# Worksheet 5: ethical dilemmas, entrepreneurship vs employees

**Task 1:** **Below you will find two model situations. Your task is to consider these situations and answer the questions.**

**Situation1: Intentionally Misleading Discounts**

The fashion e-shop "StyleVerse" advertises "50% off everything!", but in reality, it has doubled the original prices beforehand, so the discount is not real. Many customers do not verify this and buy, believing they have saved money.

Consider:

* How could the e-shop justify its actions?
* Is this marketing tactic morally, right? Why?
* How difficult is it for customers to recognize that this is a deceptive discount?

**Situation 2: Fake Reviews**

The e-shop "TechGuru" wants to increase sales of its new smartphone. The marketing team pays a group of people to write positive reviews, even though they have never used the phone. Conversely, they delete negative customer reviews from customers who were not satisfied with the product.

Consider:

* What ethical rationalizations can the company use to justify its actions?
* Is this behavior morally right?
* What consequences can this decision have for customers, the company, and the entire market?

**Task 2: Compare the advantages and disadvantages of entrepreneurship and employment:**

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| --- | --- | --- | --- |
| Advantages | | Disadvantages | |
| Entrepreneurship | Employment | Entrepreneurship | Employment |
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**Task 3:**

**Age: An overlooked Source of Diversity and Innovation**

For the first time, five generations are working together in the US, adding yet another dimension to the workplace dynamic. Like ethnic, gender, or racial differences, age differences are often a source of tension. While older workers are postponing their retirement due to better health and longevity, younger workers, anxious for change and upward mobility, are impatient for them to move on. With the so-called Great Resignation due to pandemic, older and younger workers often preferred due to their digital skills. Even as the online world becomes more and more integrated with every generation, older people tend to scroll Facebook, while younger people ones choose TikTok, which further exacerbates the generation, spark conflicts, and lead to a greater employee turnover.

Nevertheless, considering generational differences simply as “differences” is a missed opportunity. Age-diverse teams bring together workers with complementary skills, abilities, information, and networks. These generational differences can actually be a powerful combination of seasoned experience and fresh ideas. A great example of this is the Open Sustainability Technology Lab at Michigan Technological University that developed the first low-cost open-source metal 3D printer. A multigeneration team willing to learn from each other was the key to their success. They combined the technical skill of Gen X faculty, the software wizardry of Millennial graduate students, and the experienced resourcefulness of Boomer researchers. Instead of a younger worker ordering a mechanical part from Amazon, for instance, an older worker built it from spare parts quicker than Amazon could have delivered it. This combination of abilities enabled them to create a 3D printer with the ability to print aluminium and steel at a much lower cost than had been possible before.

Unfortunately, organizations do not often take steps to reap the benefits of generational differences. In fact, only 8% of organizations include age as a part of their diversity, equity, and inclusion (DEI) strategy. With DEI becoming a hot topic, it is surprising that such a profound source of diversity is being overlooked, if managed effectively, team members can share and learn from each other´s differences, which leads to better decision-making, more-productive collaboration, and improved overall performance.

With these challenges, it is not surprising that, as the pandemic hit the world, many older adults turned to entrepreneurship, instead of facing a job hunt with the fear of rejection, especially those adults that have not looked for a job in ages. Still, rather than being the main reason, studies show that older adults who go into entrepreneurship after being laid off from only a small percentage of the whole older entrepreneur population. In fact, studies show that entrepreneurs over50 are 2,8 times more likely to have a successful business than a 25-years-old person. Many famous companies, such a Geico, KFC, MC Donalds, Home Depot, and The Huffington Post, were all started by individuals over 50 years old. With years of experience and accumulated capital, older adults are often in the best spot to overcome some of the most common reasons for venture failure.

Generational differences should therefore not be considered as an issue to be managed, but as an opportunity to be seized. We should not be too eager for younger generations to replace older generations. Whether in the corporate or entrepreneurial world, older people can provide a valuable source of insights, experience, and skills. As the longevity marker continues to expand, people over 50 are outpacing the rate of spending by consumers younger than 50. This age group is projected to expand 45% by 2050, compared with only 13% for the younger group. The ever-expanding longevity market is an enormous opportunity where older entrepreneurs and older workers alike can bring invaluable perspective and directly contribute to the company´s bottom line.

*Source: Adapted from: Megan W. Gerhardt, Josephine Nachemson-Ekwall, and Brandon Fogel, “Harnessing the Power of Age Diversity” Harvard Business Review, Mar 2022; and Susan B. Garland “As They Aged, They Started Businesses for People Like Them, “The New York Times, Oct 2020.*

1. **What are the potential ethical problems associated with generational differences in the workplace and how can they be addressed?**
2. **Why is it important for organizations to start paying more attention to generational differences in the workplace?**
3. **What are the main reasons why generational differences become a source of tension in the workplace?**
4. **Explain how an age-diverse team can bring benefits?**
5. **What are the main advantages of older entrepreneurs?**