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FOR ENGINEERING AND SCIENCE

# Informing Employees About Layoffs

## Author(s)

Michael Pritchard

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## Description

Tony decides to wait until after Christmas to inform the workers that they will be laid off and must deal with some problems as one worker finds out before the holiday.

## Abstract

This case is one of thirty-two cases which address a wide range of ethical issues that can arise in engineering practice provided by the Center For the Study of Ethics in Society, Western Michigan University.

## Body

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Tony Furillo was looking forward to the afternoon to finish his Christmas shopping. It was the day before Christmas, and he had to work to finish up a last minute task. The 15 workers he supervised began their Christmas break the day before. They would not be returning until after New Year's. Just as Tony was finishing his task,

Arnold Raskin, Vice-President of Manufacturing approached Tony.

"Tony, I know this is really bad timing, but it has to be done," Arnold began. "I've just come from an executive meeting. We have to lay off some people early next year. I'm afraid the ax has come down on your unit. By the end of January everyone will have to be laid off. We'll have to transfer you to another division. I want you to let them know as soon as possible--this afternoon."

Tony sat glumly at his desk for several minutes, pondering what to do. He thought, "If it were me, I sure wouldn't want my Christmas spoiled. Maybe I should wait until the day after Christmas to call everyone. I don't want to be a Scrooge."

Would it be all right for Tony to delay notification until the day after Christmas?



Tony decides to wait until after Christmas to inform the workers that they will be laid off. However, unknown to Tony, Arnold attends the same church as Ralph, one of the workers to be laid off. Arnold and Ralph do not regularly attend church, but both attend the Christmas Eve service. Arnold makes a special point of talking with Ralph and expressing his regret at the layoff. From the shocked look on Ralph's face, it is obvious to Arnold that Tony has said nothing to Ralph.

Later that evening Tony's phone rings. "I thought I told you to notify your workers this afternoon!" Arnold angrily begins. "I was really embarrassed at church tonight when I told Ralph how sorry I was."

How should Tony respond?



Like Tony, Shirley Vandermere had some last minute Christmas decisions to make. Shirley, of course, was unaware that she was about to be laid off. This was the last day to decide whether to go ahead with the surprise European trip with her husband. Although the trip was not until February, reservations had to be secured before 5:00 pm today. What worried her was that the \$500 required deposit was non-refundable. She wanted to be sure her husband would be pleased with her idea,

but she also wanted it to be a surprise. Finally, at 4:30 she got in her car and made a quick trip to the travel agency. She was sure Greg would be pleased. So, she wrote out a \$500 check.

How might she react when learning that Tony deliberately delayed until after Christmas to inform workers about the layoffs?

## **Notes**

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Prepared with James Jaksa.

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## **Contributor(s)**

Michael Pritchard

## **Editor(s)**

Michael Pritchard

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