**MBAB 5P04 Case Example – do not use without permission**



**CASE WRITE-UP**

 Dalton loved his new job! He had recently decided to take a job opportunity in Las Vegas working at the world-renowned MGM Grand Casino. He had heard about a job opening from a friend who had been working there for the past two years and decided to apply. He started off as a cashier on the gaming floor, which was not the most ideal position for him, but he viewed it as a foot in the door.

 After approximately 6 months with the company, Dalton decided to apply for a position in the Casino’s Player’s Services department as he felt his background in marketing and customer service would lend well to the job description. The marketing team, in particular the manager of the department, Rob, thought Dalton was an excellent applicant and offered him the position. Dalton was excited for the new opportunity and was determined to use this new position as a way to move up within the MGM Grand.

 Three months later, Dalton was thriving in his new Player’s Services role. He was well respected by the other members of the department, and the patrons of the Casino seemed to love him. He was always stirring up conversations with guests and they always left smiling. It was because of these reasons that Dalton was able to seize another opportunity when one of the permanent Supervisors decided it was time to retire. After only 4 months in his new department, Dalton was promoted to a full-time Supervisor, much to the delight of management and other associates from the department. He was by far the youngest member of management which also meant he had the most to prove. He welcomed the new role and the increased amount of responsibility. Dalton knew that it was going to be challenges such as this that would help define his future not only with the MGM Grand, but in life as well.

 Over the next few months Dalton was able to establish himself as a well-respected Supervisor within his own department. Rob had given him several projects to work on, one of which involved revising and editing the current departmental policies and procedures manual. Dalton viewed this opportunity to not only familiarize himself with the ins and outs of the department, but also use it as a way to be the voice of policy for his team. He figured that if he knew all of the proper procedures, he would be better suited to train new employees and meet the needs of customers in an appropriate and legal manner.

 The one downside of being the newest full-time Supervisor was that Dalton was forced to work the night shift. While this usually presented him with the most interesting types of patrons, it also gave him full control, as the rest of management worked the typical day shift. Rob had told Dalton when he started this shift to call him at home any time of the night if a situation were to get out of hand. Dalton told himself he would never resort to this unless the situation were so outrageous, Rob would want to know immediately. He viewed this as another opportunity to test his abilities to handle the most difficult of situations and put all of his policy work to the test.

 One particular night, Dalton received a phone call from one of the executive hosts, Jeff. On occasion, hosts would call the Player’s Services department to obtain complimentary vouchers (comps) for big players to offset the costs of food, hotel stays, limo services, etc. Jeff had asked Dalton to print up a food comp in the amount of $250 for one of the Casino’s restaurants. Having just gone through the revised policy on comps, Dalton knew exactly what information he needed from Jeff in order to process the request. First and foremost, Dalton needed this patron’s player number. Player numbers were assigned to each and every person who decided to become a registered member at the MGM Grand. Becoming a registered member was also the only way these players were able to be eligible for comps. Unfortunately, Jeff was unable to provide a player number for this particular situation so Dalton was forced to deny the request.

 Approximately 5 minutes later, Dalton received another call, this time from Zachary, the Director of the restaurant the player was dining at. Zachary was not pleased with Dalton and began questioning Dalton’s actions in a fairly aggressive tone;

 *“I’m not exactly sure who you think you are, or what you’re trying to prove, but I need this comp now! You claim to work in customer service, but I think that denying this comp is providing a fairly low level of customer service. This is a BIG player we’re dealing with here and his steak was overcooked. Would you like to come over to the restaurant and explain to him that he has to pay for it?”*

 Dalton tried to reason with Zachary and emphasize that he was not denying the comp outright, but needed certain information in order to be able to identify the player and charge the comp to the correct service account. Both Jeff and Zachary had failed to produce even the guest’s name, so Dalton has absolutely no idea who he was dealing with.

 The main reason the policy existed and was frequently being changed over the years was due to the fact that hosts had a reputation for giving excessive comps to multiple players and not recording the information in the system. This prevented the Casino from tracking where this money was going, and upper management wanted to crack down on frivolous spending. That being said, all comps given to players needed to be entered into the specific player’s account and a detailed description of the comp (and why it was issued) was to be entered along with the amount.

 As Dalton continued to try and explain the policy to Zachary, Zachary became more and more frustrated with the situation. It was at that point that Zachary decided to come to the Player’s Services desk and attempt to pull rank on Dalton;

*“Listen, I’m a Director for this company and am not taking orders from you! Who do you report to? I want their name, and they are going to hear about this in the morning! I can’t believe the harassment I’m getting from you over this situation and we should be able to provide our guests with the highest level of service. This is completely unacceptable.”*

 This move caught Dalton a little off guard, however he did not hesitate to provide Zachary with the information he requested. He thought his relationship with Rob was solid and that his manager would give him a chance to justify his stance in the matter. Although, providing the information did not resolve the problem at hand, and Zachary was quick to remind Dalton of that;

*“So, are you going to give me this comp or not?”*

 Dalton knew that by giving the comp without further information, he would be going against the very policy document he was responsible for editing and implementing. Yet at the same time, if he denied Zachary’s request, it could be viewed as insubordination and without a union, Dalton could lose his job because of it. Dalton had to make a quick decision as both Zachary and the guest in question were waiting for this comp. With his integrity in question, and his entire team of night shift associates watching, should Dalton just let this one slide under the radar to appease both the guest and Zachary? Or can Dalton take another course of action?

**Case Answer**

1. **CORE ELEMENTS**

Key Players:

**Dalton**: Newly appointed Supervisor in the Player Services department of the MGM Grand Casino in Las Vegas. Tasked with rewriting/editing the departmental policies and procedures. Being the newest member of management, he works a steady night shift.

**Rob:** The Manager of the Player Services department at the MGM Grand Casino in Las Vegas, he is Dalton’s direct superior.

**Jeff:** Executive host at MGM Grand, responsible for providing comps to frequent and valuable players

**Zachary:** Director of MGM Grand restaurant.

 After spending only a short amount of time with the MGM Grand Casino in Las Vegas (approx. 1 year), Dalton has been promoted to a full-time Supervisor in the company’s Player Services department. He welcomes this promotion and its increased level of responsibility. Dalton is using this career opportunity as motivation to build on his work experience and move up within the company. He realizes that it will come with its fair share of challenges and the shift he has been placed on may affect his work-life balance.

Dalton is responsible for the oversight of the night shift and the team of associates that work that particular shift. His Manager, Rob, has recently assigned him the task of revising/editing the department’s policies and procedures. One policy in particular pertains to the distribution of comps that are given to players within the Casino. Upper management has been attempting to crack down on frivolous spending and is requiring more detailed information be entered into the Casino’s information system prior to issuing future comps.

One night, Dalton is requested by an Executive host Jeff, to process a $250 comp for a player, yet provides no information or identification to Dalton. Based on the policy Dalton has recently reviewed, he cannot provide the comp without this information, therefore he denies Jeff’s request. This frustrates the Director of the restaurant, Zachary, who proceeds to question Dalton’s actions both over the phone and later in person in front of Dalton’s team of associates. Zachary claims that Dalton is providing terrible customer service, demands he issue the comp, and also asks for the names of those that Dalton reports to so that he can inform his superiors of Dalton’s failure to comply to his request.

Dalton now faces the ethical dilemma of complying to Zachary’s request even though it violates company policy or maintaining his integrity in front of his associates and denying the request flat out. Dalton is fearful that his actions might be viewed as insubordination, and he could lose his job as a result. With no union to protect him, Dalton must make a well informed, and timely decision as Zachary has decided to take this confrontation from a private over the phone setting, to a very public in person setting.

**2 THE PROBLEM**

With his integrity in question, and his entire team of night shift associates watching, can Dalton just let this one comp slide under the radar to appease both the guest and Zachary, but risk his career? Or are there other ways in which Dalton can solve his dilemma?

**3 RELEVANT THEORIES**

The Management Process/Functions & Roles of a Manager – In particular the *Leading* process as it pertains to one’s ability to inspire other members of the team to perform and work towards a common goal. A good manager is someone that employees can look to for guidance, that manager needs to therefor lead by example. This often includes certain interpersonal duties such as establishing and maintaining company policies and procedures. It also includes key decision making roles such as dealing with problems and conflicts (Schermerhorn & Wright, p. 27-29).

Ethical Dilemma – A particular situation or decision that requires a choice that could provide benefits to an individual, yet at the same time be unethical. Often there is no obvious answer, no definitive line between right and wrong (Schermerhorn & Wright, p. 113). This dilemma can be amplified by the internal environment or the organizational culture if certain actions are deemed acceptable within the company yet may be viewed negatively outside of the organization.

Value Based Management – A division of organizational culture, value based management speaks to the core values of the organization and how managers and leaders exhibit these values. One of the largest criteria in value based management is integrity, which can provide consistent ethical grounds for leaders to stand on (Schermerhorn & Wright, p. 313).

Accommodative vs. Collaborative Conflict Management – Accommodative conflict management focuses on the needs of others, and gives into those needs sacrificing differences. Collaborative conflict management seeks to work through the conflict and find a solution that benefits all parties involved. The way in which a conflict is approached can greatly influence the outcome. In this particular situation, the conflict is a substantive one, in that it deals with a disagreement regarding policies and procedures (Schermerhorn & Wright, p. 483-485).

**4 ALTERNATIVE SOLUTIONS**

1. Dalton can issue the $250 comp to Zachary without receiving any additional information about the guest in question. Despite not following the policy document to the letter, he can justify his actions by saying he was requested by a Director of a department and fear that in saying no, he would be exhibiting insubordination which could ultimately lead to his dismissal from the MGM Grand. By complying with Zachary’s request, Dalton is able to minimize the conflict at hand and prevent this issue from escalating in front of his team.

While this solution allows Dalton to end the dispute rather quickly, it may put his integrity in question. If Dalton’s team sees that he is giving in to the demands of another, they may begin to question his leadership abilities and may wonder if he would stand up for them if questioned by another department or manager. Dalton’s actions very much resemble the vision and direction of the Players Services department and by issuing the comp without further information, it devalues the entire batch of policy documents since they can now be bent for certain individuals.
2. Dalton can call his Manager, Rob, at home and ask for direction on the matter. Rob has told Dalton to call if something were to get out of hand, and Dalton can easily justify the call by claiming Zachary is forcing his hand to get the comp. Clearly Zachary is not respecting Dalton’s authority on the night shift and the confirmation from a Manager may persuade him to think otherwise before demanding comps in the future. By calling Rob, Dalton also takes the dilemma out of his hands and places in the hands of Rob. Dalton will not have to come to terms with a possible unethical decision.

However in calling Rob, Dalton risks two things. First, Rob may question Dalton’s decision making ability and question his leadership abilities on the night shift and as a Supervisor. If Dalton is not capable of making these types of decisions, he could face a demotion. Secondly, Dalton’s team may get wind that Rob had to be called to resolve the situation, and his leadership ability will once again be called into question. If the team begins to question Dalton’s leadership, it won’t be long before he loses their trust.
3. Dalton can stand by the very policy he just helped revise. This decision eliminates any ethical questioning running through Dalton’s mind. In sticking to the policy documents, he is doing the ‘right’ thing. Dalton can reiterate the policy to Zachary and work with him to find a suitable solution. In doing so, the two can collaborate so that the end is a win-win-win situation; Dalton wins by exhibiting strong leadership qualities by maintaining his integrity in front of not only a superior, but his team as well. Zachary wins be obtaining the $250 comp for the player. Lastly, the player wins because he gets a free meal and is none the wiser to the entire situation, leaving him to believe the level of customer service is exactly what he has come to expect from the MGM Grand.

The following chart will help quantify the best course of action Dalton can take. A negative (-) sign indicates the chosen action will have a negative effect on Dalton, while a positive (+) sign will indicate the chosen action will have a positive effect on Dalton. The action with the most positive overall effect will be suggested as the best course of action that Dalton can take in this situation.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Decision | Leadership | Ethical Dilemma | Value MGMT | Conflict MGMT | Total |
| Issue Comp | - | - | - | + | 1 |
| Call Manager | - | + | + | - | 2 |
| Collaborate | + | + | + | + | 4 |

**5 BEST ALTERNATIVE**

 From the chart above, it can be seen that the best course of action for Dalton to take is to stick to the policy document and work with Zachary to achieve a desired outcome that meets both of their needs. Dalton needs to solve the problem at hand while not putting his own career in jeopardy. This solution is best suited to solve that problem.

 Looking at this solution from a leadership perspective, Dalton is able to show that he is wiling to stand up for what his department believes in (the policy), while at the same time, reiterating to his team watching, that he is in charge on the night shift when it comes to business related tasks that run through Players Services (i.e. Comps). By handling the situation himself, and not involving Rob, he is also displaying his ability as a leader to solve problems as they occur and in a timely manner. If Dalton decides to call Rob, this ability may be questioned. If Dalton decides to just give Zachary the comp, the rest of his team may view him as the type of leader who avoids or shies away from confrontation. This may hurt Dalton in the future as members of the night shift may begin to question his leadership abilities.

 From an ethical viewpoint, this option is really the only one that doesn’t leave Dalton questioning if his actions were right or wrong. The policy is clearly states that he needs more information to process this comp. If Dalton just issues the comp, he does not solve his ethical dilemma, he only makes it worse. While certain aspects of the casino and gambling industry are often viewed as unethical (enticing players to remain on property through the use of comps), there is an unwritten culture amongst employees. This culture is often hard to go against and Dalton is risking that in denying Zachary this comp. He is standing up to someone who is a superior, albeit not a direct one. The negative aspect of doing what he believes is ‘right’ is the reality that Zachary could have Dalton fired for insubordination. Yet it seems as though Dalton has a fairly stable relationship with his own manager, Rob. Choosing to stick to the policy also helps Dalton pass ‘the front page test’. Imagine the headline ‘Employee violates own departmental policy he wrote!’ In allowing the policy to fall by the wayside, Dalton is contradicting the very area of the business he is helping improve.

 By sticking to the policy, Dalton is able to maintain his integrity within the department. If Dalton chooses to let Zachary circumvent the policy, how can he then turn around and enforce the same policy within his own department. The members of the night shift team may view Dalton as hypocritical because he writes policies but then does not adhere to them. Not to mention the possible rumours that could spread on the other shifts that Dalton is the guy who lets anything slide on the night shift. In sticking to the policy, Dalton is able to once again exhibit a clear sense of leadership and inspire those on his team to follow his lead.

 Finally, in attempting to work with Zachary to resolve the issue, Dalton exhibits a collaborative conflict resolution style. This shows that he is willing to listen to the needs of others, but is also able to realize the importance of the issue at hand and seek a desired outcome to benefit both parties. If Dalton gives into Zachary’s demands, his team members may view him as someone who shies away from conflict. However, in Dalton standing by the policy he wrote, he is also standing up for the department and the other members of his team. His need of identification from Zachary is not an outrageous request and is certainly something that Zachary can easily acquire by asking the guest for either their player card or a piece of I.D. By resolving this issue on his own, Dalton also displays to his manager that he is capable of handling complicated situations between other employees and making well informed decisions.

**6 ACTION PLAN**

Due to the fact that this situation requires immediate action, the following action plan will deviate slightly from the 30-days/ 6-month format.

*Immediate Action*

 Dalton needs to clearly convey to Zachary that he requires some type of personal information in order to process this $250 comp. Without the information, there is nothing he can do to serve the needs of the guest. Dalton should emphasize that the policy is very clear and has been passed down from upper management in order to track spending. While clarifying the policy, Dalton should make it clear to Zachary that obtaining this information is not difficult and the comp can easily be provided so long as Dalton has a name for the player and is able to record the appropriate information on the account. This conversation can be had in public if Zachary is able to calm down. If not, perhaps Dalton should walk Zachary away from the Players Services desk, which is in view of other guests and Dalton’s other team members. By addressing this issue immediately, both Zachary and Dalton are able to resolve their conflict and provide for the guest in question, thus upholding the elite level of customer service this patron has come to expect.

*Follow-Up Action*

 Dalton should inform his manger Rob of the situation that has transpired. Zachary did make note that he would be informing Dalton’s superiors and this is a good chance for Dalton to set the record straight ahead of time. In making sure that Rob is aware of Dalton’s side of the story, he can potentially avoid false information from getting passed along. At the end of the day, Dalton reports to Rob, and not Zachary, therefore Rob should be aware of incidents that occur during the night shift.

*Future Action*

 With the assistance of Rob, Dalton should make sure that these policy documents are well known by associates from other departments that may be affected by them. Like this situation with Zachary, it could be that he was unaware of the policy (although as a Director he should be) and was simply unwilling to admit he was wrong. By raising awareness regarding updated policies and procedures, it can help prevent confrontations like this from happening in the future. Since Dalton is the lead Supervisor in charge of policy amendments, he can hold a training session along with the HR department to inform other Managers, who can then pass the information along to their respective departments. This step can also include posted memos and emails that pertain to policy updates. If everyone in the company is relatively on the same page it will help to eliminate confusion between departments.

**References**

Schermerhorn, J., Wright, B. (2014). *Management: Third Canadian edition*. Toronto, Ontario