Daniels Fund Ethics Initiative Principles Case: Yvette

Michael R. Hyman. Ph.D.
2013 Daniels Fund Ethics Fellow
Distinguished Achievement Professor of Marketing
New Mexico State University

Yvette is an undergraduate marketing major at the local state university that charges modest tuition to full-time students. As a child, she lived with her parents and two siblings in a small southwestern U.S. city, where she attended public schools. Although her parents both worked hard to ensure adequate financial security for their family, caring for three children and an elderly grandmother who required regular medical attention often stretched their household budget to its limit. Due to her humble middle-class upbringing, Yvette learned to manage her money at an early age. Rather than spend evenings with her friends, Yvette often babysat for neighbors who appreciated the conscientious care she provided their children. No neighbor ever doubted Yvette's maturity.

From the time she started kindergarten, Yvette always had at least one 'best friend' and several other close friends. They often shared confidences, and friends who proved unable to do so quickly found new friends. Extreme honesty and loyalty always marked Yvette’s friendships.
Given her parents' hectic work schedule, Yvette relied heavily on her bicycle--one her parents barely could afford to give her as a present for her 11th birthday--for transportation to school and after-school activities. Although she never biked in unsafe neighborhoods and always secured her bicycle with a high quality lock and chain, it disappeared during one of her weekly visits to a nearby nursing home, where she spent several hours each week reading to residents with failing eyesight. Neither Yvette nor her parents could afford to purchase a replacement for several months. Fortunately, several of Yvette's friends and babysitting clients pitched in to buy her a new bicycle. Without their largesse, Yvette's alternative, bus-dependent commute to school would have required a schedule-taxing and sleep-depriving additional 90 minutes, and she would have needed to suspend most of her after-school activities. Yvette never forgot her friends’ and clients’ generosity.

Although a scholarship pays her tuition and textbooks, from her first semester onward Yvette has covered her living expenses by waitressing at a popular local restaurant. Gradually, she learned the backgrounds of her regular customers, especially the single males with limited cooking skills who dined out almost every evening. One such customer was John, a life-long bachelor and highly successful real estate investor. John's investments were so lucrative that he retired many years ago from his job as a mid-level university administrator. John now owns and manages more than 25 local rental properties. As many of his tenants pay their monthly rent in cash, John often carries several thousand dollars in his money clip.

Since meeting in their freshman English class, Yvette and Alexis have been close friends. They became roommates during their sophomore year. Shortly afterwards, Alexis did Yvette a huge favor. Yvette's mother died unexpectedly from a heart attack, throwing Yvette into a deep depression. Never a heavy drinker, Yvette tried to drown her sorrows with alcohol. After several weeks of excessive alcohol consumption and sleep-deprived nights, Yvette's grades began to suffer, threatening the continuance of her scholarship. To save Yvette from herself, Alexis organized an intervention with several of Yvette's friends. The intervention worked, and Yvette's life and grades quickly returned to normal. Yvette believes she never would have completed the semester--let alone continued to work toward her undergraduate marketing degree--without Alexis' timely help.

Alexis has two sisters nearing college age. Because Alexis' parents have worked as sales clerks at a small mall store since they graduated from high school and have poor money management skills, they saved no money for Alexis' education. Alexis was a 'C' student in high school; so, she relies on student loans rather than a scholarship to pay her tuition. Like Yvette, Alexis has needed to count her pennies to make ends meet.

Although generally outgoing and talkative, Yvette noticed that Alexis had become increasingly withdrawn. Eventually, Yvette confronted Alexis about her odd behavior. After a few minutes of denials, Alexis confided that her GPA had dropped below the level needed to secure continued student loans. Unless Alexis could find another funding source, she would need to quit her nursing studies with only two semesters remaining.
That night, John arrived at the restaurant a bit inebriated. As usual, he sat at one of Yvette’s booths. He ordered several more drinks and an appetizer before leaving. When Yvette approached the booth to clear it, she noticed John’s money clip lying on a seat. Her immediate thought was to give the clip to her shift supervisor and indicate it should be returned to John. Then she remembered Alexis’ financial woes. That money, which Yvette believed John wouldn’t miss, could cover Alexis’ tuition and books until she could raise her GPA sufficiently.

Then Yvette thought about asking John to lend Alexis the money. After all, he’s a businessman and Alexis is a good investment. Given the nursing shortage, Alexis certainly would find a good-paying position after graduation. However, there was the substantial risk, despite their multi-year acquaintanceship, that John would reject Yvette’s investment idea. If he did, then Alexis would have no choice but to quit her nursing studies.

Ultimately, Yvette decided to give the money to Alexis. Yvette invented this cover story for Alexis: One of Yvette’s grandmothers left her this rainy-day money, which she only could spend in an emergency. What bigger emergency could exist than Alexis needing to abandon her chosen career so close to completing her studies? After graduation, Alexis could repay this “loan” from her nursing paychecks.

Once fully repaid, Yvette planned to return this money to John anonymously. Thus, Yvette wasn’t stealing this money; instead, she merely was borrowing it for her friend and would repay it with interest.