



Why fire you?

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Abstract

Learning outcome: This teaching case will improve the critical thinking of students and they will be aware of the rights of employees.

Case Overview: The case is all about the attention of management toward the employees.

Complexity Academic Level: It is developed for PG and UG level students

Keywords: Management, Employees, organisation, performance appraisal, and layoff.

John, the father of Kim Founded the business and run it for about 10 years. Now, Kim has taken over his Auto Supply Business. They both want to run their business as simply as possible. The company has a full-time controller and managers for each of the five stores. John's assistant administers day-to-day human resource tasks. But they outsource most of their HR activities to another firm. John took a paternal approach to business. He often talked to their employees and tried to solve their issues on time. Kim on other hand does not share the same relationship with his employees. He is indulged in how to manage and generate more and more money instead of Managing the employees of the organisation. He put focus on improving financial performance and so all his decisions are related to cutting costs. No doubt the sales and profits have increased but side by side the issues of employees are also increasing. Now Kim finds himself spending a day or two days a week addressing HR problems. For Example, Levin had worked for the company for 10 years as a Manager. Right after Kim took over, Levin told him that he had to take Medical leave for Surgery. Kim approved the leave. When Levin returned from leave, Kim told him that his position had been eliminated. However, the company offered him the position of Salesperson, at the same salary and with the same benefits. But this job is not similar to the old one.

Henry, an employee of one of their stores, came to Kim's assistant and said that he is so disappointed about his recent firing and was probably going to sue. On Henry's last performance appraisal, his store manager said Henry did technical aspects of his job well but he had serious problems interacting with his co-workers. He was continually arguing with people and was a talkative person. The store manager told Kim that he had to fire him and Kim approved the dismissal.

Questions :

1 Do you think the employee that Kim fired for his behaviour is Ok or if so then why and what should we do about it?

2 In the last 10 years, we have had a few problems related to HR but now Company has a lot of problems or issues related to employees. What should we do and why?

