**Critical Thinking – Case Study**

Student’s Name:

Affiliation:

Course:

Instructor:

Date Due:

**Critical Thinking – Case Study**

**Problem**

**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.

**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.

**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.

**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.

**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.

**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.

**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.