

Family Business Teaching Notes

What Are the Relevant Facts?

1. Jane is new and somewhat insecure in her position.
2. Brad is friends with Eddie and Greg.
3. Eddie and Greg are brothers and are “watching out” for each other.
4. Eddie is Jane’s boss and will fire her if she goes over his head with this matter or even discusses it at all.

What Are the Ethical Issues?

1. Is Eddie, the general manager, involved in a conflict of interest in overseeing his brother Greg and in determining Greg’s work assignments?
2. Is there an obligation to ensure that employees in a business are being treated fairly? If so, upon whom does that obligation fall?
3. Does Jane have any obligation to inform Brad, the owner, of what the store manager is doing? Does she have any obligation if informing Brad would cost her her job?

Who Are the Primary Stakeholders?

- Jane
- Brad
- Eddie
- Greg
- Other technicians
- All other employees

What Are the Possible Alternatives?

1. Jane could ignore the problem and say nothing.
2. Jane could speak to Eddie privately.
3. Jane could inform Brad of the problem.
4. Jane could inform the other technicians.
5. Jane could quit.

What Are the Ethics of the Alternatives?

- Ask questions based on a “utilitarian” perspective (costs and benefits). For example:
 1. Which possible alternative would provide the greatest benefit to the greatest number?

2. How would costs be measured in this vignette? How much value should be placed on the right to equal opportunity for equal pay?
3. Which alternative will allow the organization to retain quality technicians in the long term?

- Ask questions based on a “rights” perspective. For example:

1. What does each employee have a right to expect in terms of equitable treatment with regard to pay and commission opportunities?
2. Which alternative would you not want if you were a service technician?

- Ask questions based on a “justice” perspective (benefits and burdens). For example:

1. Which alternative distributes the benefits and burdens most fairly among the employees? The stakeholders?
2. Which employees carry the greatest burden if Jane does nothing?
3. Is it fair and ethical if all the technicians do not have the same monetary opportunities?
4. Do all the employees have a right to equitable, fair treatment, even in a small company?

What Are the Practical Constraints?

1. Brad (being close to Eddie and Greg) may ignore the situation.
2. Jane’s immediate boss has threatened to fire her.

What Actions Should Be Taken?

1. What actions should Jane take?
2. Which alternative would you choose if you were in her position?
3. Why would you make that choice?
4. Which ethical theories (utilitarian, rights, justice) make the most sense to you as they relate to this situation?
5. How can this situation be prevented from occurring again?