

## BEST BUY CHAIRMAN STEPPING DOWN



Richard M. Schulze, known for being the founder and chairman of Best Buy, has chosen to step down from his position due to an ongoing investigation. The investigation took place due to a former chief executive having an improper relationship with another employee. It turns out that Schulze knew about the relationship yet failed to report it to the board. Brian J. Dunn was the chief executive but he resigned back in April. It is believed that he violated the policy of the company because he engaged in a close and personal relationship with another employee, which impacted the environment of the workplace in a very negative manner. Dunn is 51 years old and is actually married with several children. He was fooling around with a 29 year old female employee. Schulze found out about the affair back in December of 2011, back when an executive handed him a statement from a different employee, who basically told all about the Dunn and what he was doing with the female employee. Schulze did confront Dunn about the relationship but Dunn denied it and said that there was no inappropriate relationship going on. Although Schulze did confront Dunn about the allegation, he never shared the information with audit committee or the human resources department, along with any of the board members, which is something he was supposed to do. The board only found out about the problem during the middle of March, back when an executive in the human resources department heard of the allegations. Schulze did not behave correctly, as he showed Dunn the statement that was written and signed by a separate employee working for the company and because he did not tell the audit company about the problem at hand. All of this information was found through an investigation. Schulze recently released a statement in which he says he did confront Dunn with the allegations and told him that it was unacceptable. He does admit, however, that he failed to disclose the information with the audit committee. It is quite sad to see Schulze go, as he first started Best Buy in 1966 as a retail music store, which eventually grew into an electronics store that can be found nationwide. He worked as the chief executive for nearly four decades until 2002, when he became the chairman. The new chairman will be Hatim Tyabji, who happens to be a current member of the board. In the meantime, the report proves that inappropriate behavior was going on; as the female employee boasted about the treatment she received from the CEO and all of the things he did for her, which included buying a number of concert tickets and tickets to sports events.

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