**College of Administrative and Financial Sciences**

**MGT 312**

**Term-II, 2020-2021**

**Assignment 1**

**Deadline: End of Week 7, 06/03/2021 @ 23:59**

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| Course Name: Decision Making and problem solving | Student’s Name: Hassan Saeed Alhulaily |
| Course Code:MGT-312 | Student’s ID Number: 160095452 |
| Semester: II | CRN: 24736 |
| Academic Year: 1440/1441 H | |

**For Instructor’s Use only**

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| Instructor’s Name: | |
| Students’ Grade: Marks Obtained/Out of | Level of Marks: High/Middle/Low |

**Instructions – PLEASE READ THEM CAREFULLY**

* The Assignment must be submitted on Blackboard (**WORD format only**) via allocated folder.
* Assignments submitted through email will not be accepted.
* Students are advised to make their work clear and well presented, marks may be reduced for poor presentation. This includes filling your information on the cover page.
* Students must mention question number clearly in their answer.
* Late submission will NOT be accepted.
* Avoid plagiarism, the work should be in your own words, copying from students or other resources without proper referencing will result in ZERO marks. No exceptions.
* All answered must be typed using**Times New Roman (size 12, double-spaced)** font. No pictures containing text will be accepted and will be considered plagiarism).
* Submissions without this cover page will NOT be accepted.

**Course Learning Outcomes-Covered**

* Demonstrate a solid understanding of decision making process for complex issues pertaining to business environment both internally and externally. (1.2)
* Identify ethical issues and dilemmas that businesses often face and employ ethical standards in all manners and circumstances.(1.4 & 3.3)
* Apply and analyze various concepts of problem solving in diverse contexts and business situations. (1.5 & 2.2)
* Identify and analyze different perspectives on understanding problems for different situations. (3.1)

**Critical Thinking Case studies:**

Mr. Khaled is the HR manager in Alkhalili Company. Alkhalili Company is in construction business. In COVID-19, construction industry were affected a lot. Alkhalili Company were also affected and lost several projects. Some projects were gone in heavy loss. Company has decided to downsize its work force.

KHALID was in such a situation that telling the truth about staff layoff to his friends will make him disloyal to the company. At the same time hiding about staff layoff from his close friend will make Khaled disloyal towards his friend. In this case, Khaled may find it difficult to find out all facts especially the time workers would take to find a new Job .Khaled, the workers, His Boss, society, the company are the affected stakeholders.  The right of both the workers and company to know and hide about layoff and the loyalty that company and workers expect from Khaled are the main ethical issues Khaled face. The consequences of telling and hiding about the staff layoff would be, Khaled may lose his job, workers will get time to find other placement, Khaled will remain in good book of management or workers have to suffer from sudden job loss. Anyway, before reaching a conclusion Khaled should have to think about the duties towards company as an employee also about how society is going to value him by the decision he take. However, Khaled can warn both employees and management like not to make any big financial commitment or about the aftereffect of hiding the layoff truth from employees.At last Khaled must take a decision considering all these factors and should have the gut to stand on the decision taken by him.

**Assignment Question(s): (Marks 05)**

1. Identify the problem. What are the other sub problems? [Word count: 100-300] [0.5 Marks]
2. Main problem: ……………………………………..
3. Other problems:
4. Write the problem statement document? [Word count: 200-400] [1 Mark]
5. Identify the Cause of the problem through 5 Why Technique[Word count: 150-300][1.5 Mark]
   1. Why-1
   2. Why-2
   3. Why-3
   4. Why-4
   5. Why-5
6. Gather information: What information should you gather that would be helpful to know before making a decision? [Word count: 200-400][0.5 Marks]
7. Consider the various choices of solution? [Word count: 100-300][0.5 Marks]
8. What are ethical issues in this case? How you can resolve these ethical issues? [Word count: 200-400] [1 Mark]

Answer-1:

**Main Problem**

The main problem in the case is the company's impending plans to layoff significant workers as a response to the losses exposed to the firm by the covid19 pandemic.

Answer-2:

**Sub - Problems**

Other problems arising from the identified problem include the role of HR in communicating such changes to the employees. The HR is part of the organizational management, and an employee is aware of the impending dismissal though other employees are unaware. The management expects HR to remain silent about the issues until a time that the organization will be willing to share its plans formally. However, the HR has friends who will feel betrayed if the firm dismisses them abruptly without Khaled giving them a hint of possible job loss in advance. However, if Khaled discloses such information to the employees before the management's approval, he will have betrayed the company's management's trust.

Answer-3:

**Problem Statement**

HR manager acts as the link between employees and the management in an organization. There is an expectation that HR should establish a balance in addressing the employer's interests and that of the employees. When faced with issues that have a direct adverse impact on both the employer and the workers, HR faces a significant dilemma to ensure he fulfills both parties' expectations. In this scenario, if HR leaks the employees' plans, the management is likely to fire him or demote him. Such an action is likely to affect the morale of HR and be unwilling to take such a significant risk in work. There is an expectation from management that HR can only make such communication if approved by the administration to be dispersed to the employees. More so, when employees eventually receive the dismissal letter, they will be angry at HR, arguing if they were notified in advance, they would have searched for new opportunities. However, any action to communicate to the employees in advance could result in a significant withdrawal of their services from the company. Besides, the employees can decide to participate in demonstrations, affecting the reputation of the company. If the HR fails to warn the workers in advance, he further faces possible backlash from society, which will feel betrayed by one of their members who are loyal to the employer and disloyal to his people. The situation calls for HR to come up with a balanced solution backed by reasons to both the management and employees to establish a win-win situation for the parties faced by the problem.

Answer-4:

**Causes of the Problem**

1. The problem is caused by a bureaucratic system of the firm that believes in making decisions at the top-level management without engaging those to be affected by such changes.
2. Another cause of the problem is the autocratic leadership style that influences the management to impose its decisions on employees without considering their welfare.
3. There is significant mistrust between the management and the employees that make the administration think that the correct way to communicate the changes is through abrupt methods.
4. Besides, the organization denies the employees a chance to associate with a labor union, which should negotiate on their behalf when such radical decisions are made.
5. There lacks of a clear employment contract, which influences the company to ignore the importance of giving the workers notice of a few months prior to their dismissal. Therefore, the organization does not have an obligation to prepare the employees for an impending end of their contractual relationship.

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**Important Information to Gather Before Making a Decision**

Some of the critical information necessary before making a decision include the extent of openness in the company’s administration. It is necessary to identify how the management wants the planned downsizing communicated to the employees. Besides, it is critical to understand whether the changes are proposals or a decision already passed and must be implemented. In case the idea is a proposal from the management but has not been approved, it is necessary to wait for such a conclusion. A HR should further seek to identify from the management their reasoning for not communicating the planned downsizing to the employees. Such information is necessary because it will help resolve any biased attitude that may be hindering HR from deciding the problem. Another important piece of information necessary to support the decision process is considering past experiences from employees when facing new changes in the company. HR should consider any past incidences of unrest or strikes posed by workers to the company when facing new structural or human resource changes. Incidences that show that employees were unruly in the past amidst new changes mean that HR should not disclose any of the plans to the workers before the management's recommendation. More so, HR should consider a relook into the company’s policies that guide critical communication within the company. The information will support HR to make a decision that serves the interests of the workers and their employer.

Answer-5:

**Various Choices of Solutions**

Some of the choices available for Khaled include telling his close friends about the planned dismissal to prepare them psychologically to face the eventualities. Such a decision will make Khaled develop a significant rapport with friends who feel that he cares about their welfare. Besides, the decision will give such individuals sufficient time to start looking for new opportunities in other companies before the dismissal. However, Khaled must ensure that his friends do not disclose such information or cause unnecessary fracas that may threaten his job. The other choice HR could embrace remaining silent on the issues until when directed to give such communication to the employees. Though he will have betrayed his friends, he will respect the value of confidentiality of management issues. The HR can also choose to engage the management to come to a consensus of the best way to make prior communication to employees to show empathy and support them psychologically.

Answer-6:

**Ethical Issues in the Case and their Solutions**

Primary ethical issues in the case include the issue of HR confidentiality to the plans of the management. There is an expectation that a management team should always work towards supporting the objectives of the organization. HR is expected to side and support the decision to downsize the company despite some of his friends suffering from such action. Disclosure of such details to friends without the approval of the management team is unethical and a betrayal of the trust bestowed by the organization to HR. Another ethical issue is the failure to warn friends of plans to downsize the companies and the probability of them becoming victims of the actions. Friends expect that their peers should always act in their best interest, and any move that does not fulfill these expectations is unethical. Employees will find Khaled unethical for failing to leak such important information and exposing them to possible prolonged search for new jobs.

The solutions to the identified ethical issues include flattening the organizational structure of the company. The move will ensure minimal bureaucracy, which gives employees a chance to interact with the managers and together make decisions that affect the organization. The interaction will support a discussion where employees understand the economic strains facing their company and justify downsizing. The move will ensure employees embrace the decision with the conviction that the company will recall them when the financial condition stabilizes. Besides, such interaction will enhance the support of the organization in recommending its affected employees to other firms. The influence is a win-win situation for the employees, management, and HR.