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Tips for Participating in Adobe Connect

Technical tips

Audio:
• Your computer speakers (or headphones) provide the audio. | Closing other programs can improve your audio. | We recommend using an updated version of Flash.

Full Screen Option:
• During the presentation, the “Full Screen” button at the upper right will allow you to switch back and forth between full screen and normal view.

Troubleshooting:
• Closing browser and rejoining event often corrects technical issues.

Participation tips

Use the Chat window to:
• Introduce yourself;
• Share questions or comments; or
• Communicate a technical issue.

Activities:
• We will use polls and additional chats throughout the event for interaction.
• Participation is required when Continuing Education credits are available.

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Teaching Business with Ethics-Based Cases

High-profile news stories in business, such as the case involving Bernard Madoff, demonstrate and amplify the need to teach today’s business students how to create, work in, and manage organizations that value integrity and ethical behavior. As a teaching tool, cases provide effective ways to analyze, debate, and discuss the business decisions that students will face and make when they enter the workforce.

Moreover, ethics-based cases allow teachers to integrate these discussions and critical thinking activities into any course topic, such as Accounting, Finance, International Business or Management; and for all students, undergraduate or graduate. Participants in this interactive half-day workshop will identify when and how to incorporate ethics-based cases into their own business-related courses.
Workshop Agenda

• Conscience and Corporate Culture – Kenneth Goodpaster
• Rethinking Undergraduate Business Education: Liberal Learning for the Profession – Tom Ehrlich and William Sullivan
• Business Ethics Case Study Teaching Methods – Denis Collins
• Q&A
CONSCIENCE AND CORPORATE CULTURE

Teaching Business with Ethics-Based Cases

Kenneth E. Goodpaster
David and Barbara Koch Endowed Chair in Business Ethics
University of St. Thomas
Welcome

Kenneth E. Goodpaster
University of St. Thomas

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About this workshop segment

Professor Goodpaster will provide a pedagogical framework, and then examine two case studies:

- *Martha McCaskey* and
- *Northwest Airlines vs. WCCO-TV.*

These cases illustrate the role of business ethics in the lives of *persons* and in the lives of *organizations.*

The first case looks at the life of an individual surrounded by a corporate culture that is dysfunctional, and the second invites participants into a difficult situation in which two corporations each publicly accuse the other of unethical behavior.

Several key concepts from Goodpaster’s book, *Conscience and Corporate Culture* (Wiley 2007) are part of the analysis of these cases (*mindsets, teleopathy, avenues of ethical analysis*), and they provide an opportunity for participants to appreciate the relevance of ethics-based cases in business education.

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Poll: Your experience with cases

Cases for other subjects
• I use cases several times each term
• I use cases occasionally each term
• I have never used cases

Cases for ethics
• I use cases several times each term
• I use cases occasionally each term
• I have never used cases

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Objectives and Outcomes

- Participants will be able to show an appreciation of the case method in business education – strengths and limitations.
- Participants will be ready to use a template for analyzing ethics-related cases and will put it to use.
- Participants will be able to discuss examples of two kinds of ethics-related cases (one personal, one organizational).
Questions about cases

• What is a case?
• Why use cases?
• How can I use cases in teaching ethics?
Chat

• What is a case, as you understand it?
What is a case?

"... a case typically is a record of a business situation that actually has been faced by business executives, together with surrounding facts, opinions, and prejudices upon which executive decisions had to depend. These real and particularized cases are presented to students for considered analysis, open discussion, and final decision as to the type of action that should be taken."

-- Charles Gragg, "Because Wisdom Can't Be Told" (1940)
Why use cases?

"The outstanding virtue of the case system is that it is suited to inspiring activity, under realistic conditions, on the part of the students; it takes them out of the role of passive absorbers and makes them partners in the joint process of learning and furthering learning."

-- Charles Gragg, "Because Wisdom Can't Be Told." (1940)
Eight Characteristics of the Case Method of Learning

- No Answer Keys
- Learner-Centered
- Open-Ended
- Method has limits
- Practical & Professional
- Participation leads to Insight
- Preparation Vital
- Teachers Question

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How can I use cases in teaching ethics?

• Motivating the use of ethics cases
  a. “Teleopathy”
  b. Personal and Corporate Conscience

• Introducing the C.A.T. Scan
  a. 5 steps of case analysis and discussion
  b. Combined with four “avenues” of ethical analysis
**TELEOPATHY*** is the unbalanced pursuit of purpose in either individuals or organizations. This mindset or condition has been described as a key stimulus to which business ethics is a practical response.

The “Parable of the Sadhu” is summarized in *Conscience and Corporate Culture* (Wiley 2007), pp. 20-22.


**fixation** -- when instead of my owning the goal, the goal owns me . . .

**rationalization** -- when I deny fixation by a story that "justifies" the behavior . . .

**detachment** -- when head and heart, through habituation, are separated . . .


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Chat: Avoiding Teleopathy*

Are there ways to mitigate the three symptoms of “teleopathy” in personal or organizational life?

Illustrations of mitigating practices that might help avoid the three symptoms of “teleopathy”?

FIXATION

RATIONALIZATION

DETACHMENT

The inclination for busy executives is to live in a perpetual state of triage, doing whatever seems most immediately pressing, while losing sight of any bigger picture. Rituals that give people the opportunity to pause and look inside include meditation, journal writing, prayer, and service to others. Each of these activities can also serve as a source of recovery – a way to break the linearity of relentless goal-oriented activity.

Conscience Departs from the “Moral Insight”

The moral insight is the realization of one's neighbor, in the full sense of the word realization; the resolution to treat him unselfishly.

But this resolution expresses and belongs to the moment of insight. Passion may cloud the insight after no very long time. It is as impossible for us to avoid the illusion of selfishness in our daily lives, as to escape seeing through the illusion at the moment of insight.

We see the reality of our neighbor, that is, we determine to treat him as we do ourselves. But then we go back to daily action, and we feel the heat of hereditary passions, and we straightway forget what we have seen. Our neighbor becomes obscured. He is once more a foreign power. He is unreal. We are again deluded and selfish.

This conflict goes on and will go on as long as we live after the manner of men. Moments of insight, with their accompanying resolutions; long stretches of delusion and selfishness: That is our life.

-- Josiah Royce, The Religious Aspect of Philosophy (1885)
We are dual process thinkers. We have two interrelated systems running in our heads. One is slow, deliberate and arduous (our conscious reasoning). [System 2]

The other is fast, associative, automatic and supple (our unconscious pattern recognition). [System 1]

There is now a complex debate over the relative strengths and weaknesses of these two systems. In popular terms, think of it as the debate between “Moneyball” (look at the data) and “Blink” (go with your intuition).

-- NY Times Columnist David Brooks on Nobel Laureate Daniel Kahneman’s Thinking, Fast and Slow 2011
System 1 Conscience is fast and intuitive, . . .
. . . but System 2 Conscience is slow and analytical.
This is our “inner sense” in operation.

Four methods of ethical analysis:

– Interests
– Rights
– Duties
– Virtues

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Four Methods of Ethical Analysis

INTEREST-BASED THINKING

- Human well-being
- Common good
- “Costs/benefits”
Four Methods of Ethical Analysis

- **INTEREST-BASED THINKING**
  - Does the proposed course of action further true human *well-being*? Long/short term?
  - Does it minimize *harm* to people affected (i.e., costs in relation to benefits)? Long/short term?
Four Methods of Ethical Analysis

RIGHTS-BASED THINKING

- Fairness/Impartiality
- Liberty
- Human Dignity

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Four Methods of Ethical Analysis

RIGHTS-BASED THINKING

- Does the proposed action/policy take fairness seriously?
- Does it take basic liberties seriously?
- Are there other basic rights that are affirmed or threatened by the proposed course of action?
Four Methods of Ethical Analysis

DUTY-BASED THINKING
- Promises
- Friendships
- Loyalty
- Community

Four Methods of Ethical Analysis

Duties
Rights
Virtues
Interests

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Four Methods of Ethical Analysis

DUTY-BASED THINKING

- Does the proposed action/policy value community? At what level?
- Does it remain true to promises made?
- Does it affirm fidelity in relationships?
Four Methods of Ethical Analysis

VIRTUE-BASED THINKING

- Responsibility
- Character/Integrity
- Courage
- Culture
Four Methods of Ethical Analysis

VIRTUE-BASED THINKING

- Does the proposed action/policy support integrity and develop character?
- Does it strengthen virtues like courage, prudence, balance (temperance)?
- Does it avoid teleopathy and channelized attention – for individuals and for the organizational culture as a whole?
Kahneman was awarded the Nobel prize in 2002. He called for a new form of academic cooperation, marked not by turf battles but by "adversarial collaboration," . . . a good-faith effort by unlike minds to conduct joint research, critiquing each other in the service of an ideal of truth to which both can contribute.

-- TED Ideas Worth Spreading
http://www.ted.com/speakers/daniel_kahneman.html
Chat

Illustrations of the four “avenues” in your experience?

*Goodpaster, K., *Conscience and Corporate Culture* (Wiley 2007), Chapters 2 and 3.

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Interest-based Thinking

ILLUSTRATIONS. Recent controversies in human resource management (Company Owned Life Insurance, Employee Assistance Programs) raise questions about the interests of companies in the lives of their key and not-so-key employees. Removing conflicts of interest (Sarbanes-Oxley) between the auditing function and consulting is justified as maximizing interests in accurate financial reporting.

Arguments for “Environmental Impact Statements” in connection with major private (or public) capital expenditures for roads, buildings, power plants, etc. represent the application of “cost-benefit analysis” (maximizing benefits, minimizing costs). The debate over using ANWR for domestic oil production is a cost-benefit debate that runs up against not only human interests, but (for some) the interests of other species. If the interests of the many can be served by the sacrifices of a few, interest-based reasoning is often invoked.
Rights-based Thinking

ILLUSTRATIONS.

Debates about diversity in the workforce (gender, race) often are rooted in rights-based thinking. The RPM case study is about the rights of employees not to be discriminated against on the basis of religion. The Joe Camel case series is about the rights of the citizenry against cigarette advertising to minors. As we move into suits against McDonald’s for promoting obesity, some think that the limits of rights-based thinking are being reached. Instead, they claim, individuals have to take responsibility for their own choices and they do not have a rights-claim against corporations. The “buyer beware” marketing culture of the first half of the 20th century seems to have been displaced by a “seller beware” marketing culture in the second half.
Recent debates over the “patriotism” of corporations that move their headquarters offshore to avoid taxes indicate that duty-based thinking is alive and well in our society. (CALPERS came close to eliminating such companies from its portfolio; and the US Congress came close to changing the law on this subject.) Controversies surrounding “socially responsible investing” (SRI), both in the US and in the European Union invoke obligations and responsibilities (duty-based) of investors (institutional and individual) to contribute to the common good and avoid supporting socially destructive enterprises (e.g., cigarette companies).
In business administration, the language of virtue is often heard in executive hiring situations as well as in management development training. Some of the more popular management books in recent years have suggested virtue-based thinking in their titles: In Search of Excellence (Peters and Waterman, 1982), The Seven Habits of Highly Effective People (Covey, 1989), Good to Great (Collins, 2001).
Preparing and Discussing a Case:
The "5 Ds" Approach

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The “C.A.T. Scan”

[5 steps of case analysis and discussion combined with the four “avenues” of ethical analysis.]

<table>
<thead>
<tr>
<th>INTERESTS</th>
<th>RIGHTS</th>
<th>DUTIES</th>
<th>VIRTUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. DESCRIBE the key factual elements of the situation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. DISCERN the most significant issues at stake</td>
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<tr>
<td>3. DISPLAY the main options available to the agent</td>
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<tr>
<td>4. DECIDE among the options and offer a plan of action</td>
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<tr>
<td>5. DEFEND your decision and your moral framework</td>
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</tbody>
</table>
The “C.A.T. Scan,” a tool for analyzing ethics cases, can be found on page 227 of *Conscience and Corporate Culture.*

[5 steps of case analysis and discussion combined with the four “avenues” of ethical analysis.]

<table>
<thead>
<tr>
<th>CASE ANALYSIS STEPS (5 D’s)</th>
<th>INTEREST-BASED Thinking</th>
<th>RIGHTS-BASED Thinking</th>
<th>DUTY-BASED Thinking</th>
<th>VIRTUE-BASED Thinking</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESCRIBE</td>
<td>Identify interests.</td>
<td>Identify rights.</td>
<td>Identify duties.</td>
<td>Identify virtues.</td>
</tr>
<tr>
<td>DISCERN</td>
<td>How did the situation come about? What are the key presenting issues? Who are the key individuals/groups affected by the situation, the stakeholders? Who must decide?</td>
<td>Are there conflicting interests with respect to this issue, and how basic are they?</td>
<td>Are there rights in conflict with interests or with other rights? Are some weightier than others?</td>
<td>Does duty come into the picture — and are there tensions with rights or interests? Can I prioritize?</td>
</tr>
<tr>
<td>DISPLAY</td>
<td>What are the principal realistic options available to the decision maker(s) in this case, including possible branching among sub-options — leading to a set of action plans?</td>
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</tr>
<tr>
<td>DECIDE</td>
<td>What is my considered judgment on the best option to take from those listed above?</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>DEFEND</td>
<td>Which of the avenues predominates in my choice of options above, and can I give good reasons for preferring the ethical priorities I have adopted in this case that are consistent with other such cases? What would an imaginary jury of the four “voices” decide and why? What is my moral framework?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Two cases

MARTHA MCCASKEY
• When does consulting become industrial espionage—stealing the intellectual property of competitors? What can a middle-level manager do if she has doubts about her own behavior and her company’s integrity.

The first case looks at the life of an individual surrounded by a corporate culture that is dysfunctional . . .

NORTHWEST AIRLINES VS. WCCO-TV: BUSINESS ETHICS & THE MEDIA
• From the viewpoint of two key Northwest Airline managers, the decision-making challenges they faced after a lengthy investigative report questioned the safety consciousness of the Northwest’s management and employees.

. . . and the second invites us into a moral “collision” in which two corporations publicly accuse one another of unethical behavior.
Abstract. The Martha McCaskey case tells of the ethical dilemmas facing the 29-year-old McCaskey, a recent MBA graduate, after she becomes a project leader of Praxis Associates’ semi-autonomous Industry Analysis Division located in San Francisco. In a short time, McCaskey built up expertise in dealing with high-pressure project involving high-tech companies.

Praxis Associates was a medium-sized consulting firm whose other three divisions operated out of the firm’s headquarters in Chicago. The company generally enjoyed a reputation for “high technical and professional standards,” but the Industry Analysis Division under Ty Richardson operated differently. On more than one occasion, its devious tactics required McCaskey and others to acquire detailed proprietary information on client’s competitors, often from ex-employees or hired industry consultants. In addition, McCaskey’s continued ability to meet almost impossible deadlines was used by management to tighten deadline standards for all employees.

A crisis arose for McCaskey when her boss, Tom Malone, and a client ask for further proprietary information for McCaskey’s Silicon 6 project. The stakes are high with an implied promotion involved. Malone and the client want McCaskey to get the data from semiconductor industry consultant, Phil Devon, under false pretenses. Devon had worked for the target competitor 12 years earlier, but had not been told that he was providing information that would be used by McCaskey’s client for its own purposes. The action question, of course, is what should McCaskey do at this point?

Abstract. This case study describes, from the point of view of two key Northwest Airlines (NWA) managers, the decision-making challenges the company faced between April and October of 1996. In late April, WCCO-TV in Minneapolis ran a dramatic investigative report over several evenings that called into question the safety consciousness of Northwest’s management and employees. During the months following, NWA filed a formal complaint against WCCO-TV with the Minnesota News Council (MNC). After considerable delay, the MNC hearing took place on October 18, 1996.

The (A) case narrates events from April 1996 through mid-August 1996, ending at a critical juncture. The (B) case describes the situation up to and including the October 1996 hearing. The (C) case reprints a retrospective on the issues and the outcome by Don Shelby, WCCO-TV news anchor for the NWA report. The (D) case offers reflections on lessons learned by the two key NWA managers, Marta Laughlin and Kathy Peach.

Mike Wallace of CBS was present at the MNC hearing in October 1996 and did a twenty-minute segment about it on *60 Minutes*. This segment makes an effective video accompaniment for the case series.
### Martha McCaskey –
**Four Avenues of Ethical Analysis**

**INTRESTS**
**RIGHTS**
**DUTIES**
**VIRTUES**

<table>
<thead>
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<th>DUTIES</th>
<th>VIRTUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martha’s happiness</td>
<td>Property rights of Client’s Competitor;</td>
<td>Duty of IAD to its employees</td>
<td>Martha’s character (honesty). IAD’s culture of moral indifference (teleopathy?)</td>
</tr>
<tr>
<td>Devon’s contribution</td>
<td>Devon’s rights not to be deceived;</td>
<td>Duty of Martha to Devon</td>
<td></td>
</tr>
<tr>
<td>IAD’s Client and its Competitor</td>
<td>Seleris’ rights to know about the culture of IAD</td>
<td>Duty of IAD to Seleris</td>
<td></td>
</tr>
<tr>
<td>IAD itself</td>
<td></td>
<td>Duty of Client to Competitor</td>
<td></td>
</tr>
<tr>
<td>Seleris’ Reputation</td>
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</table>

Martha has been a high performer but has become uncomfortable with the culture of her division and the expectations of certain practices (misrepresentation and deception). She currently is deciding how to handle Mr. Devon in their 2nd meeting.

1. Continue with the deception of Devon and complete the Silicon 6 Project.
2. Shift the responsibility for the Project to Kaufman.
3. Resign quietly from IAD and Seleris
4. Resign from IAD and communicate reasons to Seleris (and Devon)

The core issue is Martha’s integrity (responding to her conscience). **VIRTUE**

She owes Devon honesty about the situation, though this could have some unpleasant consequences. **RIGHTS/INTERESTS**

She owes Seleris at least a “heads up” about its renegade Industry Analysis Division. **DUTIES**

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**Preparing and Discussing a Case:**
**The "5 Ds" Approach**

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Northwest Airlines vs. WCCO-TV – Four Avenues of Ethical Analysis

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<th>DUTIES</th>
<th>VIRTUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWA’s reputation WCCO’s reputation Passengers/TV viewers.</td>
<td>NWA right to fair story WCCO-TV as free press Passengers/Viewers right to information.</td>
<td>NWA duty to passengers, employees; shareholders; WCCO duty to viewers; shareholders.</td>
<td>NWA virtues of prudence, honesty; WCCO virtues of honesty, justice.</td>
</tr>
</tbody>
</table>

1. NWA could let it pass.
2. NWA could sue for defamation in a court of law.
3. **NWA could embrace the MN News Council as a form of alternative dispute resolution.**

NWA had DUTY to its stakeholders to place the TV data in context. Suing for defamation would have taken years and a lot of legal expense. The MN News Council was a risky choice (VIRTUE of courage) but a choice that was in NWA’s INTEREST if successful. NWA claimed that its RIGHTS had been abridged and that WCCO-TV was telepathic about sweeps week Nielsen Ratings. (WCCO-TV, of course, had claimed that NWA was telepathic about on-time departures, putting passengers at risk.)

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Preventing and Discussing a Case: The "5 Ds" Approach

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Chat

• How do you plan to use cases in the future?
SUMMARY, TAKE-AWAYS, AND CONCLUSION