

Excellence through Ethics™

Session 3

You're the Boss



High School



Junior Achievement®



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Session 3

You're the Boss

Content: Ethics and Employee Management

Methods: Groups and Discussion

JA Foundational Pillars: Ethics and Entrepreneurship

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Acknowledgements

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You're the Boss

Overview

Students will investigate the leadership role entrepreneurs must take as they hire employees to operate their new business ventures. They will explore the significance of ethics when faced with challenging employee issues. Entrepreneurs have the right to protect their company, but they also have to consider the lives of the employees who work for them.

Objectives

Students will be able to:

- Express the leadership role of entrepreneurs.
- Identify a variety of factors to consider to when making an ethical decision about the status of an employee's job.

Preparation

Review the activity. Prepare the necessary copies and session materials.

Group work is incorporated into this session. You may consult with the teacher to determine how best to form the groups.

Post Key Terms and definitions in a visible place.

- **Ethics:** The standards that help determine what is good, right, and proper.
- **Entrepreneur:** A person who starts his or her own business with the hope of earning a profit.

Recommended Time

This session typically takes 45 minutes to complete. Ask the teacher to help you keep track of time.

Materials

- You're the Boss Scenario 1 (1 per group)
- You're the Boss Scenario 2 (1 per group)
- You're the Boss Scenario 3 (1 per group)
- Pens or pencils (1 per student)

Presentation

Introduction (5 minutes)

Greet the students.

Ask a volunteer to define **entrepreneur**. **Answer: A person who starts his or her own business with the hope of earning a profit.** Explain that many entrepreneurial business ventures have the goal of expansion. As a business expands, more employees are needed to operate it, placing the entrepreneur into the role of leader, or boss, which includes the responsibility that comes with this position. Tell the students that this leader has a responsibility to the business and to its employees. This person must make decisions that are in the best interest of their business while assuring the employees are protected.

Ask a student to define the word **ethics**. **Answer: The standards that help determine what is good, right, and proper.** It can be referred to as “doing the right thing.” Explain that today’s lesson is going to focus on the ethical considerations involved with “letting go,” terminating, or firing an employee.

Activity

When Do You Fire an Employee? (15 minutes)

Small businesses usually do not operate under a union and can develop their own process for terminating employees. In order to legally protect themselves, entrepreneurs often write into their contracts of employment the ability to terminate at any time and for any reason. But does that mean that they ethically should fire someone without reason? And if there is a reason, where is the line drawn? How do they decide when an action or behavior meets the grounds for employee termination? Many small business owners must make these judgment calls for successful business operation. Business owners have the right to protect their organization from unfit employees, but they must also consider the possible impact of these decisions.

Take a poll. Ask the students to raise their hands if they would fire an employee who stole money from the company. It is likely that most students will raise their hands. Ask them to put their hands down.

Ask them to reconsider based on the following story: what if you found out that the employee’s mother was very ill, and that every single dollar of his last four paychecks had gone to her medical care. What if he told you that he did not know any other way to get money, and his mother was getting worse, and that he just panicked? Does that make a difference? Again, ask students to raise their hands if they think it would be ethical to fire this employee.

Facilitate a small discussion about this scenario. Remind the students that there is no right or wrong answer in this situation. Point out that, ethically, there should be consequences for this employee’s behavior. The question is, is that consequence termination of employment?

Tell participants that ethical entrepreneurial leaders ask themselves many questions before making the decision to terminate an employee. Below are some questions to consider:

- Do I have all the information surrounding the situation?
- Have I looked at all points of view?
- How would I feel if they printed this story on the front page of a newspaper?
- Would I be able to explain my rationale for terminating this employee to my family? ...to his/her family?
- How will I feel when I wake up the next morning? Will I still agree with my decision?
- How would I want my boss to treat me if I were in this situation?
- Could someone’s life, health, or safety be endangered by my decision?

Activity

You're the Boss Scenarios (20 minutes)

Define the following Key Terms for students:

- **Ethics:** The standards that help determine what is good, right, and proper.
- **Ethical:** Acting upon the standards that help determine what is good, right, and proper.
- **Unethical:** Acting against the standards that help determine what is good, right, and proper.
- **Entrepreneur:** A person who starts his or her own business with the hope of earning a profit.

Divide the students into three small groups.

Distribute the You're the Boss Scenarios 1, 2 and 3, one per group.

Tell the students that the handouts provide the framework for situations that could result in termination of employment. Each group should create two short stories, approximately one paragraph in length, for each handout. One story should represent a scenario in which you feel it's your ethical responsibility to keep an employee on staff; the other story should describe circumstances in which you believe termination of the employee is plausible.

Remind groups that they must discuss and agree on these circumstances before recording.

Allow approximately 15 minutes for each group to compose their short stories.

If groups finish early, ask them to revisit each scenario and come up with alternate situations for keeping or terminating each employee.

Facilitate a discussion, allowing each group to share their responses. Encourage other students to ask questions or make comments.

During this time, connect the scenarios to the ethical questions listed above. Encourage students to describe their rationale behind each scenario. Ask the following questions:

- Why would these circumstances make it ethical to keep this employee?
- Why would these circumstances make it unethical to keep this employee?
- How did you decide these considerations were fair and ethical?

Summary and Review (5 minutes)

Ethical decisions are not often easily made. Special circumstances may unexpectedly alter your response to a situation. Tell students that it is important for ethical entrepreneurs to explore all elements surrounding every situation before making what could be a potentially life-changing decision about a person's employment status.

Thank students for their participation.

Session Outline

Introduction

- Greet the students.
- Explain that ethical entrepreneurs should make decisions in the best interest of their business and the employees who work for them; this includes the possibility of termination when ethical and appropriate.

Activity

- Organize students into three groups.
- Distribute the You're the Boss Scenarios 1, 2, and 3, one per group.
- As each group to read the scenarios on the handouts and create two situations: one that would lead them to keep the employee, and one that could lead them to ethically terminate that employee.
- Facilitate a debriefing of each story from each group. Discuss the ethical implications of each decision.

Summary and Review

- Remind students that running a business means facing many ethical decisions in which a clear answer is not always available.
- Remind students to use ethics as a driving force in all decisions, especially when it concerns the livelihood of fellow human beings.
- Thank students for their participation.

You're the Boss Scenario 1

Sally has come in late to work for the third time this month. Each time she was late, she was reprimanded. She always promises it is the last time.

Brainstorming: Circumstances that could cause you to ethically keep Sally as an employee:	Brainstorming: Circumstances that could cause you to ethically terminate Sally's employment:
Short story about ethically keeping the employee:	Short story about ethically terminating the employee:

You're the Boss Scenario 2

Tom works at a considerably slower pace than other employees. Furthermore, his completed projects often have several errors, causing you to ask another employee to redo it. You gave him the goal of completing seven projects each workday, and at day's end, he usually completes two or three.

Brainstorming: Circumstances that could cause you to ethically keep Tom as an employee:	Brainstorming: Circumstances that could cause you to ethically terminate Tom's employment:
Short Story about Ethically Keeping the Employee:	Short Story about Ethically Terminating the Employee:

You're the Boss Scenario 3

Casey has a negative attitude. She complains and snaps at everyone in the workplace so often, her coworkers avoid her at all costs. When Casey is present, her coworkers are quiet and visibly uncomfortable; however, she has an excellent performance record insofar as her job responsibilities.

Brainstorming: Circumstances that could cause you to ethically keep Casey as an employee:	Brainstorming: Circumstances that could cause you to ethically terminate Casey's employment:
Short Story about ethically keeping the employee:	Short Story about ethically terminating the employee:

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Welcome to Junior Achievement's

Excellence through Ethics

As a Junior Achievement (JA) volunteer or teacher, you are joining other teachers and volunteers from across the United States in providing students with a unique educational experience. Junior Achievement's *Excellence through Ethics* offers students learning opportunities to share knowledge and information regarding ethics in business. JA strives to show students how business works, and to better evaluate organizations that conduct their operations in the right way.

Excellence through Ethics is designed to equip volunteers and teachers with supplemental, ethics-based activities for use with JA in-class programs for grades four through twelve. All these activities provide students with current and essential information about business ethics.

These activities are designed to reinforce students' knowledge and skills, teach them how to make ethical decisions, assist them in learning to think critically, and help them to be better problem-solvers. All the activities are hands-on, interactive, and group-focused to present the material to students with the best instructional methods.

Within these supplements, you will find sections to help you effectively implement the activities in your volunteer experience. Materials include: (a) an introductory discussion of business ethics, marketplace integrity, and the growing capacity of students for ethical decision-making; (b) activities and student materials that connect to and expand current classroom-based Junior Achievement programs; and (c) a functional glossary of terms relating to a wide spectrum of ethics, quality, service, and social responsibility considerations in business.

Appendix

Introduction and Overview

- *How do I do the right thing in this situation?*
- *Should I be completely honest, even if it puts others in jeopardy?*
- *What kind of community do we want to be?*
- *How do we do what's best for the long term?*
- *Who should cover the cost of "doing the right thing"?*

These are all questions having to do with business ethics. They are valid and necessary questions, and good business people have asked them for generations. They form the backdrop of vital discussions as business, community, and political leaders grapple with significant issues. Many students would ask these questions, even if Junior Achievement hadn't developed this ethics curriculum.

Business Ethics Discussions Are Here To Stay

Business ethics has been in the spotlight for much of the past decade, especially as examples of wrongdoing come to light in the media. New technologies and international competitive pressures cause a steady focus on the question, "Is it possible to be competitively successful in business today and still operate in an honest and ethical manner?" The past decade has seen individuals search for deeper personal meaning in the workplace, which has contributed to lively ethics discussions in the business realm. For these reasons, the discussion of business ethics is not a passing fad; it's here to stay.

Many graduate schools of business have either required ethics coursework or integrated ethics principles throughout all areas of study. That is commendable. We believe this vital area of exposure and instruction also should happen at earlier ages and continue throughout the students' educational journey. Many of today's students haven't had access to a well-rounded education in economics and free enterprise or have come to see these in a very negative light. They have limited awareness of the extent to which good business leaders engage in the challenging exercises of ethical decision-making amid heavy competitive pressures. As students learn the general principles of economics and business, it's critical that these be underpinned with a strong foundation in ethics. This will accentuate the best in American business traditions, while laying the groundwork for students' continued evolution into future generations of leaders.

Integrity in the Marketplace?

Many adults and young people choose to believe that the marketplace is driven only by greed. They view it as bringing out only the worst in human behavior, demoralizing the human spirit, and driving out any sense of idealism. While elements of greed and extreme self-interest among some individuals cannot be denied, solid research has shown time and again that companies with a long-term focus on ethics and a broad consideration of stakeholders' interests are much more profitable than those lacking such a focus.

James A. Autry, in his book *Love and Profit: The Art of Caring Leadership*, said it well: "I do not doubt the presence of greed in the marketplace because I do not doubt the presence of greed in people. But, I also do not doubt the ennobling aspects of work, of the workplace, of the community, of endeavor, of

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the marketplace. So I choose to believe that most of the marketplace is driven by people who want to do good work for others and for themselves.”

Excellence through Ethics accepts the challenge of educating youth in the basics of economics and business while establishing a positive balance on the side of well-informed, ethical business practice. This may appear to place a heavy burden on Junior Achievement volunteers, who are not trained ethics experts. The following informational pages will not turn you into an ethics expert. That’s not what we’re striving for here. What students need most is meaningful interaction with people who are willing to engage in a discussion of these vital issues.

Lively Practitioners Rather Than Dry Theorists

This program is more about day-to-day ethics practice than the nuances of ethics theory. Some believe that working in business requires a disconnect from one’s personal ethics. We do not believe this is the case. Students need to know that what they learn about fairness and honesty in general also applies to business. While business ethics may address some specific areas of business practice, it’s not a separate and distinct specialty to be set apart from the general ethical principles that apply in other areas of life. Young people need to encounter the wisdom of age and experience that volunteers bring to the classroom.

Students’ Growing Capacity for Ethical Decision-Making

Excellence through Ethics is designed to foster discussions at the appropriate level for each age group. The curriculum developers have designed the ethics activities with sensitivity to student’s mental maturity. At the late elementary and middle-grades levels, students’ capacities for ethical reasoning tend toward good personal behavior as determined by adult rules and authority. In relationships, personal trust, loyalty, and respect are of paramount importance. For these students, corporate ethical behavior is viewed in much the same light as their own personal behavior: it’s governed by rules.

As students advance into high school, their ethical decision-making moves into the larger arena of social contracts and systems that guide and govern societal and group behavior. Here the rationality and utility of laws are scrutinized, as students become more capable of higher-ordered, principled thinking. Students are increasingly aware of the diversity of values among different cultures and communities. At this level, students’ capacities for processing the complex, ethical dilemmas that may be encountered in business are greatly enhanced.

You will gain confidence as you come to realize that conducting a robust, provocative discussion with students is more important than “having the right answer.” The activities have been designed to leave room for lively discussion and multiple points of view. Having the courage to share your own experiences is very valuable to students.

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You don't have to apologize for the excesses students may see in business. Don't assume responsibility for actions that are not your own, and do not try to defend the indefensible. While accentuating the fact that most businesses operate ethically, it's okay to scrutinize the unethical players in the marketplace who give business in general a bad name.

Continuing Education

Teaching this material to students will no doubt strengthen and enhance your own ethics awareness and continuing education. Some students will challenge your best reasoning capacities. Having your own support network of professional colleagues with whom you can share and discuss some of these issues is very valuable. It's also helpful to seek out colleagues with philosophical views that differ from your own. This serves as a valuable "cross-pollination" function because you will be able to understand and discuss a variety of views with students, as well as share students' perspectives with your colleagues. In this way, everyone learns.

Finally, please be assured that your contributions here have tremendous value to students and will serve to upgrade business ethics in the future. We're dealing with the future generation of leaders in their formative years. We can take pride in the fact that we've had a hand in shaping the very people who will be responsible for business ethics and social responsibility in the future.

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Thank you for participating in JA!

