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Based on the evolution of management theory in the year 1995, a fire that burnt Malden Mills put many employees without jobs. However, the CEO played a significant role in supporting 3000 employees who thought they were out of work permanently. During this period, Aaron Feuerstein spent money amounting to millions to keep the employees on payroll without any work going on in the company (Green, 2015). The issue happened for three months until he could elevate another factory and get it running. The secret behind the CEO's decision was to make a good hold of the assets. He considered the workers in that factory as assets, and he could not let anyone of them leave at any point, one that portrayed high notch ethics practice as the CEO of the company. Notably, a CEO or the manager of a company means a lot to all activities, and they must be in line with the four management functions. The four main management functions include planning, controlling, staffing and directing. Below are different ways in which the Malden Mills factory CEO utilized services of management to solve a crisis.

Planning is chalking out the future of the factory and determining how imminence of a company would come out. Malden mills had a crisis of a fire that curtailed operations that employees carried out. After all, investment collapsed, they had nowhere to render their services, thus forced to go home (Belyh, 2017). Many thought their work had come to an end. However, the CEO decided to keep all the employees on payroll was a good plan since he checked the future when the company would be revived again. They would require employees who do not need other costs of training. Thus, he sustained them for three months with no work done just to retain them as assets for future use. He also used portrayed staffing as one of his points of strength since human resources planning was vital in addressing remuneration of the employees, considering training of new employees and associated costs.

Directing payments be made to employees is another function of a manager as per management theory. Malden Mills CEO Aaron giving directions for remuneration to 3000 employees is a good move that as a manager of the company since the opinion of management which carries the four functions become evident. Aspects of directing include supervision, leadership, and communication. Organizing the whole strategy to work out for the company is vital since the CEO was able to identify the problem and become responsible for the situation. On the other hand, controlling as a function of management was also evident in 1995 as Aaron, the CEO, made an establishment of regular performance.

However, the CEO's decision relied on insurance to raise the company again, where dues were paid actually. Paying employees for three months without any work done made the company lose millions, and later on restarting, it became bankrupt as funds were not enough to run the company smoothly again. Notably, planning was reasonable but not feasible since the company got some problems as the CEO tried to secure assets. Checking carefully on what Aaron did to rescue was a high-class practice of ethics. With the evolution of management, ethics were regarded as the composition of a sound leader. Finally, the recommendation based on his act is that managers should be loyal to their employees and practice a high code of ethics. On the other hand, on addressing Aaron's weakness of not carrying out feasible planning to make sure that his company is safe from bankruptcy as a result of emergency expenditure to cater for the employees, maybe he could have paid them at least half of the salary to make sure that figures balance.

References

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