

Below are several situations that present ethical questions in a business. Discuss each situation: (a) from the strictly legal viewpoint, (b) from a moral and ethical viewpoint, and (c) from the point of view of what is best in the long run for the company. Be sure to consider both short- and long-range consequences. Also look at each situation from the perspective of all groups concerned: customers, stockholders, employees, government, community.

- (1) A disgruntled employee of your major competitor mails top-secret information or new product samples to you. Do you begin to do a dance on your desktop or do you immediately mail the information back to your competitor? What would you do?
 - a. Throw the plans or secrets away.
 - b. Send them to your research department for analysis.
 - c. Notify your competitor about what is going on.
 - d. Call the FBI.
- (2) You are the general manager of a regional chemical company. In the course of producing your bulk chemicals, large amounts of particles and smoke are emitted through your plant's smokestack. The level of pollutants is below current EPA regulations, and you are violating no laws, but neighborhood groups are complaining about minor health problems caused by the smoke. After investigating numerous alternatives, you find the most effective solution would be to install a "scrubber" system which will remove 90 percent of the pollutants and ash. Cost: \$1 million. Do you install the system?
- (3) You are a general manager in a cosmetics firm. The results of a study show that your major brand may cause skin cancer. What do you do?
- (4) You are the vice president of a beer company in a state which sets the legal drinking age at twenty-one. Your boss asks you to organize a lobbying effort to have the drinking age reduced to eighteen.
- (5) Because of a loophole in federal laws you find that you could legally pay your workers less than the minimum wage. The cost savings may mean your getting a choice promotion.
- (6) You are an accountant in a large firm. Your boss tells you to use a controversial accounting practice which will make the company's profits seem higher. She tells you it is only to impress stock-holders and will not be used in statements submitted to the IRS.
- (7) A worker is repeatedly late for work. You know she has family problems and is going through a difficult period with an alcoholic husband. Her work is inconsistent sometimes average, often excellent. She has been with the company for nine years. On Monday she was two hours late for work.