

Closing the Lobster

You have managed the local Red Lobster restaurant since it opened 12 years ago. Last week, an executive in the company visited you to tell you the bad news: they have decided to close your restaurant.

Lucky for you, the company also owns an Olive Garden that is located 30 minutes from your restaurant. Recently, several of the employees at Olive Garden became extremely unhappy with their manager and decided to walk out in the middle of their shifts. The executive chose to fire the manager and put you in charge.

Along with your new position, there are still several spots open at Olive Garden that you can offer to some of your current employees. Here is the current staff line-up and explanation of positions that need to be filled:

- No head chef- This position will need to be filled immediately.
- 2 chef's assistants- The restaurant can get by with 2, but 3 is the ideal number.
- 2 bread bakers- Two is the ideal number for this position since they are only needed on weekends.
- 1 salad chef- The restaurant can get by with 1, but 2 is the ideal number.
- 1 dishwasher- The restaurant needs at least 1 more dishwasher immediately.
- 5 servers- The restaurant can get by with 7, but 9 is the ideal number.
- 2 hostesses- The restaurant can get by with 2, but 3 is the ideal number.

The executive has given you a budget of \$100,000 annually to fill in some of the vacant positions. You can bring on as many or as few employees as you want. As a perk for saving money, the executive has offered to give you a one-time \$2,000 bonus if you only spend \$95,000 in the switch-over. However, keep in mind that your job also requires keeping morale high amongst your employees, and you want to get started in the new restaurant on the right foot.

You have narrowed your selection for the new restaurant down to ten. Read the attached employee profiles and decide how you would like to spend the \$100,000 worth of salary money. Keep in mind that you can choose to change an employee's position and/or salary if you choose to offer him or her a position at Olive Garden.

Once you have made your choices, prepare a 1-2 page report for the executive that explains your choices. In your report, include a summary of how you have chosen to spend your budget. In addition, write one paragraph for each employee who will be receiving a job offer that explains what position you will be offering that employee, what his/her salary will be, and an explanation for why you made this decisions. Your explanations should use specific examples from the employee profiles. If you are choosing to take the bonus, include a paragraph that explains why you feel you deserve it.