**Living up to the Bargain**

On an unseasonably cold Saturday morning in early June, Sarah Bristow stood in Bargain Buy’s empty parking lot, stared at the orderly storefront, and imagined the worst. What would she do, she wondered, if she walked up to the glass entrance doors, found that they’d been papered over with closure notices, and that the locks had been changed? What would she do if she discovered that the Bargain Buy brand had been discontinued overnight, without any prior warning, and all its stores were going to be permanently closed, effective immediately?

These questions had been on Sarah’s mind since April. In spite of the frequency of the thoughts, today, as always, she found answers to be inevitably unfathomable. The truth of the matter was that Sarah had been employed at Bargain Buy since high school. In the subsequent fourteen years, she had become the General Manager of the Niagara Region’s profitable Bargain Buy location. As such, she had never had just reason to worry about her job stability or future finances.

The same could not be said for several of Sarah’s recently hired employees. Two months ago, many of the recent hires had seen Sarah’s worries come to life when Future Source, one of Bargain Buy’s subsidiary stores, abruptly closed all of its Canadian locations. Future Source’s closure effectively eliminated 500 full-time and 1,000 part-time positions, including over 30 positions in the Niagara Region.

Upon Future Source’s closure, Harvey King, Bargain Buy’s District Manager, had a one-on-one meeting with Sarah about the upcoming challenges she would face. With Future Source gone, Bargain Buy became one of the last large electronics stores left in the Niagara Region. As a result, Harvey anticipated that Bargain Buy would see significantly higher customer traffic. In addition, Harvey warned Sarah that she would be getting stock from two of the closed stores, which would result in larger than usual weekly shipments in the upcoming month.

“It won’t be as bad as it sounds,” Harvey said. “Your store is going to get a percentage of Future Source’s salaries expense, so no one’s going to get too overworked.”

Sarah had taken heart at the promise and began to look forward to the new challenge. In preparation for the influx of new customers and products, she hired five new part-time employees. Three of her new hires were former Future Source employees who were grateful to stay in the industry. The other two new hires were qualified individuals with high potential who Sarah thought would fit well with the team.

Problems arose immediately.

Several long-time members of the Bargain Buy staff were vocal in their opinion that all five new hires should have been former Future Source employees. Correspondingly, Sarah began to receive complaints about the two new hires who were not former Future Source employees. In particular, supervisors were critical of the fact that the new hires were taking longer to train than the former Future Source employees.

Sarah decided to investigate the matter for herself. After evaluating the new hires’ performances, Sarah saw that the two were doing as well as should be expected from new trainees. Unfortunately, Sarah also saw that the two were being ostracized by the rest of the Bargain Buy staff. It didn’t surprise Sarah when she started receiving complaints that the two new hires seemed unhappy at work.

In addition to complaints about the two trainees new to the job, over time, Sarah also started to receive complaints about the former Future Source employees.

“I think there’s a reason Future Source closed,” Hilda, one of the supervisors, confided to Sarah. “They don’t do anything. I’ll tell them to unload a pallet, and an hour later, it’ll still be there untouched. Or worse – sometimes they’ll open the pallet, make a big mess in the aisle, and then walk away. It’s a safety hazard.”

In return, Sarah also received complaints from some of the former Future Source employees themselves, who were overwhelmed by the amount of work they were being given while they were still in training.

“I don’t even know what they want me to do,” said Kirk, one of the former Future Source employees. “I haven’t been trained on half of this stuff and they expect me to know everything. Besides that, everyone here is way too strict. People were much nicer at the old place.”

Three weeks ago, things went from bad to worse when Harvey called with unwelcome news.

“You’ve used up too much of the salary expense funds and are way over-budget,” he said. “You’re going to have to cut back on hours for the rest of the summer.”

The news left Sarah horrified.

“But I thought you said we’d be getting a percentage of Future Source’s expenses,” she said.

“That’s what I thought, too,” Harvey agreed, “but the funds ran out faster than we thought they would. Sorry, but there’s nothing I can do.”

It didn’t take long for news of the budget problems to spread through the store and for employees to start panicking. Team morale dropped to a new low as the employees started to wonder how the cuts would affect their wages. In addition, workers complained about the five trainees more than ever. When Sarah investigated the complaints, she discovered that many of the problems stemmed from the fact that the senior employees had stopped training the hires.

“What’s the use?” asked Hilda when Sarah asked her about the issue. “You’re going to have to lay them off anyways. Everyone knows that.”

Sarah protested at the idea, which lead to a new problem: Experienced members of her staff began threatening to quit and find new work if their hours were affected by the budget cut. As a long-term employee herself, Sarah had strong connections with many of the workers threatening to go, and she didn’t want to see anyone leave. At the same time, though, she also couldn’t stomach the idea of laying off the new hires. She knew that at least one of the former Future Source employees turned down other employment to work at Bargain Buy, and one of the other new hires was asked to quit his part time job at a rival store due to a no competition clause in the employment contract. She therefore felt that it would be ethically and morally wrong to fire the new hires, particularly when they were less than a month into their employment and had done nothing wrong.

Beyond the concepts of ethics and morality, Sarah knew that firing the five new hires could be a publicity nightmare. The media coverage of Bargain Buy’s unexpected decision to close Future Source had only recently left the front pages of the news. Sarah didn’t want to imagine how poorly people would think of the company if they fired another sizable group of employees. The news might be enough to damage the store’s sales and, Sarah feared, might be just enough to lead to their own store’s closure down the road.

All of this ran through Sarah’s mind as she walked through the parking lot up to Bargain Buy’s entrance. Today was the quarterly team meeting, which would be attended by all the store’s employees, and Sarah knew that the number one topic of discussion would be what she planned to do about the budget cuts. Moreover, Sarah knew that if her employees found her solution unsatisfactory, some of her best workers might start looking for other work, and team morale would take another large hit.

Inside the store, she found Hilda and several other supervisors waiting for her arrival.

“Some of the employees asked us to talk to you before the meeting,” Hilda said. “They want you to get rid of the new hires. All the problems started when they came here, and they weren’t working out, anyways. Everyone would be much happier without them.”

Sarah frowned as Hilda and the others spoke but listened carefully. Employee satisfaction was one of her top priorities, and she liked to think that she was responsive to everyone’s needs. Over the years, Bargain Buy had gained a reputation for being a top employer, filled with friendly, well-trained, and happy employees. Although those qualities had diminished over the past few weeks, Sarah was committed to finding a way to bring her team back to its prime.

She wondered if laying off the new employees would truly make everyone happy in the long run. She couldn’t help but feel that layoffs may damage the overall team-oriented mentality she had tried so hard to implement in her time as General Manager.

All they really needed to do, she thought, was survive the summer. When the back to school rush began towards the end of August, the store’s salary budget would increase and there would be more than enough hours to go around. In addition, Sarah knew that over half of her part-time staff were students who would be returning to school in September, which would also leave more hours available.

At quarter to seven, employees began to stream into the store for the meeting. Sarah picked out several of the new hires standing towards the back of the group looking nervous. She noted that the majority of the other employees were ignoring the new hires, but she didn’t sense any animosity in the room. Rather, as she inspected the assembled group, she began to realize that most of the employees looked just as nervous as the new hires did. At once, she knew that she wasn’t the only one who’d been thinking of Future Source and imagining the worst lately. Today, she would need to show she knew where they were headed and regain her employees’ trust if she ever hoped to return the team to its prime.

Steps:

1. Core elements summary
2. Problem statement
3. Relevant theories – be sure these help you in either step 4 or 5
4. Provide 3 possible solutions
5. Provide a sound and supported reason for which one is the BEST (tell why)
6. Action Plan