

## TEAM DEVELOPMENT MODULE TIII ~ QUESTIONS & EXERCISES

1. Which of the following approaches to business ethics is likely to be most helpful?
  - a. Allowing your supervisor to decide
  - b. Developing a personal ethical perspective
  - c. Relying on the ethical norms of your company or office
  - d. Consulting a professional ethicist whenever you face a decision
2. Ethical considerations come into play only when you are facing life-and-death dilemmas.
  - a. True
  - b. False
3. You're considering an ethical question related to your current project at work. You have a short time frame in which to make a decision. Which of the following is probably your best overall approach to this issue?
  - a. Focus on finding the better thing to do
  - b. Try to find the one and only right thing to do
  - c. Try to find the outcome that will please everyone
  - d. Focus on avoiding outcomes that will upset people
4. Which of the following strategies are most effective in helping you evaluate an ethical issue? Mark all that apply.
  - a. Relax
  - b. Make a list
  - c. Take a poll of your colleagues
  - d. Think about the issue until it is resolved
5. Ethical questions first began arising in the workplace with the rise of the post-industrial economy in the 20th century.
  - a. True
  - b. False
6. There are classical guidelines you can apply to business ethics that will serve as a substitute for your personal reasoning.
  - a. True
  - b. False
7. Which of the following interpretations of the Golden Rule best fits you?
  - a. Do to others as God wants you to do to them
  - b. Do unto others as you want them to gratify you
  - c. Treat others as persons of rational dignity like yourself
  - d. Treat others according to moral insight, as you would have others treat you
  - e. Extend brotherly or sisterly love to others, as you would want them to do to you
  - f. Be considerate of others' feelings as you want them to be considerate of your feelings
8. Which of the following could be considered the foundation underlying the Golden Rule?
  - a. A focus on our personal moral identity
  - b. An awareness of our personal interests
  - c. An awareness that other humans matter
  - d. A sense of identification with people similar to us

9. If you were the automotive engineer, using the Golden Rule as your ethical guideline, would you hide the information, or would you disclose the information?
  - a. Hide
  - b. Disclose
10. If you were an ethical executive for Enron, using the Golden Rule as your ethical guideline, would you have engaged in similar practices?
  - a. Yes
  - b. No
11. Which of the following could be considered the foundation underlying the Public Disclosure test?
  - a. An awareness of our personal interests
  - b. An awareness that other humans matter
  - c. A sense of identification with people similar to us
  - d. A sense of ourselves that is tied to how we are perceived by the community
12. If Ebbers had thought about how his friends, employees, and shareholders would react, do you think he would have hesitated to take the money?
  - a. Yes
  - b. No
13. Does the Public Disclosure test help the automotive engineer evaluate this issue?
  - a. Yes
  - b. No
14. Which of the following are drawbacks of the Public Disclosure test? Mark all that apply.
  - a. It depends a lot upon the prevailing social norms of the public
  - b. It relies too heavily on the individual's sense of right and wrong
  - c. It reminds the individual to consider how his actions would be viewed by the community
  - d. It can be difficult for an individual to determine how the public would react to the disclosure
15. Even though it has weaknesses, the Public Disclosure Test still has value as an ethical guideline.
  - a. True
  - b. False
16. Which of the following best describes the Universalization test?
  - a. It relies on a sense of ourselves that is tied to how we are perceived by the community
  - b. It reminds the individual to consider how his actions would be viewed by the community
  - c. It asks you to behave towards others the way you would want them to behave toward you
  - d. It asks you to behave in such a way that if others followed your example, the world would be a better place
17. Using the Universalization test as an ethical guideline, do you think the world would be a better place if others followed the Enron executives' actions?
  - a. Yes
  - b. No
18. What do the three ethical guidelines discussed in this course (the Golden Rule, the Public Disclosure test, and the Universalization test) have in common?
  - a. They all rely on public perceptions of our actions
  - b. They focus on avoiding outcomes that will upset people
  - c. They are based on our inescapable ties to other people
  - d. They focus on finding the one and only right thing to do in each situation
19. Which of the other two classical ethical standards does the Universalization test resemble more?
  - a. The Golden Rule
  - b. The Public Disclosure test

## **EXERCISE #1: HONESTY AND DISCRETION**

List 2-3 examples of dilemmas involving Honesty and Discretion

## **EXERCISE #2: JOB SECURITY AND EMPLOYEE DISCIPLINE**

List 2-3 examples of dilemmas involving Job Security & Employee Discipline

## **EXERCISE #3: QUALITY, HEALTH, AND SAFETY**

List 2-3 examples of dilemmas involving Quality, Health & Safety

## **EXERCISE #4: USE OF COMPANY RESOURCES**

List 2-3 examples of dilemmas involving Use of Company Resources

## **EXERCISE #5: LISTING OUR VALUE PRIORITIES**

Imagine that you are the automotive engineer in the case study discussed in this lesson.

- Make a list of the parties impacted by the decision you have to make.
- Now list the value priorities that would move you toward one decision or another.
- Ask yourself "Given my sense of who I should be in terms of my personal values", which of these value priorities would I typically align myself with?"
- Finally, make a list of the potential actions you could take that would be consistent with your personal ethical perspective. Which, in your opinion, is the better option?

## **EXERCISE #6: JAMES E. BURKE & THE GOLDEN RULE**

- Which of Burke's actions show his respect for the Golden Rule?
- Which of the six interpretations of the Golden Rule best fits Burke's actions?
  - a. Do to others as God wants you to do to them.
  - b. Do to others as you want them to gratify you.
  - c. Treat others as persons of rational dignity like yourself.
  - d. Treat others according to moral insight, as you would have others treat you.
  - e. Extend brotherly or sisterly love to others, as you would want them to do to you.
  - f. Be considerate of others' feelings as you want them to be considerate of your feelings.

## **EXERCISE #7: THE ENRON SCANDAL & THE PUBLIC DISCLOSURE TEST**

- Did Enron executives anticipate their actions being disclosed in news stories?
- Could they have reasonably anticipated the way the public would view their actions, once disclosed?
- How would their actions have been perceived in another culture where corporate profits are valued more highly than corporate honesty? Would the Public Disclosure test serve as an adequate ethical barometer in those circumstances?
- Did the impact of their actions reach farther than a moral or legal consideration of them? Did disclosure have a direct impact on the health of the corporation? Should they have considered that possibility when deciding how to act?

## **EXERCISE #8: MERCK & CO AND THE UNIVERSALIZATION TEST**

- How did company leaders apply the Universalization test with regard to river blindness?
- Does the Universalization test work the same way with regard to drugs that respond to AIDS?
- Does Merck show respect for other classical ethical guidelines, in addition to its respect for Universalization?

## DECISION POINT EXERCISE #1

Imagine, for a moment that you are the automotive engineer discussed in the case study for this course. Your boss is pressuring you to falsify test results for a new automobile to show it is reliable. Your previous tests suggest it is very unreliable and likely to break down within four years of the car's purchase. You have a few moments back in your office to consider your situation. You decide to evaluate it using the Public Disclosure test.

Which of the following conclusions are you likely to draw?

- A. The revelations are likely to be minor story that garners little public interest.
- B. When the public learns the environmental benefits of the new car, they will likely disregard your dishonesty and the problems with the car.
- C. Public disclosure of falsified test date will reflect very negatively on the car, your team, and the company, with potentially devastating consequences.

**Choice A or B:** Actually, it may not be realistic to expect the public to disregard the problems they will experience with this car, which will be widespread and costly. It's not likely to be a minor story or to go unnoticed. If you evaluate this issue based solely on the Public Disclosure test, how will you respond?

1. Pass the work off to a colleague.
2. Refuse to modify the test results.
3. Go along with your boss and falsify the data.

**Choice C:** Falsified engineering data that leads to widespread, costly repairs is likely to overshadow any potential benefits of the new car. It's not likely to be a minor story or to go unnoticed. If you evaluate this issue based solely on the Public Disclosure test, how will you respond?

1. Pass the work off to a colleague.
2. Refuse to modify the test results.
3. Go along with your boss and falsify the data.

## RESOLUTIONS

**Choice 1:** Passing it off to a colleague probably doesn't protect you or your boss, and it definitely doesn't protect your company from the ensuing scandal. You and your boss both have knowledge of the car's problems, and if either of you discusses falsifying data with a third employee, you are all implicated.

**Choice 2:** Good choice. You may be able to have an effective conversation with your boss based on the underlying principle behind the Public Disclosure test. Once he realizes the problems will be widespread, impossible to hide and that you both will be caught up in the inevitable controversy, he may find his way to a more constructive direction that ultimately makes the project successful. In this case, the Public Disclosure test is particularly useful because of the strong likelihood that problems will occur with the product that will become known and widely reported.

**Choice 3:** Going along with the boss may not be the best application of the Public Disclosure test. The problems with your product will be widespread and impossible to hide. The resulting media attention could affect you, your boss, and even the market value of your corporation.

## DECISION POINT EXERCISE #2

Imagine that you are a young attorney with your first job at a law firm. You've been working at the firm for almost a year when your supervisor takes you aside to discuss your time sheets. He explains that your work is good, but that you're completing assignments too quickly and not billing enough hours to each client. The next day, you find your latest timesheet in your in-box that says "Please Revise". You have a few moments back in your office to think about this. You decide to evaluate it using the Universalization test.

Which of the following would you likely consider?

- A. You would wonder what happens if the press finds out about your firm's billing practices.
- B. You would put yourself in the shoes of the client and wonder how you would like being overcharged that way.
- C. You would think about the various people who bill for services according to time – accountants, mechanics, contractors, plumbers – and you would wonder if it's better for everyone to overcharge or for everyone to charge accurately.

**Choice A:** Worrying about the press tends to reflect the Public Disclosure test, not the Universalization test.

**Choice B:** Putting yourself in the client's shoes tends to reflect the Golden Rule more than the Universalization test. The two standards are similar, but not identical.

**Choice C:** Universalization asks you to wonder what things would be like if everyone acted as you do. It asks you to choose the course of action that you would like to see others emulate. Applying the Universalization test, which course will you choose?

1. Find out what your colleagues are doing and follow the common standard.
2. Discuss with your boss, and tell him you're uncomfortable over billing firm's clients.
3. Revise your hours upward on your current timesheet, but take on more clients to make up the difference in the future.

**Choice 1 or 3:** That's probably not your best course of action under the Universalization test. Universalization doesn't ask you to follow the standards other people are following; it asks you to act in such a way that if others followed your example, the world would be a better place. In essence, it asks you to set a good example.

**Choice 2:** If you would prefer that others be honest in their billing practices, the Universalization test asks you to do the same. It asks you to behave in such a way that if everyone followed your example, the world would be a better place.

## DECISION POINT EXERCISE #3

In 1987, bank executive Charles Stoddard founded a new bank in Grand Rapids, Michigan. From the start, he decided to dedicate 10% of the bank's pre-tax profits to local charitable organizations. One of the bank's major stockholders is impressed by this practice, and suggests that the bank publicize it as a way of differentiating themselves from their competitors and to set an example. Imagine that you are the bank president. You evaluate this suggestion from the point of view of the three ethical guidelines discussed in this course. Is one of the three guidelines particularly relevant to this question?

- A. The Golden Rule
- B. The Universalization Test
- C. The Public Disclosure Test
- D. All three are equally relevant

**The Golden Rule** is similar in that it asks whether you would like to see others advertise their charitable practices.

**The Universalization Test** asks you to imagine that everyone practiced charity and disclosed it through advertising. If everyone did it, it would lose its differentiation value, and there would be little point including it since the public would realize everyone is doing it.

**The Public Disclosure Test** seems particularly relevant, since you are considering the level of public disclosure to give to the bank's charitable practices. If your goal is to set an example for others your thought processes are running parallel to the Public Disclosure concept.