

Natural disaster case study

[Environment](#), [Natural Disaster](#)



There were many problems but the main issue was in the following: The Decision making In both incidents was not rational Lack of planning for unexpected problems, although as mentioned In the two cases weather problems can be predicted approximately, so a solid plan should have been made. Problem Justification Although Roomer's decision is a legal and rational decision from his point of view, yet it was not an ethical one and it was biased.

His decision was utilitarian it was meant for the greater good for the company not taking into consideration the rights of the customers and he didn't care which affected the image of his company in the media, this will eventually lead to decrease in the revenues for the upcoming years as the company have lost its image. Same goes for Melanin, his company was not prepared for a predictable environmental factor although they claim to be the best in customer service among all the other companies.

They didn't only fail in managing the crisis when happened which is a failure and a lack of planning but also their reaction after the problem was not rational. In spite of the negative feedback they achieved they didn't try to make it up and apologize, they offered a refund which more people though weekending, Melanin Insisted that they didn't make a mistake that they should recover which again defiantly affected the goodwill of the company and cost him his job.

Suggested Alternatives Nationwide First Alternative For Nationwide, they could have called for Press conference with all the media and admit that they won't be able to provide everyone with all their money as this way they

would be bankrupted, instead they would work on helping their customers based on the severity of their case giving priority for those who suffered total loss. Evaluation of this solution: Pros: This way Nationwide will help improve their image which will assure a better relation with customer and thus more revenues in the future. Cons: Nationwide will suffer from a short-term financial crisis.

Second Alternative Nationwide would pay the full insurance amount of money to those who agree on signing a long-term contract with Nationwide. Evaluation of this solution: Pros: This will help the families damaged from the hurricane and will guarantee Nationwide a steady income on a long period of time. Cons: This solution will cost Nationwide a lot of money which will put them in a serious financial risk.

Third Alternative For Nationwide, after the damage has happened they could have issued a press release explaining why they had to take these actions and offering help to the homes, they could do so by partnering with a furniture provider who would be interested in relieving the damaged families also. Evaluation of this solution: Pros: this attempt will show Nationwide's trials to help the society which will help their image of Nationwide however with a lower cost.

Cons: Nationwide will try to fix the problem by paying money along with another company which will decrease the cost, ND help in repairing the damage done for their image. Recommendation: I would go with the first alternative, as it will lead to a win-win situation for most of the customers in

addition to Nationwide. It will also help in fixing the damage done to the goodwill of the company.

Stubble Stubble, should organize a press conference showing their sincere apology and compassion to the pain their passenger had to endure as result of this unexpected event and announcing their plan to avoid these incidents in the future Evaluation of this solution: Pros: This way the company will save its image and goodwill which will assure a teeter relation with customer without having to endure a financial crisis Cons: Some customers may not accept the apology asking for compensations.

Second Alternative Stubble should send a personalized apology to each person who was trapped on their planes accompanied with an incentive of free miles to be used in the next year. Pros: Stubble this way will gain the respect of their customers saving their goodwill, and ensuring that a percentage of them will use them during the next year which leads to profit for them. Cons: It will be a financial liability on the company for the short period of time, having to distribute all the free miles.

Third Alternative Full refund to the passengers who were affected, with a press conference explaining the reasons behind the problem and the procedures taken to avoid it in the future. Pros: This way will help Stubble to protect their reputation, and retain their customers. Cons: refunding all the passengers will be a financial burden. Recommendation I would go with the second alternative, as it will help in the damage control for the reputation of the company with a guarantee that at least a percentage of them will be

using their services in the next year, with a minimal amount of money invested in this process.