

# Sample Case Analysis

Now that you have submitted your initial Week 3 discussion initial post, let's talk about the paper. The first thing to do, as always, is to read the instructions very carefully. At the end of this post you will find a Sample Paper. However, I want to also include some reminders of key points to keep in mind, as follows:

- 1. This paper should be no more and no less than 1000 words in length.** This means that you will have to invest time in editing at the end, crafting language to the more precise way of communicating what you want to say, looking for repetitive content, and focusing only on what is relevant.
- 2. The first two paragraphs should be based on the Week 3 Discussion BUT polished and improved (i) on the basis of the Professor's feedback, (ii) additional research as indicated in the instructions, and (iii) editing for language clarity and grammatical correctness.** This means that the greater your investment in the discussion this week, the greater the pay off in your work in the paper too.
- 3. Read the instructions for both the Week 3 Discussion and the Week 3 Assignment and follow these to the letter.** Remember that the Week 3 paper builds on the Week 3 discussion post, but the Week 3 paper includes more elements than those in the Week 3 discussion post.
- 4. The focus must be the ethical analysis so any additions or improvements should be on this focus.** This means that it will be important to introduce in detail, and with citations, the ethical theory that supports your thesis (what we have been calling the moral position). Then, you will need to explain how the characteristics and principles of the ethical theory apply to your thesis and provide support for it.

The ensuing sample paper should give you a good idea of the organization and content that is required, but I should warn you against attempting to copy any portions to incorporate to your own paper because the content is already on Turnitin so it will be identified as plagiarism immediately.

Above all, have fun in constructing your paper. This is not a joke. **The format of this paper is part of what is called an argumentative essay, which is the format of the final paper for the course.** From a practical point of view, learning how to construct an argumentative essay is **a great tool for business.** It is called an argumentative essay because it presents an argument, which is a structure to

defend a position. Putting together a loan proposal, a contract project proposal, a report to higher management of the contributions of your department or team, or asking for a promotion or salary increase are all forms of defending a position (thesis) that you hold and that you want others to understand and accept. Consider the following thesis examples. “I am a safe and worthy investment, not a risk” (in the case of a loan proposal). “I will do this project better than anyone else” (in the case of a contract project proposal) (in the case of a contract project proposal). “We have brought more revenue to the company than any other department” (in the case of a report to higher management of the contributions of your department). “This company made a good choice in hiring me and my contributions deserve a reward in the form of higher pay” (in the case of a request for a salary increase). The argument structure also lends itself for defending or presenting theses of a more personal nature, from defending a political candidate or moral position that is important to you, to presenting your case to someone who is still undecided to marry you, or to forgive you. Hence, the better you learn how to do this, the more you will take away for a variety of practical applications.

## **Sample Case Analysis**

The moral problem in the case of Company X is that the company knowingly conducted Y. According to a report, Company X acquired five mortgage lenders, including a Z lender specializing in loans made to borrowers without full documentation (citation). This allowed Company X to manipulate P and boost Q rather than reporting R. Additionally, Company X adopted a method called S that concealed the true nature of the transaction (citation). This situation was possible because of unintended consequences of our mixed economy. On the one hand, it has features of socialism owing to its regulatory control and, on the other, it has features of capitalism due to the freedoms of transactions and the protection of private property that it allows (citation). However, regulations intended to protect consumers actually gave rise to incentives for taking advantage of

loopholes and, given the freedoms and rights that are present, these circumstances opened the door for unscrupulous actions. This setting laid the ground for the morally bankrupt financial decisions of Company X.

In this paper, I will defend the view that financial corporations should not receive government bailouts. This ground rule will make it possible to hold these companies morally responsible for their actions. The only way to commit companies to this position is by the moral guide of the ethical theory of deontology. This ethical theory is governed by the Categorical Imperative, and it can be best understood by two formulations as follows. The first formulation is known as the universal rule to act only on those things that can also be willed on everyone else (citation; citation). This implies that we should not only not give bailouts to financial corporations but, more generally, to no corporation. This rule would thus put not only the moral but also the fiduciary duty on the corporation and avoid the burden of a bailout on the rest of society. This point calls forth the second formulation, which is known as the humanitarian rule never to use persons as means to an end because they can only be ends in themselves (citation; citation). Accordingly, taxpayers would never again be used as means for correcting the errors from corporations. Without this safety net, then corporations will have to consider their decisions more seriously since they will be the only ones to pay for their errors. Putting this responsibility squarely on each company will eliminate the gains from deception and manipulation that often tempt the weakest of moral agents.

The first reason in support of my thesis is that corporations must be held accountable for their actions. Indeed, since the 2008 financial crisis, government assistance

or bailouts have become too easily accessible for corporations (citation). Once a bailout is provided to one large corporation, others expect one too, and government has to provide it or else chaos will result (citation). If the government bailouts were not an option, a company would then rely on the private sector for the filing of Chapter 11 bankruptcy (citation). Given the available bailout options during the financial crisis and the significance that corporations played in the world economy, it was extremely difficult to hold either individuals or whole corporations accountable for unethical actions. While the corporate structure allows individuals what is known as “limited liability,” they can still be held accountable for unethical actions. But under the umbrella of a government bailout, instead of protecting the investors, individuals responsible for moral wrongdoing were protected by the federal government.

The second reason in support of my thesis is that taxpayers should not be held financially responsible for the failed decisions of a corporation. Governments do not generate their own budgets. Rather, the income for all government expenditures comes from taxes. Accordingly, a bailout is paid by taxpayers. In the case of Company X, then, government bailouts such as TARP and HARP were drawn from taxpayers’ dollars. The problem is this: bailouts essentially give corporations a free card to be irresponsible. In order, to temper arbitrary risk-taking and the resulting catastrophic failures that often result from these, a strong level of responsibility must be imposed on corporations by limiting the amount of government aid available (citation).

It is only when we apply the ethical theory of deontology rather than the theory of utilitarianism that private corporations will have the incentive to act responsibly. Let us

compare these two approaches. The moral good of utilitarianism is to maximize pleasure, or to reduce suffering (citation). This is measured by the consequences of the actions taken such that so long as the outcome produces this moral good, the means are justified.

Although, arguably, a government bailout could have eliminated or limited the suffering of Company X—its directors, employees, shareholders, clients and, more generally, the United States economy—it would have also promoted more of the same irresponsible and unethical behavior for the future. In this case, no one wins. This is the weakness of the utilitarian approach: it is concern only with outcomes of actions but not with the morality of the actions themselves. Moreover, it does not take into account unintended consequences that also follow. According to a source, “while utilitarianism gives us the duty to make things go as well as possible, it does not give to any individual agent at any particular juncture any definite responsibility because casually the outcome of his or her choice lies in the hands of so many other agents” (citation). In contrast, deontology guides a corporation to do what is objectively right, which means not only to follow the law and thus not to engage in seeking loopholes to the law, but also to act only on those things that can be also applied universally to all, and without using persons as means to an end. Above all, it is important to recognize that although “deontology *per se* may not be directly concerned with ends, but is certainly relevant to choices, which are always constrained in some way, whether by the scarcity of resources or moral norms or rules” (citation). The application of deontology will thus ensure that taxpayers will not be left holding the bag in the future because corporations will be held accountable for their decision making and the unintended positive consequence of this is that corporations will have the incentive to act

**morally. For these reasons, deontology is a better alternative than utilitarianism in business.**

### **References**

- **All references must be in APA form, so no URL links only.**
- **All references must be in alphabetical order.**
- **There should not be any references that do not have at least one corresponding citation. If you include references that do not have at least one corresponding citation, then the reference will not count toward the required resources.**
- **Furthermore, the paper should be informed by ALL of the following:**
  - (i) the general Required Resources,**
  - (ii) the specialized Required Resources (those pertaining to your case study),**
  - (iii) at least two scholarly sources from your own research in the Ashford University Library, Google Scholar (this is not the same as Google), or the Stanford Encyclopedia of Philosophy. A scholarly source is an article in a peer-reviewed journal. No Wikipedia articles, blogs, or Website articles should be included in the references, nor employed to inform your paper.**