

Unit 2 – The Management Environment Case Studies

1. To Tell or Not?

SCENARIO

Rudy has been hired as the facilities manager for a research laboratory. As he is walking in the woods by the lab he comes across an old chemical steel drum that is half-buried in the ground. He walks further and finds a dozen more of these barrels. He has no idea whether or not the drums are empty, how long they have been there, or whether they are an environmental hazard. He checks the facility's disposal logs but learns nothing.

CRITICAL THINKING

What is Rudy's responsibility in this situation? Does he need to find out what chemicals those drums contained before he decides what to do? Will he get into trouble with management if the drums need to be removed at company expense?

2. Tough Choices—Environment vs. Profits

SCENARIO

A small- to medium-sized business is marginally profitable and its costs are not controllable except in one way: Its discarding of hazardous waste is regulated and expensive. To avoid that cost and keep the company profitable, the managers devised a new plan. They will bury the waste on a remote site. Thus, they will no longer have to pay these expensive environmental costs.

They implement the plan but fail to contact consulting environmentalist to learn the basics of proper disposal. Instead they merely bury the barrels, which now leaks into the public's water supply and poisons the nearby milk cows. The company's scheme is discovered.

CRITICAL THINKING

How would you describe the tough choice of the title? What is hard to choose between? What decision would you make? Why?

3. Social Responsibilities

SCENARIO

Some corporations have made a commitment to philanthropy as part of their corporate structure. For instance, Target Stores, Inc., gave over \$53 million in 1999—more than one million dollars per week—to projects in the communities it served.

Target employees donate 170,000 hours to over 5,000 projects each year—including delivering food for Meals on Wheels and cleaning up riverbanks and shores.

CRITICAL THINKING

Suppose you are a stockholder attending a company meeting. You would like to see company profits increase. What are some of the reasons a company might present if asked to justify corporate giving?

4. Sensitivity to Diversity

SCENARIO

An insurance company recently posted a position for claims manager. This company has been touted in several articles as being one of the best places for women to work and prides itself on diversity in the workforce. Joe, an employee in that division, thinks about applying for the open position although he knows the company would ideally like to diversify its workforce even more by hiring or promoting a woman.

CRITICAL THINKING

Is Joe's answer sarcastic or realistic in today's workplace? What more would you have to know about Joe in order to decide? What additional factors might be involved in choosing someone to fill the vacant position?