

Course Resource

The Turnip Plaza Hotel



Notice: Contains Confidential Information

Mark Piper was employed for several years as a tour guide at the Turnip Plaza Hotel in Port Austin, Michigan. Turnip Plaza is one of Colossal Corporation's luxury hotel holdings, strategically located near Lake Huron's famous Turnip Rock. Over the years, Mark developed a reputation as one of the most skillful tour guides in Michigan. He would guide tourists through extreme kayaking, hiking, and camping adventures in and around the Great Lakes. He was often requested by name by tourists visiting the hotel and was featured on extreme sports television. His high adventure kayaking tours brought in significant revenue for the hotel.

One month ago, Mark was approached by Stacey Nguyen, the manager of the Huron Overnight Inn—a rival company of Turnip Plaza. Stacey offered Mark a substantial salary increase to leave Turnip Plaza and come to work for her. Mark agreed to think about this offer and get back to Stacey in 48 hours. When he returned to Turnip Plaza, he asked several of his colleagues what they thought about the offer. One of them immediately went to Turnip Plaza's manager, Edward Griffin, and told him the details of Stacey's offer to Mark.

Upon hearing of the offer, Edward called Mark into his office and said: "If you stay with Turnip Plaza, I promise that next month you will receive a promotion with a 50 percent raise and a guaranteed contract for a two-year term." This sounded good to Mark, and he turned down the offer from Stacey to stay with Turnip Plaza. However, last week, shortly before Mark was to receive his new contract, he was dismissed from Turnip Plaza because of corporate

restructuring due to concerns about the increased liability risks of managing high adventure tours through Colossal's hotels. Although Mark has not taken any formal action at this point, the vice president is concerned that Mark might try to hold Turnip Plaza to Edward's promise.

Your task is to research the legal and ethical issues associated with this situation and write a report to the vice president answering the following questions:

- 1. What legal theories might Mark use to try to legally enforce Edward's promise? Explain the elements of these theories and how they apply to the facts of this scenario.
- 2. If Mark were to file a lawsuit and win, what sort of damages or other remedies might be entitled to? Include your reasoning and any evidence that led you to your conclusions.
- 3. Finally, regardless of the legal implications, the vice president would like your view on the ethical issues. Does Turnip Plaza have an ethical obligation to fulfill the promise made by Edward to Mark? Is it right to lay off Mark under these circumstances? What should Turnip Plaza do from an ethical perspective? Use ethical theory and principles to analyze these questions.

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