

The Penn Community Bank Case

Executive Summary

As President and CEO of Penn Community Bank, Jeane M. Vidoni faces a difficult leadership decision. One of the bank's top executives has achieved outstanding quantitative results for ten consecutive years but has also fostered a tense work environment. Ms. Vidoni must determine whether retaining this employee aligns with the organization's long-term goals and core values.

Background

Penn Community Bank was established through the merger of the First Savings Bank of Perkasio and the First Federal Bank of Bucks County. Since becoming the CEO of Penn Community Bank, Ms. Vidoni has worked to rebrand the legacy institutions into a unified organization with a clear, service-driven mission. She created a culture that prioritized customer satisfaction and employee development.

Because the bank is not publicly traded, it can merge with other local institutions but cannot be sold or acquired by a national corporation. As a result, it remains a deeply rooted, community-based bank dedicated to serving the Bucks County area. Ms. Vidoni envisioned a workplace culture free of internal competition, emphasizing collaboration, integrity, and community engagement.

One executive was struggling to collaborate with his team. "Joe" was consistently at the top of the leaderboard, providing much-needed resources for a small community bank. Popular with clients and members of the Board, Joe consistently surpassed his quantitative goals. However, his direct reports and colleagues reported challenges and conflicts with the bank's core values. Although he consistently met quantitative goals, Joe treated his team poorly, fostering a combative, overly competitive work environment. He believed his approach pushed the team to do better.

Over two years, the bank invested significant time and resources to support Joe's growth, including hiring a professional coach to help improve his management approach. Despite these efforts, the behavior persisted. His combative approach included yelling at employees and criticizing their work in front of others. With his next performance review approaching, the bank must consider the long-term relationship with Joe. From coaching resources and morale impact to income generation and team drive, a decision must be made.

Case

Should the bank part ways with a high-performing executive whose conduct undermines its culture, or does his measurable success justify his continued employment?