professional staff increased to over 30 by 2008. Powell was considered to be a highly successful leader and manager. Powell was then transferred to Dallas, Texas, to try to salvage an office that had been losing money and whose employees seemed to lack both ability and motivation. Powell took over as managing partner in Dallas in early 2009. He started out with the same aggressive managing style that had worked so well in New York. He immediately replaced nearly the entire professional staff of 25 people. Short-and-long-range client development plans were made, and the staff was expanded quite rapidly to ensure that a sufficient number of employees were available to accommodate the expected growth. Soon, there were about 40 professional staff members.

But, the aggressive style that had worked in New York did not work well at all in Dallas. The office lost two of its best clients within one year. Powell soon realized that the office was badly overstaffed and decided to fire 12 staff members, whom he had hired only one year earlier, to minimize losses.

He was convinced that the setback was temporary and continued with his strategy. The staff was increased by six professional over the next few months to again accommodate the expected increased workload. The expected new business did not materialize, so the staff was again trimmed, by 13 professionals, on “Black Tuesday” in the summer of 2011.

Following these two layoffs, the remaining staff members were insecure and began to question Powell’s leadership ability. The firm’s executive committee sensed the problem and transferred Powell to a New Jersey office, where his leadership style has now operated quite effectively. The Dallas office is currently looking for a new accounting office manager.

Questions:

1. Explain the apparent sources of Ron Powell’s power as a leader.
2. Describe Ron’s leadership style.
3. Explain this situation in terms of one or two motivation theories.
4. Why did Powell’s strategy work in New York but not in Dallas?
5. If you were a management consultant, what would you suggest Jones & Jones of Dallas do next?
6. How do you think Jones & Jones should rate Ron Powell’s overall performance (for the past two years) as a manager on his performance appraisal on a scale of 1-10? What comments would you add to the PA?