

## Unit 3 Assignment Directions and Grading Rubrics

In Unit 3, you have two Assignments to complete. These Assignments will help you to apply the concepts you have learned from the reading and prepare you for similar ethical scenarios you may face in the real world. Your responses should include knowledge gained from the readings.

### ***Assignment 1: Textbook Ethics Cases***

#### *Ethics Case 1: BP's Gulf Oil Spill Costs*

Read the Ethics Case, *BP's Gulf Oil Spill Costs*, on pp. 203–204 of your text and answer the following questions (approximately one paragraph per answer):

- Using the 2011 Annual Report, identify the costs to stakeholders associated with the BP Oil Spill. What other costs need to be considered that were not included in Reuter's estimates?
- Why were BP's early estimates so low? After all, as Reuter's reports – BP had experience with two other recent cases?

In addition, answer the following questions (approximately one paragraph per answer):

- When would it be beneficial to use each of the following frameworks: the philosophical set of consequentialism, deontology, and virtue ethics; the modified 5-question; the modified moral standards; and the modified Pastin approach?
- Explain why it is critical to successful application of an EDM Framework to incorporate all four considerations of well-offness, fairness, individual rights and duties, and virtues expected.

Assignment 1 Rubric:

<b>Criteria for Assignment Grades</b>	<b>Maximum Percent</b>	<b>Maximum Points</b>
Provides thorough and relevant answers for all questions posed about the case.	40%	20
Clearly shows the reasoning used to arrive at the answer or conclusion.	50%	25
Demonstrates excellent college-level organization and style; presents work in Excel® or Microsoft Word, showing all necessary formulas and	10%	5

steps.		
<b>TOTAL</b>	<b>100%</b>	<b>50</b>

**Assignment 2: Board Recommendation and Cost/Benefit Analysis**

Read the Ethics Case, *The Kardell Paper Co.*, on pages 213–215 of your text.

Using the Modified 5-Question Approach, analyze the ethicality of the decision to (or not to) incorporate the new technology and make a fully supported recommendation to the Board of Directors. Supplement this analysis with a [Cost-Benefit Analysis \(CBA\) table](#).

You will need to reference your CBA in your recommendation to the Board. Make sure you thoroughly detail your recommendation with reflections on the consequences of the decision, whether the decision is fair to all, and whether the decision demonstrates the virtues expected of the Board of Directors, taking relevant codes of conduct into consideration, and the company as a whole in terms of social responsibility.

The following information and assumptions should be used to complete the Cost-Benefit Analysis:

- Annual Revenues from the mill average 625 million.
- Profit margin from the mill is approximately 11%.
- Implementing the new technology would take two full years. The first year, the company would operate at 65% capacity (assume the company could maintain the 11% profit margin during reduced operations). During the second year, it would need to be completely shut down. After the two year period, the mill could reopen and operate at pre-implementation levels.
- Approximate cost of litigation including medical costs for all affected by the contamination, environmental sanctions, legal and court costs, victims’ pain & suffering, and several other items is 1.7 billion. Estimate present value of future costs at 20%.
- The company would spend approximately 4 million in hiring, onboarding, and training new employees after reopening as a result of several of their existing employees having to seek employment elsewhere during the shutdown.
- As a result of the layoffs and shut down, the local economy would suffer greatly. The community would be forced to implement a 3 year tax on all local business profits of 5%. The tax would be enforced for 3

## AC504: Ethical Issues in Business and Accounting

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years beginning after the reopening of the mill. (Assume pre-implementation profit margins when calculating this and exclude all other costs and taxes when preparing this analysis.

Your recommendation should be addressed to the Board of Directors. It should be 4-6 pages long (including the CBA and a reference page). Your paper should be APA compliant.

### Assignment 2 Rubric:

<b>Criteria for Assignment Grade</b>	<b>Maximum Percent</b>	<b>Maximum Points</b>
<b>Content:</b> Paper thoroughly details your recommendation with reflections on the consequences of the decision, whether the decision is fair to all, and whether the decision demonstrates the virtues expected of the Board of Directors and the company as a whole.	50%	50
<b>Analysis and Critical Thinking:</b> The paper clearly demonstrates knowledge of the Ethical Decision Making Framework, including preparation of a Cost-Benefit Analysis, and how it is applied in practice.	30%	30
<b>Writing Style, APA, and Grammar</b> Organized and clearly written; Lack of spelling/grammar errors; Includes proper in-text citations; Includes reference page.	20%	20
<b>TOTAL</b>	<b>100%</b>	<b>100</b>