# "The Ethical Dilemma" Ethics Project

This lesson on ethics is intended to provide a practical examination of ethics as it applies to students in the second year of their Management Programme moving on into careers. After discussing and recording the fundamentals of ethics as a class, the students are given an Ethical Dilemma scenario. They role-play the situation in their own group, and record their progress towards an ethical outcome using the steps and questions provided. The scenario and solution are replayed for the class, involving all of the students in the discussion.

# **Objective**

• Students will create relationships between their ethical decision-making, their values, their growth as a person, and the ethics of society.

#### **Materials**

# **Teaching Materials Used**

- Lesson Plan
- Outcomes/Products Assessments and Standards Matrix identifies lesson outcomes, standards addressed, and ways to measure learning; includes brief descriptions of corresponding student activities
- Ethics, Values and Morals Presentation for use during the lesson's opening discussion on the definition of ethics, values and morals
- Ethical Dilemmas List Thirteen possible scenarios for students to discuss in groups

#### **Student Materials Provided**

- Business Ethics The Foundation of Effective Leadership reading exercise a short reading exercise for students to complete in small groups, from the SBA-Online Women's Business Center Business Management Ethics website
- Top Ten Questions You Should Ask Yourself When Making An Ethical Decision discussion guide for small group discussion of an ethical dilemma (Hopper, 1998)
- Ethical Dilemmas list thirteen example scenarios for students to discuss in groups
- Ethical Dilemmas Record Sheet exercise with questions for students to answer during their small group discussion of an ethical dilemma; may be either completed individually or completed as a group on large chart paper

### **Student Supplies Needed**

- Chart paper
- Markers

#### **Special Resources Needed**

• Current event and/or illustrative story examples of ethical dilemmas

### **Activity Time:**

Two Block Periods: (120 minutes)

- Brainstorming and discussion 25 minutes
- Ethical Dilemma discussions in small groups- 25 minutes
- Role-playing for the class with Ethical Dilemma discussions 1hour
- Wrap up discussion 10 minutes

NOTE: The length of this project is an estimated minimum time need for completion. The length of time will naturally increase depending on the nature of discussion.

#### **How To Play**

- 1. Through an open discussion with the students, will define ethics. Will write the examples, ideas and definition on the board. Use the Ethics, Values and Morals Slides to help spark the discussion. Ideas of values, beliefs, morals, principles and the concept of right and wrong to be included. Guide the discussion to include current events, ethical stories and cultural practices. Matters of faith will have to be accepted at face value, but left outside of this discussion.
  - What is a working definition of ethics?
  - Are ethics and morals the same things?

- How do ethics and morals influence personal and community values?
- Are there some fundamental ethical principles that transcend all people?

#### **Student Activities**

- 1. In small groups, have the students define three general ethical principles and create a diagram/drawing that outlines why the chosen principles have universal qualities.
- 2. Direct student groups to go through the short reading exercise, Business Ethics The Foundation of Effective Leadership. Instruct each student to read a short passage silently and then explain the key points of that passage to their group. Assign a group role (recorder, gatekeeper, moderator) to each student and discuss the entire reading.
- 3. Make a two-column chart. On the left side list five ethical business behaviours based on the reading. On the right side, compare and contrast the students' own ethical practices. List whether the students agree or disagree with the ethical behavior standards they read about and state why. Consider the following questions in the discussion.
  - Why it is important to use ethical behavior?
  - Why would someone want to be ethical in his or her own life or at work?
  - What steps should you follow to make ethical decisions? Are these realistic guidelines for students to follow?
  - Are these realistic guidelines for adults to follow?
  - Would these guides make a difference for your decision-making?
- 4. Based on the reading and discussion in steps 3 and 4, have students write their own personal code of ethics from their young adult point of view. A personal code of ethics is an individual's guide to making ethical decisions, and should include 5-7 principles. Each point should be based on a sound ethical principle or practice.
- 5. Distribute the 'Ethical Dilemmas list' and the 'Top Ten Questions You Should Ask Yourself When Making An Ethical Decision' discussion guide to the each group.

Through a random method, assign one dilemma to each group. The students are to role-play or discuss the situation in as much detail as time will allow. The group must come to a consensus about an ethical course of action to their dilemma. Instruct the students to use the Top Ten Questions... discussion guide. The students are to record their process as much as their solution. Stress the need to find an ethical foundation for their decision-making. Direct students to answer the questions in the Ethical Dilemmas Record Sheet exercise to record the group process.

- 6. Once the group has come to a consensus about an ethical course of action in response to their dilemma, they need to prepare a written explanation and defense of their chosen course of action with an ethically sound argument.
- 7. After all the groups have come to their solution and/or the time is up, have each group present their ethical defense to the class and discuss the ethical values of the decision.
- 8. Teacher should close the lesson by addressing the students: You have read and discussed in class the subject of ethics and how it may apply to a business or to a career. You have considered how some of these principles affect your daily life.
- 9. Additional Teacher Comments:

We have just completed a project that has provided a little exposure to the world of ethics and business. Why did we do this? To introduce you to the world of ethics and business ethics. We will during the course of this semester do a deeper study of issues in realm.

#### Options

• Brainstorm careers that interest the students and discuss the related business ethical issues.

• Review the headlines on any given day. Find examples of ethical problems that are reflected in the news. Have the students reflect on how they would respond using an ethical decision making process. Consider how public and peer pressure affects the actual decision making process.

# **Helpful Files**

Files used for this class exercise:

- This site contains the Top Ten Questions You Should Ask Yourself When Making An Ethical Decision discussion guide – for small group discussion of an ethical dilemma (Hopper, 1998) <a href="http://www.mtsu.edu/~u101irm/ethicques.html">http://www.mtsu.edu/~u101irm/ethicques.html</a>
- Ethics Toolkit for Managers –The Business Management archive is an exceptional overview of applied business ethics <a href="http://www.managementhelp.org/ethics/ethics.htm">http://www.managementhelp.org/ethics/ethics.htm</a>
- SBA-Online Women's Business Center Business Management Ethics- Online resource for the discussion of business ethics <a href="http://www.onlinewbc.gov/Docs/manage/ethics.html">http://www.onlinewbc.gov/Docs/manage/ethics.html</a>
- Ethics Introduction Excerpt from Carter McNamara, PhD. on business ethics <a href="http://www.mapnp.org/library/ethics/ethxgde.htm">http://www.mapnp.org/library/ethics/ethxgde.htm</a>

### **PRESENTATION SLIDE MATTER**

#### ethics . . .

- . . . is the study of values, of how we ought to live.
- . . . denotes systematic, rational reflection upon a particular behavior.

# values . . .

. . . are defined as standards or ideals which serve as guides or standards by which we live and make decisions.

### morals . . .

- . . . practical applications of ethical principles.
- . . . modes of conduct.

# "The Ethical Dilemma!" Ethics Project Reading Exercise

Business ethics are a hot topic these days. With everything from insider trading to employee theft on the rise, it is no wonder that businesses are beginning to focus on the impact of ethical leadership. But along with this new focus comes a lot of "gray area." Many times, managers are forced to decide on issues where there are arguments on both sides - a problem that makes ethical decision-making very difficult.

# Let's look at an example:

Meenakshi started her consulting business a year ago and has been doing very well. About a month ago, she decided she needed to hire someone to help her since she was getting busier and busier. After interviewing several candidates, she decided to hire the best one of the group, Priya. She called Priya on Monday to tell her she had gotten the job. They both agreed that she would start the following Monday and that Priya could come in and fill out all of the hiring paperwork at that time.

On Tuesday, of the same week, a friend of Meenakshi's called her to say that she had found the perfect person for Meenakshi.

Meenakshi explained that she had already hired someone, but the friend insisted. "Just meet this girl. Who knows, maybe you might want to hire her in the future!" Rather reluctantly, Meenakshi consented. "Alright, if she can come in tomorrow, I'll meet with her, but that's all." "Oh, I'm so glad. I just know you're going to like her!" Meenakshi's friend exclaimed.

And Meenakshi did like her. She liked her a lot. Meenakshi had met with Julie on Wednesday morning. She was everything that Meenakshi had been looking for and more. In terms of experience, Julie far surpassed any of the candidates Meenakshi had previously interviewed, including Priya. On top of that, she was willing to bring in clients of her own that would only increase business. All in all, Meenakshi knew this was a win-win situation. But what about Priya? She had already given her word to Priya that she could start work on Monday.

And yet she only had the resources to hire one person at this point. Clearly, the best business decision was to hire Julie. But what about the ethical decision? If her business did poorly or Priya couldn't provide enough support, the business would suffer. As a result, her family would suffer. Money was already tight, what with two boys in college. And yet she knew Priya also had a family she was supporting. Plus, she had been so enthusiastic about starting to work.

Obviously, Meenakshi had a problem - an ethical problem. Should she hire Priya (whom she'd already given her word) or Julie (who was obviously the best person for the job)? Questions like these touch on our deepest values.

Depending on whom you would ask, you would get strong arguments for both decisions. This is what we mean when we talk about "gray area." So what is the answer?

According to Kenneth Blanchard and Norman Vincent Peale, authors of **The Power of Ethical Management**, there are three questions you should ask yourself whenever you are faced with an ethical dilemma:

- 1. **Is it legal?** In other words, will you be violating any criminal laws, civil laws or company policies by engaging in this activity?
- 2. **Is it balanced?** Is it fair to all parties concerned both in the short-term as well as the long-term? Is this a win-win situation for those directly as well as indirectly involved?
- 3. **Is it right?** Most of us know the difference between right and wrong, but when push comes to shove, how does this decision make you feel about yourself? Are you proud of yourself for making this decision? Would you like others to know you made the decision you did?

Just one of these questions is not enough. But by taking the time to reflect on all three, you will often find that the answer becomes very clear.

# Business Ethics and Corporate Governance – Shobhana Panikar "Ethical Dilemma" Ethics Project Reading Exercise (2)

# **Developing Your Company's Ethics Policy**

There are definite advantages to owning your own business when you want to establish an ethics policy. You see, ethics come from the top. Without setting an example at the top, it is often difficult, if not impossible, to convince your employees that they too should be ethical in their business dealings. A well-defined ethics policy along with an outline of related standards of conduct provides the framework for ethical, moral behavior within your company.

What is the benefit to developing such a policy, you may be wondering. The benefit is higher employee morale and commitment, which in most cases leads to higher profits. But higher profits should not be your motivating factor in defining your ethics policy.

An ethics policy should look at the bigger picture of how we relate to society as a whole and what our responsibility is to the greater good. Of course, in these days of downsizing and increasing change, some may argue that these ideals are unrealistic. However, it is important to note that most of the opponents of good ethics are focusing on short-term versus long-term results. Many organizations that have participated in the downsizing mania are beginning to realize that they have traded long-term employee morale and productivity for short-term profit margins.

The bottom line is "what goes around, comes around." If you treat your employees with disrespect and distrust, chances are they will do the same toward you.

When you are developing your ethics policy, you must decide what it is you want your company to stand for, put it in writing, and enforce it. According to Blanchard and Peale, you can base your policy on five fundamental principles:

- 1. **Purpose.** A purpose combines both your vision as well as the values you would like to see upheld in your business. It comes from the top and outlines specifically what is considered acceptable as well as unacceptable in terms of conduct in your business.
- 2. **Pride.** Pride builds dignity and self-respect. If employees are proud of where they work and what they are doing, they are much more apt to act in an ethical manner.
- 3. **Patience.** Since you must focus on long-term versus short-term results, you must develop a certain degree of patience. Without it, you will become too frustrated and will be more tempted to choose unethical alternatives.
- 4. **Persistence.** Persistence means standing by your word. It means being committed. If you are not committed to the ethics you have outlined, then they become worthless. Stand by your word.
- 5. **Perspective.** In a world where there is never enough time to do everything we need or want to do, it is often difficult to maintain perspective. However, stopping and reflecting on where your business is headed,why you are headed that way, and how you are going to get there allows you to make the best decisions both in the short-term as well as the long-term.

A company policy is a reflection of the values deemed important to the business. As you develop your ethics policy, focus on what you would like the world to be like, not on what others tell you it is.

# TOP TEN QUESTIONS YOU SHOULD ASK YOURSELF WHEN MAKING AN ETHICAL DECISION

# "The Ethical Dilemma" Ethics Project

# 10. Could the decision become habit forming?

If so, don't do it.

#### 9. Is it legal?

If it isn't, don't do it.

### 8. Is it safe?

If it isn't, don't do it.

# 7. Is it the right thing to do?

If it isn't, don't do it.

# 6. Will this stand the test of public scrutiny?

If it won't, don't do it.

# 5. If something terrible were to happen, could I defend my actions?

If you can't, don't do it.

# 4. Is it just, balanced, and fair?

If it isn't, don't do it.

# 3. How will it make me feel about myself?

If it's lousy, don't do it.

# 2. Does this choice lead to the greatest good for the greatest number?

If it doesn't, don't do it.

# And the No.1 question you should ask yourself when making an ethical decision:

### 1. Would I do this in front of my mother?

If you wouldn't, don't do it.

# Business Ethics and Corporate Governance – Shobhana Panikar ETHICAL DILEMMAS

# "The Ethical Dilemma" Ethics Project

#### **Student Handout**

- 1. In your Information Technology for Managers class, there are some students who gather together to discuss the latest computer games. You play a couple of the games that are discussed, so you can occasionally add to the conversation. You would like to fit in more to their group, but you don't have the all the games. You can get copies of the games from one of the students who burns copies (CDs) for a small amount of money. Do you get into the group by paying a small price for the pirated software?
- 2. Your busy schedule has kept you from really working on that finance research paper. It is due in two days, and you have only a rough outline of what you are going to say. You need this paper to be good, to keep your projects and other activities schedule from suffering. You need more supporting research. There is a web site that has "ready to use" research papers. In fact, you have found one that would work for your paper. Your finance teacher is very busy with college responsibilities and doesn't always check the reports against online copies. Do you use the online copy to fit your schedule, or do you make room in your schedule to write it yourself?
- 3. As part of a student technician team, you work with teachers and students to keep the technology running. Because you are still a technician in-training, you can't always fix the problem or supply the answers. As a result, you see a different side of the teachers. Some of them can be rude and demanding when it comes to fixing technology that they rely on for their lessons, and others can be really nice. In your conversations with your friends in your class, do you share all this "tasty gossip," or do you hold back when other students talk about teachers?
- 4. You have an opportunity for an internship at a respected business in the Thane. Part of your qualifications comes from a project that you worked on with eight other students. Through the interview process, you discover that you are given credit for a key section of the project that really impressed the company. In fact, another member of your team, with little input from you, did that section. How do you proceed?
- 5. You are a valuable member of the student admin staff for your college festival. You handle many of the cash box transactions, moving the daily cash between the store and the office, where it is held overnight. You remember that you needed to have cash to reserve your spot on the industrial visit today, and your wallet is empty. You have the money at home, but forgot to pick it up this morning. You can't ask your friends because they don't carry that much cash, and no one is at your house to bring it over. You know how the money is moved around through the student admin team and could "borrow" the money from the cash box until tomorrow, and nobody would probably know. How do you proceed?
- 6. You have been struggling in your Economics class. You don't understand the concepts easily, so you have put in countless hours to understand and do the assignments. There is another student who very easily does all the assignments, getting high marks for the work he turns in. You know for a fact that he has used his cousin who is an economist to do some of the assignments for him. You don't know how many assignments were turned in this way, but you are certain that he, in fact, did not do all the work. Your frustration increases over the last assignment that you worked overtime on, but did poorly. Of course, this other student scored well on the same assignment. You could drop the teacher an anonymous note about the implied cheating on the part of this other student. It might get the teacher to slow down a little, and help you in the long run. What do you do?
- 7. A customer (or client) asked for a product (or service) from us today. After telling him our price, he said he couldn't afford it. I know he could get it cheaper from a competitor.

Should I tell him about the competitor, or let him go without getting what he needs? What should I do?

- 8. Our company prides itself on its merit-based pay system. One of my employees has done a tremendous job all year, so he deserves strong recognition. However, he's already paid at the top of the salary range for his job grade and our company has too many people in the grade above him, so we can't promote him. What should I do?
- 9. Our company prides itself on hiring candidates from the local community. One local candidate fully fits the job requirements for our open position. However, we're concerned that our customers won't understand his limited command of the English language. What should I do?
- 10. My top software designer suddenly refused to use our e-mail system. He explained to me that, as a Christian, he could not use a product built by a company that provided benefits to the partners of homosexual employees. He'd basically cut himself off from our team, creating a major obstacle to our product development. What should I do?
- 11. My boss told me that one of my employees is among several others to be laid off soon, and that I'm not to tell my employee yet or he might tell the whole organization which would soon be in an uproar. Meanwhile, I heard from my employee that he plans to buy braces for his daughter and a new carpet for his house. What should I do?
- 12. My computer operator told me he'd noticed several personal letters printed from a computer that I was responsible to manage. While we had no specific policies then against personal use of company facilities, I was concerned. I approached the letter writer to discuss the situation. She told me she'd written the letters on her own time to practice as she did not have access to a computer. What should I do?
- 13. A fellow employee told me that he plans to quit the company in two months and start a new job that has been guaranteed to him. Meanwhile, my boss told me that he wasn't going to give me a new opportunity in our company because he was going to give it to my fellow employee. What should I do?
- 14. A friend at my workplace asks to use my computer terminal while I'm away from my desk. He works in the programming group why can't he use his own computer? Does he want to enter some data or program that he doesn't want his terminal ID to be associated with? How should I proceed?
- 15. I receive a certain weekly report that is necessary for me to do my particular job. It is marked "Company Confidential". I was called away from my desk while I was working with the report and I left it lying out. When I came back, I found a co-worker looking at the report and making notes from its contents. Why is she doing this? How should I proceed?

# ETHICAL DILEMMAS RECORD SHEET "The Ethical Dilemma!" Ethics Project

# **Student Exercise**

1. What are the facts?

Part I: Answer each question as completely as possible as you discuss the Ethical Dilemma solution with your team.

2. Identify and define the ethical problem.
3. Who are the stake-makers in the decision?
4. What values are at stake in the decision?
5a. What options do you see are available to resolve this dilemma?
5b. Which options are the most compelling? Why?
6a. How would you resolve the dilemma?
6b. What values did you rely on to make your decision?
7. What consequences (if any) do you see your decision has on the others involved?
8. Could you personally live with this decision? If not, re-examine your answers to questions

# Part II - Follow-up Questions: Now that you have had a chance to discuss your responses to Part I with your classmates, consider the following questions:

1.	Have your answers to #6 changed? Why or why not? Is there anything you would like to change or add? If so, list those changes below.
2.	List one value that you feel was reinforced by this dilemma:
3.	List one value that you feel you gained from this discussion:
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