**THE CUSTOMER LIST**

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James Bean began as a part time sales associate at Tax Solutions Software Center (TSSC). After roughly a year, James was offered his current position as Head of Sales and Marketing. He reported to the two partners who owned the business, neither of which were part of the daily operations, but oversaw the larger picture. In his current role, Bean supervised an onsite sales staff of 4-6 people and two remote sales teams of 10 sales representatives. Bean also was in charge of payroll, daily supervision, marketing, client retention, and general sales. James was surprised, but not alarmed when Rand Smith, his top salesperson, did not report for work. However, James was surprised when he checked the company’s Facebook page. He found a post from Smith to his former and next employer containing a list of TSSC’s major customers with proprietary account information. Bean was furious and asked himself what he should do next, and what he should have done differently to avoid this situation?

Tax Solutions Software Center was a medium sized company that provided tax preparation software to business professionals and individual preparation experts. The business thrived on trade secrets, a family oriented customer service team, and a friendly sales staff. This business was considered a service bureau and product reseller, meaning that it bought software from a corporate provider and resold the software under the company’s redesigned logo. It was essential that tax software service bureaus maintain the highest security and confidentiality in their sales techniques, customer service protocol, lead generation tactics, and profit margins. This was how they differentiated themselves from the businesses that developed the software.

James believed employee retention and morale were two of the hardest jobs of a sales supervisor. He had improvised many techniques to improve employee morale, which included having commission contests, longer breaks after clients yelled at sales staff, placing daily jokes on the whiteboard, and other motivational techniques. Bean had a motivated staff and had attained a 70% retention of staff over the past two years. Bean recently hired Rand Smith, a two-year veteran of the tax software sales business. Rand walked through the door with a professional resume, demeanor, and knowledge of the industry. James thoroughly evaluated Smith’s professional credentials, employment, and references. One reference and previous employer included a local competitor, Perfect Tax Company. The owner of the business gave Smith high marks on his professional work ethic.

Smith consistently exceeded his sales quotas for the first six months of his employment at TSSC. His daily appearance and general charisma kept the office motivated during slow days. Furthermore, Rand created quality leads and sales from cold calls where others had failed. As Rand’s daily performance surpassed any of the sales staff Bean had in the last two years, Bean increased Smith’s daily job responsibilities and began giving Smith access to larger accounts. Without these accounts, TSSC would inevitably not create enough profit every tax season to continue to exist. Access to these “bread and butter” accounts also provided specific knowledge of the inner workings of the company. Smith also began monitoring the sales staff when Bean had to be out of the office or was on client meeting trips.

Bean, with the opportunity to create new marketing sectors, created Facebook and LinkedIn pages for the company. Postings went to all of the employees on staff, as well as clients who wanted daily updates on the business, new product implementation details, or IRS feeds about preparation techniques. Rand endorsed the idea of having both pages and consistently posted on Facebook to clients. He also posted messages to Perfect Tax Company’s Owner’s personal page about TSSC’s high sales and progress from his personal computer and Facebook profile. When questioned about the communications, Smith replied that he wanted to keep a friendly relationship with the local competition.

Bean and the owners of TSSC reviewed the posts. They found that no confidential information had been leaked. The owners also agreed maintaining a professional or personal relationship with neighboring competitors might be a beneficial strategy. The owners went as far as pointing out to Bean a section of the employee handbook stating that employees had a right to workplace privacy. This meant that employees could have friends who were competitors and that employees could maintain contact with those persons in their spare time. Even though the owners of TSSC still trusted Smith, James kept a closer eye on him but was unable to convince the owners that Smith should have less responsibility until they knew for sure that no inside information was being transmitted to the owner of Perfect Tax. James was especially concerned about the relationship since Smith had previously been employed by Perfect Tax. The owners also pointed out that the employee handbook had a non-compete clause, which prohibited company employees from going to work for a competitor.

Smith continued exceeding the monthly sales quota for the next two months, completing nearly a year on staff at TSSC with no further public Facebook posts causing workplace troubles. Bean came to work on a Friday morning, right before the October rush that started tax season. He noticed that Smith was not in his office. After finding that none of the staff had heard from Smith, James assumed that there must be an emergency and made plans to call Rand soon. Bean then logged onto the company Facebook page. The newest feed on the company page was one that tagged the company and featured a comment from Rand Smith. It stated the following: “I’m sendin all the big lead and account info to you now, I will see you on Monday. Lemme know what your plannin on payin me because I make more at TSSC than I did when I was with you b4.” The quote was even stamped ‘sent from Rand Smith’s iPhone.’

Needless to say, Bean’s mouth dropped. It was obvious that the post was supposed to be some type of private message from Smith to the owner of Perfect Tax, but he accidentally posted it to his public wall and it went over the live feed. James quickly assessed the damage and contacted the owners. Since James was the immediate supervisor, it was his decision as to what to do next and how to avoid this happening again.

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