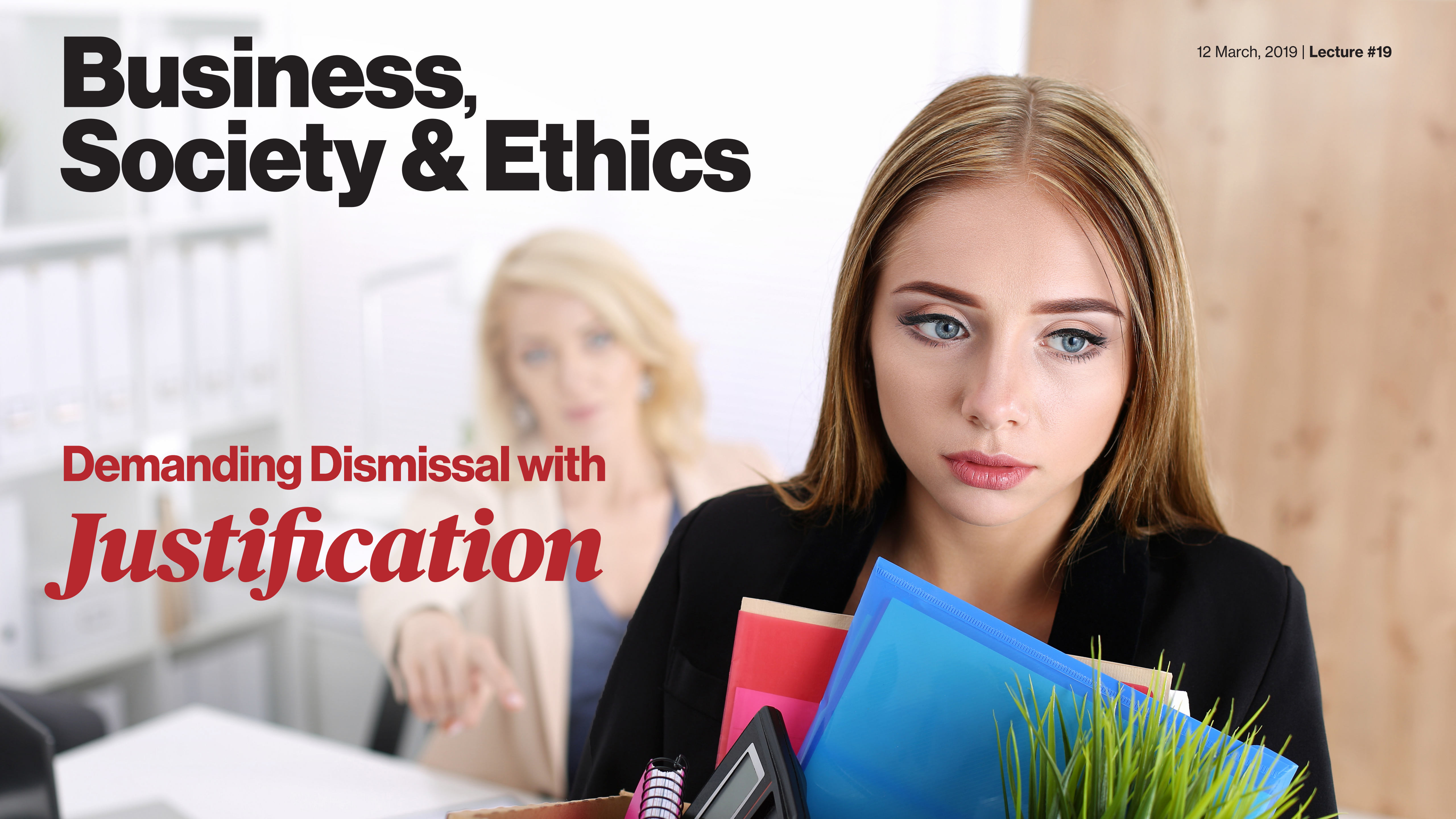


# Business, Society & Ethics

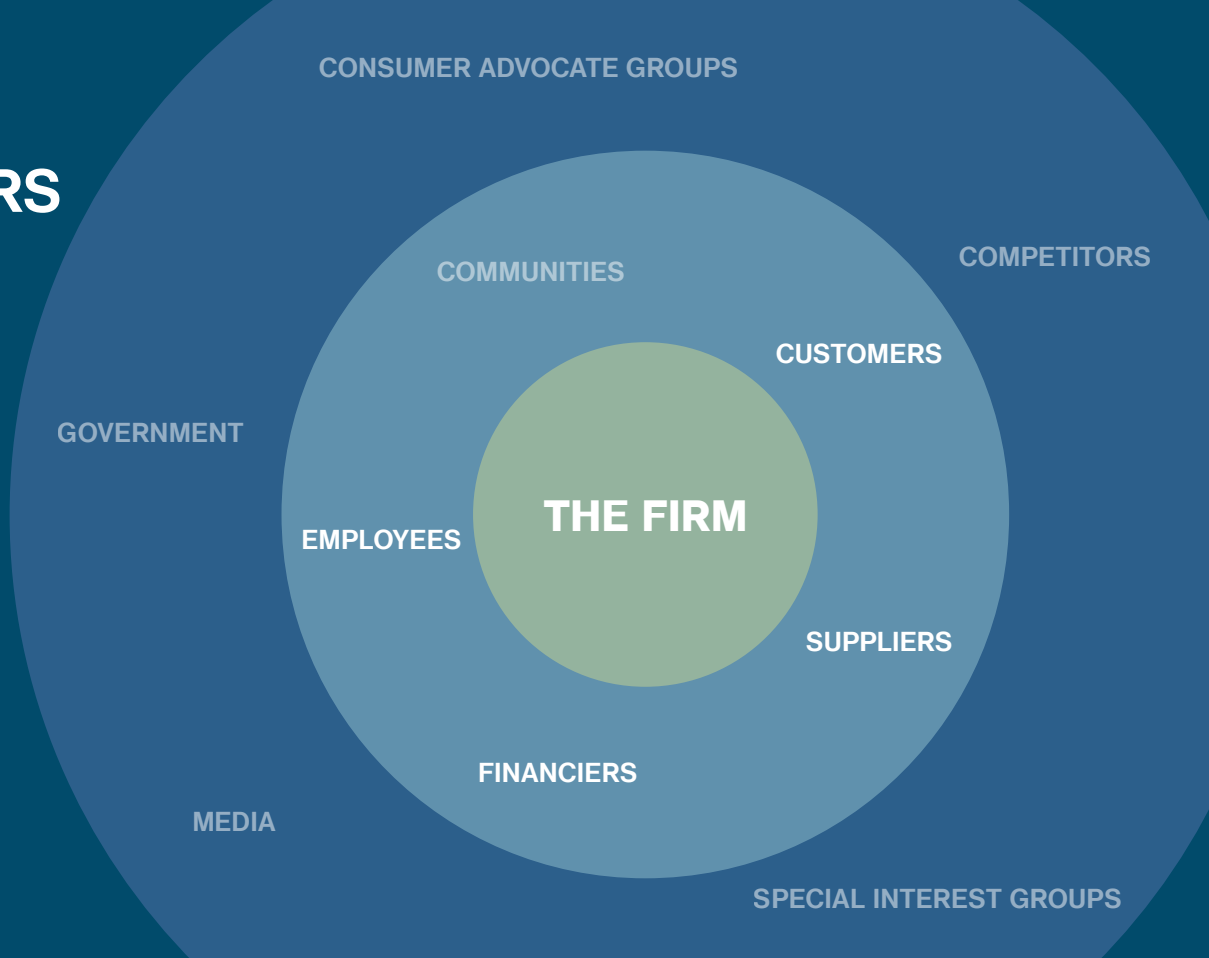
12 March, 2019 | Lecture #19

Demanding Dismissal with  
*Justification*





STAKES &  
STAKEHOLDERS  
IN BUSINESS



AUTONOMY

EMPLOYMENT *at will*

CLOCKWISE FROM TOP CENTER: [DONALD TRUMP], N.D.; KHVOROSTOVA, N.D.;  
GMAST3R; 2014; ER09, 2010; DNY59, 2007; MJ0007, 2014




FAIRNESS



MUTUAL  
BENEFIT



A young woman with long, wavy red hair and freckles is sitting in the driver's seat of a car. She is looking out the window with a concerned expression. A police officer in a dark uniform with a yellow and blue badge is standing outside the car, holding a small white card or document. The scene is set during the day.

# **KAREN BAMMERT v. DON'S SUPER VALU**



**Karen Bammert** — *married to* — **Police Officer**

**Bammert's Boss** — *married to* — **Drunk Driver**



# FAIRNESS?







# *Limits* to freedom of contract



# DEGRADING TREATMENT





# AUTONOMY



# *Freedom of* CONTRACT

THIS AGREEMENT made this \_\_\_\_\_  
by \_\_\_\_\_  
and between \_\_\_\_\_  
and \_\_\_\_\_

day of \_\_\_\_\_

, 20\_\_\_\_

**WITNESSETH:** That in consideration  
kept and performed on the part of \_\_\_\_\_

I. Said party of \_\_\_\_\_

(First Party)  
(Second Party)

covenants and agreements  
hereto, respectively





# JOB SECURITY







# *conflict* OF VALUES



# FAIRNESS







**DISMISSAL** WITH  
*just cause*





# MUTUAL BENEFIT



# Mutual Benefits of EAW

**Employee  
Interests**

LIMITS EMPLOYER ABUSES

RESOLVES IMPERFECT INFORMATION

IMPROVES WORKPLACE ENVIRONMENT

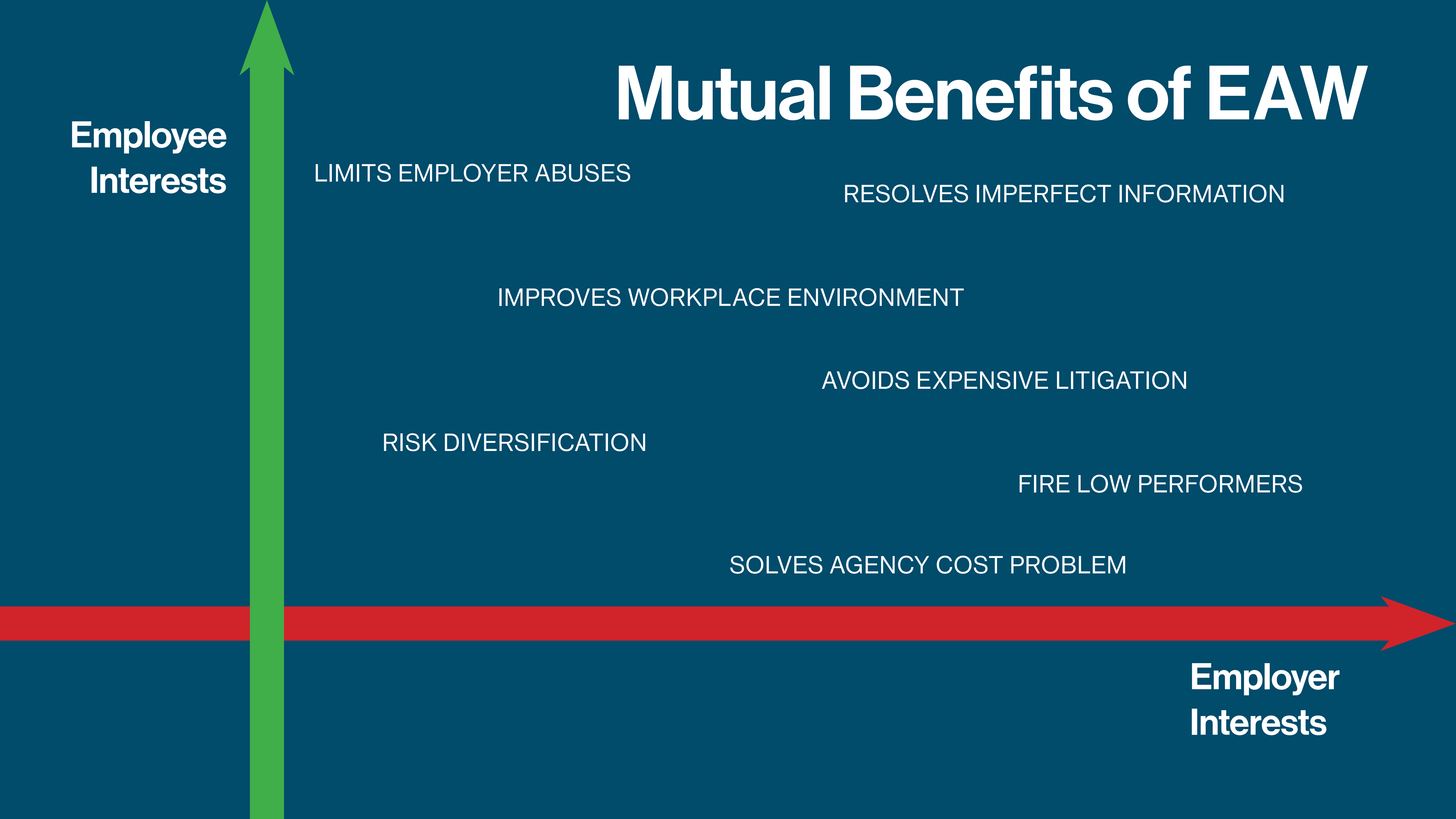
AVOIDS EXPENSIVE LITIGATION

RISK DIVERSIFICATION

FIRE LOW PERFORMERS

SOLVES AGENCY COST PROBLEM

**Employer  
Interests**





# Mutual Benefits of EAW?

Employee  
Interests

LIMITS EMPLOYER ABUSES?

RESOLVES IMPERFECT INFORMATION

IMPROVES WORKPLACE ENVIRONMENT?

AVOIDS EXPENSIVE LITIGATION?

RISK DIVERSIFICATION?

FIRE LOW PERFORMERS

SOLVES AGENCY COST PROBLEM?

Employer  
Interests



# Defending Sweatshops

The working conditions of sweatshops is another area concerning the relationship between employers and employees. Ian Maitland's (1997) assessment of sweatshops may surprise you: he argues that what we actually need is *more* sweatshops!



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# Acknowledgements

Introductory slide photograph by Dutko (2015). The figure of “Stakes & Stakeholders in Business” is adapted from Freeman (2009, p. 61, fig. 1). The framing of the mutual benefits of EAW is based on the dual concern model from Pruitt and Kim (2004, p. 41, fig 3.1).