

VIDEO CASE: JET-A-WAY INC. – FOCUSING ON DIVERSITY AND ENTREPRENEURIAL LEADERSHIP

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ABSTRACT

This session explores the uses of a new video case as an interactive and experiential learning tool for diversity and entrepreneurial leadership. The video case, Jet-A-Way, Inc.: A Family Business features Darlene Jeter, President and CEO of a recycling and disposal firm, juxtaposed with her son, Jesse Jeter, the heir apparent. Four different perspectives are provided in the video: culture and context, leadership styles and decisions, succession, and future outlook. The film is presented along with two to three different methods to create an interactive learning centered class.

OVERVIEW OF THE VIDEO CASE

The case, *Jet-A-Way, Inc.: A Family Business*, features Darlene Jeter, an Afro-American woman nearing retirement as CEO of Jet A Way Inc, a recycling and disposal company in the greater Boston area of Roxbury, MA. The fifteen minute video case presents four short clips that show both Darlene and her son, Jesse Jeter, the Vice President of Business Development, who will be taking over the business in the near future. In interviews focusing on their leadership origins and approaches, the video juxtaposes their responses in four categories: culture and context, leadership styles and decisions, succession, and future outlook.

There is a 15 page written case that encompasses a thirteen year period from 1991 when Darlene Jeter (co-founder) takes over as CEO of Jet-A-Way Inc. until 2004 when she and her team are just recovering from a major plant operation crisis. The written case will be available for instructors who would want to use the video and written case in tandem, but this session demonstrates how the video case stands alone and provides a unique interactive and experiential case teaching opportunity. The written transcript of the video provides a helpful tool for discussion and the role play (see attached).

OBJECTIVES AND SESSION OUTLINE

This case is designed for upper level undergraduate or graduate students who have already been introduced to the relevant OB, entrepreneurship, leadership or diversity concepts; this session will focus on leadership and diversity. The video case presents a unique perspective on an African-American woman entrepreneur and her successful leadership of a family owned business that is being passed on to her son.

Objectives:

- To demonstrate how to use a video case to actively engage the students in their learning
- To demonstrate interactive case discussion (see questions below)
- To provide an opportunity for the audience (and students) to challenge their ability to hear diverse voices of leadership and apply various diversity and leadership concepts
- To use a role playing exercise to demonstrate deep learning in a creative, fun way (see below)
- To receive feedback on how to best use this video as a teaching tool; specifically to identify how to refine the accompanying activities and support materials

CONCEPTUAL UNDERPINNINGS

The case profiles this highly successfully minority woman's cultural origins of leadership success and the impending succession of her son to CEO. Their differing leadership styles are presented, as are their differing expectations and visions for the future of the company. The video brings the leaders to life, illustrating their differing views of social responsibility and succession plans.

Exploration of both Darlene's and Jesse's leadership apply micro-organizational behavior concepts such as beliefs, attitudes and values that explain their leadership approaches. Gendered leadership and other diversity

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concepts such as gendered communication, voice, and style explain the origins of Darlene's leadership philosophy and style that is founded in her matriarchal background. Jesse's leadership approach, which results from his formal education and his exposure to both parents as CEO, provides an interesting challenge to the more feminine culture and leadership style currently in place. The video case can be analyzed from an entrepreneurial leadership perspective given apparent issues of control, organizational transition and succession planning. The visual and vocal impact of the video case make it much clearer to the facilitator and the student that one's identity and the diversity context cannot be decoupled from the application of any other conceptual analysis.

CASE TOPICS AND DISCUSSION

QUESTIONS

SECTION I

A FAMILY BUSINESS: CONTEXT AND CULTURE

- How does the Jeter's African American culture/heritage influence how Jet A Way is run?

SECTION II

LEADERSHIP: STYLES AND DECISIONS

- What preparation and development should Jesse undergo over the next few years to prepare himself for becoming CEO of Jet A Way? How might this preparation help him avert similar recent problems like those mentioned in the video?

Section III

Succession: Expectations and Preparation

- What does Darlene expect of Jesse? Is that consistent with Jesse's self-perception?

SECTION IV

FUTURE OUTLOOK: VOICE AND VISION

- How would you say Jesse's leadership style differs from Darlene's leadership style? How will this impact the company's culture when he takes over? What, if any, caution would you provide Jesse?

ROLE PLAY

With either of the following role play scenarios, two volunteers are needed to play the roles of Jesse and Darlene. Provide a few minutes to think about the their ensuing two minute discussion while the audience lists 3 critical assumptions they have regarding the character and style witnessed in the video and the dialogue that they think should emerge.

- Jesse and Darlene discuss their differing approaches and priorities for Jet-A-Way.
 - Darlene will start the conversation with: "You know Jesse, I am counting on you to continue to continue to support our community efforts; you know it is important to me that Jet-A-Way

be responsible to our people in the company and in the community."

- Jesse and Darlene discuss next steps in Jesse's transition to CEO and Darlene's move to "Madame Chair of the Board".
 - Jesse starts the conversation with: You know Mom, I think it is time for us to talk about when you will retire. I was thinking that we should make a decision and let everyone know as soon as possible..."

JET-A-WAY VIDEO TRANSCRIPTION CULTURE AND CONTEXT

Darlene Jeter – President and CEO

My great grandmother was an entrepreneur in the sense that she had her garden, I think I told you about that. She raised chickens. Her name was Rebecca. What Rebecca would do is can and make up jars of string beans and tomatoes and so forth. And her pies. She made pies and I would help. I must have been five years old but everybody worked that ate in her household. There were several cousins, I wasn't the only one.

All of us would get together and pedal Rebecca Brown's pies and her canned goods to the neighbors and we made money. She made money. She was the one that was rewarded and we were too in the sense that we got to eat. And that's a good lesson. It was work ethics. She was strong in that And then her daughter, my grandmother, Mary Margaret Brown, also did a lot of cooking and baking. In fact all of her sisters were cooks and they did catering too in those days. We would do the Christmas cookies – the sugar cookies – roll them the old fashioned way, use the cookie cutter and so forth. Decorate them with coconut for Santa Claus's beard and little candies for his eyes, angels all of that and pack them in the old potato chip yellow cans, using wax paper as a separator and put them down in the basement. We started this project from Thanksgiving until Christmas. Every evening we did cookies. Then we'd take a shoe box or even a little can or whatever, pack them up and take them to the shut-in and the elderly people in a nursing home and that type of thing.

Jesse Jeter – VP Business Development

For me as an African American person or even as a leader is to bring wealth to my family. I'm one of four family members and so they're going to be looking at me and say well that's great as an African American leader, as an individual but have you brought back wealth to the family trust.

LEADERSHIP: STYLES & DECISIONS

Jesse Jeter – VP Business Development

My dad actually had one type of climate that he infused in the company, his personality he infused. He was the leader. He was the person that made the decisions and all

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the troops followed. He was really a great visionary. He was more dictatorial in his infusion of how the company manages and grows.

My mother's infusion, her personality into the company is more partner, collaboration, more collaborative management style, where executive teams we jointly make decisions and then we deploy them. The soldiers so to speak to carry out those decisions.

My sense is that my infusion will probably end up being a combination – somewhat more dictatorial but a lot collaborative as well.

Darlene Jeter – President and CEO

The one that has given us the most problem right now, and the motors are down now too by the way, is a piece of equipment called the annihilator and yes it's eating us up too (chuckle). It's been there for eighteen months though. And last year we had the same problem with it. Why? What happened to it? Well what happened was we put in another piece of equipment on the opposite end called the star screens, relocated a lot of the belts, once that happened, by the way all this runs on electricity too which is expensive. But by the relocation of the belts and the foreign materials that all of a sudden started coming our way, that's where the issue started. And then of course there was some question of design flaws etc. I'm not sure about all of that. The company is working with us to get the annihilator up and running.

I think some of it is our fault. I really do. Not doing a good job of picking the materials. Not necessarily keeping the belt underneath the belts clean. The trash can only get so high and the belt is going to stop. So I think it is a combination of things maybe some of it was the machinery, maybe the machinery wasn't right for the application. That I can't answer right now. But I can say we are working at overcoming the problem. We've been doing pretty good the last few weeks at it but it has been a long haul. I think the timing was wrong to put it in, We did it in, I think it was March. We should have waited until the slow season so all of these bugs would be ironed out during our slowest time of the year. But it was called wrong. They thought they could put it in just start running but that didn't happen. Didn't happen at all.

Jesse Jeter – VP Business Development

My first response is to the existing employees as an African American leader, I think you're always in the spotlight, I think your character is always on target. How does he communicate? Does he communicate effectively? Is he fair in his practices? Is he committed to his promises? So as I see those roles being critical to the company first to the employees of the company. And hopefully he does a great job. The second step - like I said the first step is employees as well as our vendor relationships and our professional relationships with lawyers and attorneys, the accounting firms of the world. Those relationships are critical, that I present myself well.

The second step, on a broad scale is to the general community. We have several relationships that we deal within our local community and its critical its very critical to me as well as to them. A lot of times you'll hear reference Jet-A-Way has been in business for 35 years when there are few African American firms that are a) been in business that long and b) at the level we are as a \$17M company. And so we're constantly looked upon in terms of the quality of our equipment, the quality of our services, how we think, how we treat the community, do we treat them well, the quality of our facilities, does it represent the community well. So that is a critical relationship as well in the local community of Boston because we are well known – the Jeter family.

SUCCESSION: EXPECTATIONS & PREPARATION

Darlene Jeter – President and CEO

I would hope that Jesse and expect that he would take the company to a new level, hire the best people possible, to probably look around for some other avenues so we don't get stuck just in one thing C & D has been the primary focus of the company for many years but that's seasonal so maybe some diversification into what right now I don't know. But we need to start looking around at other things perhaps even real estate, some investment there. Organization, yeah, I think he's sharp enough, his organizational skills. And not expect so much from himself all the time. He expects a lot from himself which is a good thing but we can only do so much and be effective and so I think he just has to choose what is the most important thing to do and then delegate the rest to someone else. Other than that Jesse is really, has great ethics, work ethics, gets along well with people, he's low key. I think he'll do fine.

Jesse Jeter – VP Business Development

It's what I've done to prepare, I have to tell you the steps. In 1987 I graduated from Boston University degree with my Economics degree and that was a real good foundation. I think Economics really does provide a good critical thinking foundation. And then in 1997 I finished my MBA at Suffolk University and I think that was just a really good next step process and how I think about business in general. And so one, I think really the Economics degree set the foundation, my MBA helped me with the critical thinking and really taking me to the next step of how business really operates.

Procedurally in terms of next step actions to prepare for CEO is to create a team that is going to help execute that plan, the business plan of growing this company, Jet-A-Way. My background, my strength is in Sales and Marketing, and that's really going to be my strategic strength of what I can serve to this company. And I just look at myself as a part of the whole. Now I'm I going to lead a direct of the whole, the body, but my strength and what I really lead to this company is sales and marketing, public relations. What I'm going to miss and I really need is on the

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operations side of the company. I'm going to need a breadth of that side of the firm. But I leave that to others to lead and to direct. I'm not trying to be the master of everything. It's just not a goal. I think any CEO of a company is going to have his strengths and his weaknesses.

So what that really brings is the team players. How confident are you with the existing team and what types of talents do you need to bring into the existing team. Jet-A-Way has, we have a lot of strengths particularly on the team front. Strategically, you know if you always say a company builds itself on people, systems, and technology. I think we've done a good job in terms of the technology that we have. I think there's some weaknesses there. Systems I think, after 35 years, we have some really good systems – always to be improved upon but we have some good systems. People, in terms of the top area of the company is going to be an interesting deployment. You're looking at some of our people who are potentially going to be retiring shortly and so therefore that means we're going to have to bring in some new talent to this company. And I think that's going to be great. It's going to change the culture of the company, the thinking of the company. It's strategic deployment as you always hear me talking about strategic deployment. And so that's going to create a shuffling of the thinking that currently exists at Jet-A-Way. So I think that's really great as long as that thinking is really focused and managed and lead in the right area I think we'll do well.

Darlene Jeter – President & CEO

I really right now don't know the length of time but it won't be until I'm 80 or 90 that's for sure. There's a time to let go and move on. Madam Chair of the Board I think. That sounds good.

FUTURE OUTLOOK: VOICE & VISION

Darlene Jeter – President & CEO

This is a tough, tough industry. Jesse is easy going and nice but he has to accept the fact that everyone is not nice. Oh, in this industry particularly. And so your guard always needs to be up. And that is one of the key things he needs to always be aware of and accept it. Everyone is not nice. There are some tough people in this. In any industry, in any business there's always those that will do their best to try to take what you have. You don't want to stay focused on one thing only. We need to diversity somewhat. I'm sure he'll do fine.

Jesse Jeter – VP Business Development

There's three areas that I look in terms of strategically where Jet-A-Way is heading. One is current cost reduction. Right now we're spending an awful lot of money on capital expenditures, on heavy equipment and we really need to get a handle on that. Are we getting the best return on investment for our current investment equipment. Because that becomes a critical question. Are we looking at all our

cost lines and keeping our costs to a minimum? And so that's step one.

Step two is for other growth in our existing businesses. The one area in particular our solid waste area of our business we get our biggest margin of our business ... we've got three divisions in the company – construction and demolition, solid waste and recycling. By far, the biggest return on investment is on our solid waste area. Particularly in the commercial area. We currently have not ventured into residential solid waste pick-up services. And that's an area that we're going to look into as we go forward. We just became a union company and now we can really begin to look at that area. So because we have our union status we can look at residential solid waste removal a lot closer. And so it's further expansion on existing services. If you take just a few years ago, fifteen years ago Jet-A-Way was basically an inner city company – Dorchester Roxbury South, South End, South Boston - well we've changed since then. We've really become a 128 belt company. My goal is to continue to further expand the company so we can't risk the 495 belt for our solid waste, recycling and construction and demolition services. That's area number two.

Number three is diversification of the existing business. We have to diversity what we do. We do C & D well, we do solid waste well, we do recycling well. But I'm looking for another area to venture in that gives me the day in, day out, month in, month out, profitability. The solid waste and recycling businesses are good businesses because they are day in and day out profitable businesses. It's contractual and its less prone to cyclical changes. The construction and demolition area of our business really is one that's not contractual – see that's the problem. So therefore if a contractor is not happy with our services it's not a contract he can get rid of it he's gone, he's got someone else the next day. The second problem with our construction and demolition area is the project usually has a beginning date and has an end date and now you are hustling to get to the next project and you are competing with everyone else to hustle to get to the next project and to get construction and demolition details. It's really impacting, really quickly to seasonal impacts. I don't like having such a great dependency.

As you are probably aware, 75% of our revenues are on the construction and demolition end of our business, 20% is on solid waste area and 5% on our recycling end of our business. I want to expand solid waste and recycling and but I also want to introduce another division to this company. I haven't discovered what that other area of the company will be but that's going to be one of my tasks for the future.

REFERENCES

Jeter, D. and Jeter, J. Interview, Jet-A-Way Inc. Roxbury Massachusetts, November 7, 2003