

Ethical Dilemmas



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Poison Pill Hard to Swallow for a Healthy Bally's Total Fitness Page 337:

- What might have motivated the two stockholders to demand new management? Support your answer by referring to specific theories of innovation.
 - In this situation the investors became more interested in helping themselves and not the other stockholders. The theory most applicable is the Manifest Needs Theory, it is classified by a need for achievement, power, and affiliation in this case it seem as though power ran supreme.
- Using expectancy or reinforcement theory, describe why CEO Toback was surprised at the negative reactions of the stock holders to his divesture strategy.
 - The CEO was shocked at the reaction because the divesture was not even finalized before the two stockholders requested 15% ownership of the firm.
 - In the expectancy theory, when employees feel they cannot accomplish objectives, they will not be motivated
- Using equity theory, describe how the poison pill plan might be perceived to maintain fairness among stockholders.
 - The y equity theory is the comparison of perceived inputs known as efforts, experience, seniority, and status, with outputs stated as praise, recognition, pay promotion, and increased status. Based on performance the reward should be equitable, and the manager/supervisor should know that equity is based on perception.
- Should Toback reconsider the divesture considering the two stockholders complaints?
 - No, Toback should not change his decision based on the complaints of two stock holders he is to do what is in best interest for the company, and should not be seen as a puppet or push over to the other stock holders.

Sleepless in Seattle or Sexism in the

City: Neither Story ends well for

Boeing Page 573:

Discrimination

Harassment

- Which common area of employment discrimination does this ethical dilemma highlight?
 - There are two areas of discrimination that are in the case, they are upward mobility and evaluation. Upward Mobility occurred when women made substantially less than men in the same field, and this came to light when they had evaluation.
- Referring to affirmative action, equal opportunity employment, and comparable worth, which define the problem that this ethical dilemma highlights.
 - Boeing has discriminated against more than 20,000 females in or they have been in their company, which is against the company's equal employment opportunity. In most situations women made \$1,000-\$2,000 less than men in the company.
- Presumably Boeing values the diversity of their workforce. What additional measures does Boeing need to take to ensure that their values are implemented?
 - The company's equal employment opportunity policy states that they are prohibited to discriminate on race, color, religion, national origin, sex, sexual orientation, age, physical or mental disability. To ensure that these practices are met, there can be additional training and re-training for all employees of the company to ensure there is never occurrence of it again. Also, there should be a mechanism or way for employees to have the pay or whatever is at question audited by a non-biased party.
- What actions would you take now if you were CEO McNerney? Why?
 - If I were the CEO of this company, I would address the problem at hand in a corporate meeting. Every employee will be treated fairly despite race, color, religion, national origin, sex, sexual orientation, age, physical or mental disability, and equal qualifying veteran status. We will as an organization learn from what we have been faced with in the past.