Joan, an employee of Great American Market, was warned about her excessive absenteeism several times, both verbally and in writing. The written warning included notice that "further violations will result in disciplinary actions," including suspension or discharge.

A short time after the written warning was issued, Joan called work to say she was not going to be in because her babysitter had called in sick and she had to stay home and care for her young child. Joan's supervisor, Sylvia, told her that she had already exceeded the allowed number of absences and warned that if she did not report to work, she could be suspended. When Joan did not report for her shift, Sylvia suspended her for fifteen days.

In a subsequent hearing, Joan argued that it was not her fault that the babysitter had canceled, and protested that she had no other choice but to stay home. Sylvia pointed out that Joan had not made a good faith effort to find an alternate babysitter, nor had she tried to swap shifts with a co-worker. Furthermore, Sylvia said that the lack of a babysitter was not a justifiable excuse for being absent.

Questions:

Was the suspension fair?

Did Joan act responsibly?

Should she be fired?

Should the babysitter be fired?

Was Sylvia fair in her actions?

Is there ever a solution for working mothers?

Should working fathers take turns staying home?

Should Great American Market provide daycare?
Case Study 4: Working Environment
by Stephen Adams
Graphics and Commercial Art
Due: 10/7/14

John, an employee of XYZ Publishing, called his supervisor over to the area where he was working and told him that he refused to do the job any more because the air conditioning in the room created a draft which was making him sick. Sam, the supervisor, did not feel any strong drafts, but wanted to be fair.

He summoned the building's safety director, who determined that the air duct was 25 feet away from the work station, and at a 45 degree angle from John. He further explained that the technology used by the air conditioning system diffused the air as it comes out of the duct and does not create a draft.

The supervisor decided that John's safety complaint was unjustified and ordered him to return to work. John again refused, stressing that since Sam was not a doctor, he was not capable of deciding whether or not there was a problem. XYZ Publishing subsequently discharged John for refusing a direct order from his supervisor to do a job that was covered under his regular duties.

John protested that requests to be removed from a job were often made, and that he was never informed that refusing to do the job would result in his discharge.

Questions:

Was John fired for just cause? (i.e., because he was sick, or because he refused a direct order?)

Did Sam act ethically toward John?

What if John asked to be reassigned instead of refusing to work?

What else could the company have done about the problem?
Marian, a top graduate from Loyola in Humanities, was hired by a major corporation into a management position. Marian finished the corporation's management training program top in her group, and is performing above the norm in her position. She is really enjoying her work.

As a black woman she feels isolated, as there are no other black women managers and few women in her area. One night at a company party she heard a conversation between two of her male co-workers and their supervisor. They were complaining to him about Marian's lack of qualifications and her unpleasant personality. They cursed affirmative action regulations for making the hiring of Marian necessary.

Marian is very upset and wants to quit.

Questions:

Should she?

Are her co-workers correct in their evaluation?

Should she confront the co-workers?

Should she file a discrimination suit?

Should she go to the supervisor?

What else could she do?
Case Study 6: Purchasing Ethics
by Doug Carter
Electronics Technology
Due: 10/21/14

J.R. accepted a position at Cripple Creek Vocational University and he and his family made a permanent move. Soon, J.R. was promoted to Administrative Vice President, overseeing the purchasing department of the University. His oldest son, Jim, got a good job in educational equipment sales at Tiddley Computer Corporation in Fort Worth.

As Vice President, J.R. quickly saw the need for 4 to 5 computers in his office. Although CCVU had a bidding policy, J.R. purchased Tiddley Corporation's computers direct from Tiddley for about $3500 each, when IBM clones were selling for around $2000 and the clone had more promising features than the Tiddley. Jim handled the sale and received a healthy commission on the sale. If the purchase had gone through the normal bidding process, the TC model would not have been selected. Tiddley's local Cripple Creek franchise dealer objected to Tiddley Corporation that his protected franchise had been bypassed in the deal.

**Questions:**

Since J.R. was over the purchasing department and had final decision authority, should purchasing have gone through the normal bidding routine?

Is it acceptable for a V.P. to bypass the normal routine to do business with a family member?

Was J.R.'s decision not to request bids an ethical choice?

What should the college purchasing agent do?

Should anyone else at CCVU have any interest in this activity?

Has Tiddley's Cripple Creek franchise owner been wronged?

Should Jim have made the sale? Received a commission?
You are an assistant branch manager at a bank where a black family has just been turned down for a mortgage, despite a good joint income and an excellent credit rating. You know that this is a common practice in this branch, because the branch manager believes that, in general, "minorities are a bad risk." The family asks you why their mortgage has been turned down.

Questions:

What do you answer them?

What do you do?

Do you agree with the branch manager?

Would you do anything differently if you were the branch manager?

Is it ethical for you to continue to work for this bank?
In January of last year, the S.S. Vulgass, an oil tanker of the Big Dirty Oil Company ran around in the area just north of Vancouver, spilling millions of gallons of crude into the waters and onto the beaches of British Columbia and southern Alaska. The damage to the beaches and wildlife and consequently to the tourist industry, the ecology and the quality of life of the local residents is incalculable, but in any case will require many millions of dollars for even the most minimal clean-up.

The ship struck a small atoll, well-marked on the navigational maps, but it was a dark night and the boat was well off course. On further investigation, it was discovered that the Captain of the Vulgass, Mr. Slosh, had been drinking heavily. Leaving the navigation of the ship to his first mate, Mr. Mudd, he retired to his cabin, to "sleep it off." Mr. Mudd had never taken charge of the ship before, and it is now clear that he misread the maps, misjudged the waters, and maintained a speed that was inappropriate and the accident occurred. Subsequent inquiries showed that Captain Slosh had been arrested on two drunken driving convictions within months of the accident. The Vulgass itself, a double-hulled tanker, was long due for renovation and, it was suggested, would not have cracked up if the hull had been trebly reinforced, as some current tankers were.

R. U. Rich, the Chief Executive Officer of Big Dirty Oil declared the accident a "tragedy" and offered two million dollars to aid in the clean up. The Premier of British Columbia was outraged. Environmental groups began a consumer campaign against Big Dirty Oil, urging customers to cut up and send in their Big Dirty Oil credit cards in protest. In a meeting to the shareholders just last month, CEO Rich proudly announced the largest quarterly profit in the history of the Big Dirty Oil Company. He dismissed the protests as "the outpourings of Greenies and other fanatics" and assured the shareholders that his obligation was, and would always be, to assure the highest profits possible in the turmoil of today's market.

Questions:

The question is who is responsible?

Against whom should criminal charges be leveled?

What should be done, if anything, to punish the corporation itself?

What about the CEO?
Case Study 9: The Missing Audit Workpapers
by Dennis Greer
Accounting
Due: 11/11/14

Major "Big 6" Certified Public Accounting firms have three sources of revenue or three divisions: Audit, tax, and Management Consulting. But the real power resides in the Audit Department because the Audit Partners earn between $100,000-750,000 per year. An annual audit of a large U.S. corporation can cost over $500,000 each year.

The Securities and Exchange Commission (SEC) of the federal government requires that all corporations selling stock on the New York Stock Exchange be audited annually by an independent national CPA firm. The Audit Partner in-charge of the engagement directs the staff auditors to keep audit work papers for evidence in case of a law suit. These work papers show that the corporation is or is not maintaining generally accepted accounting principles (GAAP).

During an audit in Hollywood, California a staff auditor was completing an audit of a home health care corporation. During the investigation it was noticed that some of the accounting records were missing. It was common knowledge that the prior corporate controller had embezzled hundreds of thousands of dollars from the corporation and had fled the United States. The staff auditor commented in the work papers that the missing files could be due to the embezzlement. Upon reviewing the work papers, the Audit Manager rebuked the staff auditor for mentioning the embezzlement in the work papers.

Questions:

What are the issues involved here?

Should the audit work papers be re-done?

What would you do?

What are the short and long term consequences of not reporting the embezzlement in the work papers?

What are the legal ramifications of this case?

Who is affected by the note in the papers: stockholders, employees, auditors, and the community in general?
The University needed to purchase a networking system. Tim pressed hard for the 3-COM network which Tiddley endorsed and supported. C.G. made an excellent point that Novell was the system used in the industry as a standard. When Tim learned that Tiddley could bid Novell, he agreed and bids were let for Novell's Netware.

Three very high priced bids came back from companies C.G. had never heard of; Tiddley bid $46,000 and BIG BYTE bid $20,000. Tim suggested that the low bid be thrown out as low bids often are. C.G. was frustrated, claiming the hardware shouldn't cost more than $14,000 - $15,000 at the most, proved it with ad prices, but Tiddley got the bid, this time through Cripple Creek franchise's new salesman, Jim (J.R.'s son).

A clause in the bid required the equipment to be operational in thirty days. Three months later the Tiddley installers contacted C.G. asking for help. C.G. found that Tiddley would have to develop special drives. C.G. reported this to the CCVU purchasing agent who called Tiddley Corporate Office (about the 30-day clause); they sent out 2 reps and fired the Cripple Creek store manager on the spot. J.R. put his arm around the store manager, escorted him to CCVU personnel office, and informed the personnel officer that Computer Services had a new employee. The personnel officer questioned the hiring; he soon left the University. The former Cripple Creek Tiddley franchise manager remained with the University. The system finally came on line, but has had many problems during its operation.

Questions:

Does the information presented raise questions about J.R.'s ethical philosophy?

If so, who should be concerned?

Tim was apparently between a rock and a hard place. Should he have acted differently?

What has CCVU taught C.G. Farnsworth about ethics?

What should C.G. do?

What was the ethical thing for the personnel officer to do?

If you were a member of the CCVU faculty, what would you do?
You own a cement company, and deal with most the local contractors for cement, sand, etc. You have a reputation of high quality products and for good customer service with your customers. Your foreman has just run the standard quality control tests you have performed regularly on your products.

When the test results are ready, you discover that the new batch of product is 9% less durable than your usual material. It is still well above all industry standards and meets all building codes and requirements for the purposes for which it is intended, but it is, nevertheless, not up to your usual standards. Throwing it away would cost your company many thousands of dollars.

You decide to sell the cement anyway.

Questions:

Should you tell your customers?

Should you discount the price?

Should you tell your employees, so they will be knowledgeable with the customers?

Would you use this cement on foundations for your own house?