tial for a lawsuit. In response, many supervisors give problem employees unpleasant work tasks, reduce their working hours, or otherwise negatively modify their jobs in hopes that problem employees will simply quit. What are the ethical issues raised by this strategy?

APPLICATIONS

Managerial Turnover: A Problem?

HealthCareLaunderCare (HCLC) is a company that specializes in picking up, cleaning, and delivering all the laundry for health care providers, especially hospitals, nursing homes, and assisted-care facilities. Basically, these health care providers have outsourced their laundry operations to HCLC. In this very competitive business, a typical contract between HCLC and a health care provider is only two years, and HCLC experiences a contract nonrenewal rate of 10%. Most nonrenewals occur because of dissatisfaction with service costs and especially quality (e.g., surgical garb that is not completely sterilized).

HCLC has 20 laundry facilities throughout the country, mostly in large metropolitan areas. Each laundry facility is headed by a site manager, and there are unit supervisors for the intake, washing, drying, inspection and repair, and delivery areas. An average of 100 nonexempt employees are employed at each site.

The operation of the facilities is technologically sophisticated and very health- and safety-sensitive. In the intake area, for example, employees wear protective clothing, gloves, and eyewear because of all the blood, tissue, and germs on laundry that comes in. The washing area is composed of huge washers in 35-foot stainless steel tunnels with screws that move the laundry through various wash cycles. Workers in this area are exposed to high temperatures and must be proficient in the operation of the computer control systems. Laundry is lifted out of the tunnels by robots and moved to the drying room area, where it is dried, ironed, and folded by machines tended by employees. In the inspection and repair area, quality inspection and assurance occurs. Laundry is inspected for germs and pinholes (in the case of surgical garb—pinholes could allow blood and fluids to come into contact with the surgeon), and employees complete repairs on torn clothing and sheets. In the delivery area, the laundry is hermetically sealed in packages and placed in delivery vans for transport.

HCLC's vice president of operations, Tyrone Williams, manages the sites—and site and unit managers—with an iron fist. Mr. Williams monitors each site with a weekly report of a set of cost, quality, and safety indicators for each of the five areas. When he spots what he thinks are problems or undesirable trends, he has a conference call with both the site manager and the area supervisor. In the decidedly one-way conversation, marching orders are delivered and are expected to be fulfilled. If a turnaround in the "numbers" doesn't show up in the next weekly report,