

5.7: Exercises

Ethical Dilemma

Companies are interested in motivating employees: Work hard, be productive, behave ethically—and stay healthy. Health care costs are rising, and employers are finding that unhealthy habits such as smoking or being overweight are costing companies big bucks.

Your company is concerned about the rising health care costs and decides to motivate employees to adopt healthy habits. Therefore, employees are given a year to quit smoking. If they do not quit by then, they are going to lose their jobs. New employees will be given nicotine tests, and the company will avoid hiring new smokers in the future. The company also wants to encourage employees to stay healthy. For this purpose, employees will get cash incentives for weight loss. If they do not meet the weight, cholesterol, and blood pressure standards to be issued by the company, they will be charged extra fees for health insurance.

Is this plan ethical? Why or why not? Can you think of alternative ways to motivate employees to adopt healthy habits?

Individual Exercise

Your company provides diversity training programs to ensure that employees realize the importance of working with a diverse workforce, are aware of the equal employment opportunity legislation, and are capable of addressing the challenges of working in a multicultural workforce. Participation in these programs is mandatory, and employees are required to take the training as many times as needed until they pass. The training program lasts one day and is usually conducted in a nice hotel outside the workplace. Employees are paid for the time they spend in the training program. You realize that employees are not really motivated to perform well in this program. During the training, they put in the minimum level of effort, and most participants fail the exam given at the conclusion of the training program and then have to retake the training.

Using expectancy and reinforcement theories, explain why they may not be motivated to perform well in the training program. Then suggest improvements in the program so that employees are motivated to understand the material, pass the exam, and apply the material in the workplace.

Group Exercise

A Reward Allocation Decision

You are in charge of allocating a \$12,000 bonus to a team that recently met an important deadline. The team was in charge of designing a Web-based product for a client. The project lasted a year. There were five people in the team. Your job is to determine each person's share from the bonus.

Devin: *Project manager*. He was instrumental in securing the client, coordinating everyone's effort, and managing relationships with the client. He put in a lot of extra hours for this project. His annual salary is \$80,000. He is independently wealthy, drives an expensive car, and does not have any debt. He has worked for the company for 5 years and worked for the project from the beginning.

Alice: *Technical lead*. She oversaw the technical aspects of the project. She resolved many important technical issues. During the project, while some members worked extra hours, she refused to stay at the office outside regular hours. However, she was productive during regular work hours, and she was accessible via e-mail in the evenings. Her salary is \$50,000. She is a single mother and has a lot of debt. She has worked for the company for 4 years and worked for the project for 8 months.

Erin: *Graphic designer*. She was in charge of the creative aspects of the project. She experimented with many looks, and while doing that she slowed down the entire team. Brice and Carrie were mad at her because of the many mistakes she made during the project, but the look and feel of the project eventually appealed to the client, which resulted in repeat business. Her salary is \$30,000. She is single and lives to party. She has worked for the company for 2 years and worked for this project from the beginning.

Brice: *Tester*. He was in charge of finding the bugs in the project and ensuring that it worked. He found many bugs, but he was not very aggressive in his testing. He misunderstood many things, and many of the bugs he found were not really bugs but his misuse of the system. He had a negative attitude toward the whole project, acted very pessimistically regarding the likelihood of success, and demoralized the team. His salary is \$40,000. He has accumulated a large credit card debt. He has worked for the company for 3 years and worked for the project in the last 6 months.

Carrie: *Web developer*. She was in charge of writing the code. She was frustrated when Erin slowed down the entire project because of her experimentation. Carrie was primarily responsible for meeting the project deadline because she put in a lot of extra work hours. Her salary is \$50,000. Her mother has ongoing health issues, and Carrie needs money to help her. She worked for the company for the past year and was involved in this project for 6 months.

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