

The Accidental Bank Robbery Teaching Notes

What Are the Relevant Facts?

1. As a relief branch manager, Chris works in a variety of retail bank offices where he is unfamiliar with local bank customers, employees, and daily office routines.
2. Chris makes branch policy decisions concerning check cashing, loan approval, and employee supervision in the absence of the regular branch managers.
3. Chris often relies on the knowledge and experience of local branch personnel to gain information when making management decisions.
4. Carole, a new drive-in teller at a branch under Chris's management, faces a \$900 shortage in reconciling her teller window.
5. Chris is able to trace the source of Carole's error to a \$100 check cashed for \$1000, but the recipient of the \$1,000--a regular depositor at the branch--reports receiving only \$100 from Carole.
6. If Chris reports the loss on Carole's shortage report, she will be fired.
7. The bank's branch operations policy requires Chris to report the loss on Carole's shortage report.

What Are the Ethical Issues?

1. How can Chris help Carole salvage her job with the bank and act in accordance with the bank's branch operations policy?
2. How can Chris question the honesty of a long-standing branch customer when he is unable to prove Carole's mistake by actually counting the cash received by the customer?
3. Should Carole be forced to give up her job because the bank's customer is dishonest?
4. How can Chris be sure that Carole is telling the truth?

Who Are the Primary Stakeholders?

- Chris
- Carole
- All retail and commercial depositors at Commerce Trust
- Senior bank officers at Commerce Trust who set and enforce the bank's branch operations policy.

- Other branch managers and tellers at Commerce Trust who must conform to the bank's branch operations policy.

What Are the Possible Alternatives?

1. Chris could ignore Carole's plea for help and report the \$900 loss in her shortage report.
2. Chris could contact the depositor by telephone or in person in a second attempt to recover the \$900.
3. Chris could place the \$900 loss in a temporary suspense account at the branch to balance Carole's window for the evening and resolve the issue at a later date.
4. Chris could debit one of the depositor's accounts with Commerce Trust (assuming the customer maintained deposits with the bank in excess of \$900) and face the consequences of an angry customer.

What Are the Ethics of the Alternatives?

- Questioning the class based on a "utilitarian" perspective (i.e., costs and benefits):
 1. Which possible alternative provides the greatest benefit to the greatest number of people? Be sure to point out that Chris's violation of the branch shortage policy affects not just Carole, but all other tellers within the Commerce Trust branch network.)
 2. How can the costs of the error be measured? Should these costs include the training expense associated with replacing Carole, given that the bank decides to terminate her employment? If Chris decides to question the depositor's honesty in this transaction, should these costs include the possible damage to Chris's career if the depositor becomes angry and reports Chris's action to his supervisors? If Chris decides to debit the depositor's account(s) with Commerce Trust, should these costs include the lost customer satisfaction with the bank, and should the benefits include the loss of an dishonest customer by the bank?
 3. Do the benefits associated with maintaining good customer relations offset the costs of sacrificing a new employee who made an honest mistake?

- Questioning the class based on a “rights” perspective:

1. What does each stakeholder have the right to expect in this case? Does Carole have the right to expect support from Chris? If so, how much support should she expect? Does Chris have the right to expect honesty from the bank's deposit customers? Do the bank's senior managers have the right to expect that Chris (and other bank employees) will always act in accordance with the bank's shortage policy?
2. Are the rights of some stakeholders more important than the rights of others? If so, whose rights are most important in this case, and whose rights are least important? Why?
3. Which alternative course of action violates the rights of the greatest number of stakeholders in the case? Which course of action compromises the rights of the fewest number of stakeholders?

- Questioning the class based on a “justice” perspective (i.e., benefits and burdens):

1. Which alternative course of action distributes the benefits and burdens most fairly among the stakeholders? Which course of action results in the most inequitable distribution of benefits and burdens?
2. What are the benefits and burdens associated with Carole's termination, and how do these benefits and burdens compare with the consequences of questioning the depositor's honesty? Do Chris and Carole share equally in the benefits and burdens associated with this case, or do they bear a disproportionate

responsibility in exchange for minimal benefits?

What Are the Practical Constraints?

1. The case indicates that Chris quickly attributed the shortage to a single transaction, yet the customer denies receiving \$1,000. Perhaps the depositor is correct, and Chris should continue his audit of Carole's transaction ledger to locate other possible errors. After all, Carole is a new teller, and the \$900 shortage may be the product of many errors she made throughout the day.
2. The case implicitly assumes Carole's honesty in reporting her error to Chris. However, Carole may be a dishonest bank employee who is attempting to exploit Chris's inexperience at the branch and embezzle \$900 from the bank.
3. The case does not reveal the total value of deposit accounts the apparently dishonest customer maintains with the branch. If this figure is substantial, it would have a material impact on Chris's managerial decision.

What Actions Should Be Taken?

1. What course of action should Chris take?
2. Which alternative would you choose if you were in his position? Why would you make that choice?
3. Are there any additional facts you would like to know about the case before you make a particular decision? If so, what are these facts, and why are they important to your decision process?
4. Which ethical theories (utilitarian, rights, or justice) make the most sense to you as they relate to this situation. Why?