



Unit - 2

Philosophical Approaches to Ethics

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Understand the difference between ethics and morals
- ✓ Understand the value of ethics

Unit 2

Philosophical Approaches to Ethics

An Introduction to Philosophy

Over the years, there have been many philosophers who have attempted to define a system for making rational decisions. We're going to cover a few of them. These tools may help you in some situations, but be warned, all have been criticized at some point in time, and none are perfect.

The Golden Rule

This maxim dates back to antiquity: "Do unto others as you would have them do unto you." The central idea is that everyone wants to be treated well, but the problem is that everyone has different standards of behavior. How I might want others to treat me may not be the same as how others want to be treated.

The Golden Mean

This philosophy was developed by ancient Greek philosopher Aristotle. He believed that the key to ethical behavior is moderation. For example, acting rashly isn't a good idea, but neither is being a coward. The virtuous behavior would be courage, which is the halfway point between the two.

Utilitarianism

Boiled down, utilitarianism means choosing the solution that has the most benefit and least cost to society. This philosophy originated in England in the 19th century.

There are a few key problems with this philosophy. The first problem is deciding what factors to weigh: purely financial, purely social, or a combination. The second problem is deciding what a benefit is and what a cost is. Third, this theory doesn't allow for human factors, such as exceptions or extenuating circumstances.

The Categorical Imperative

18th century philosopher Immanuel Kant believed that there was one rule everyone should live by: "Act only according to that maxim by which you can at the same time will that it should become a universal law."

Basically, Kant is saying that if you make a rule once, that rule should apply forever. So, if you impose the rule, "Stealing is wrong," once, that rule must apply for all time, and so must its consequences.

There are obvious problems with this approach, too. It clearly doesn't allow for moral development (say, if you change your mind later) or for exceptions.

Utopianism

This philosophy offers the basic creed that everyone's needs and rights should be fulfilled. While this sounds nice, it is impractical. For example, a drug company has the need to make money, but a mother of five needs drugs for her children, which she cannot afford. How do you fulfill the needs and rights of both?

Applying Philosophical Approaches

Resolve each situation using the tools that we just discussed.

Scenario One

Your chief engineer has just discovered a potentially major problem with your latest SUV, the Rollover. In certain situations, the SUV will lose its braking power. The engineer estimates it will cost about \$2 million to fix this problem. The lawyer estimates that lawsuits will be minimal and should only cost the company about \$250,000. In the past, issues like this haven't caused the company significant legal problems and the vehicles have been produced even with known issues.

Staff Training Solutions

Golden Rule

Golden Mean

Utilitarianism

Categorical Imperative

Utopianism

Scenario Two

You've just had an opportunity to outsource production of your Rollover SUV to a small offshore company. This will reduce production costs from \$5 million a year to \$2 million a year. You've had confidential reports that this small offshore company pays employees very little, and some reports even indicate that the employees may be victims of slavery.

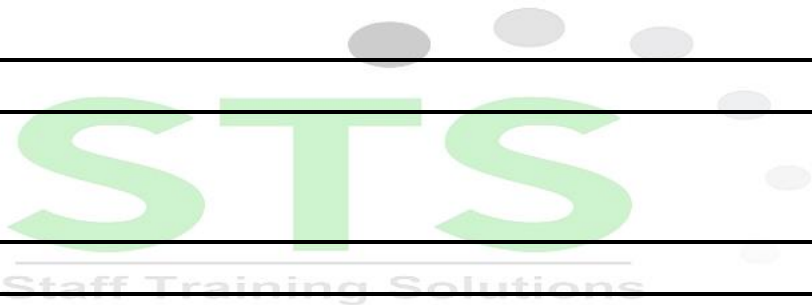
Golden Rule

Golden Mean

Utilitarianism

Categorical Imperative

Utopianism



Scenario Three

Your assistant has just confessed to pilfering \$500 from the company’s petty cash fund. Your options include prosecution (which will cost thousands of dollars) or restitution and resignation by the employee (which will cost the company nothing).

Golden Rule

Golden Mean

Utilitarianism

Categorical Imperative

Utopianism

Scenario Four

You were cleaning up your son’s room and you found a book from a school he attended several years ago. It will cost you approximately \$50 to mail it back, and you’ll have to take this money out of your grocery budget.

Golden Rule



Golden Mean

Utilitarianism

Categorical Imperative

Utopianism

Scenario Five

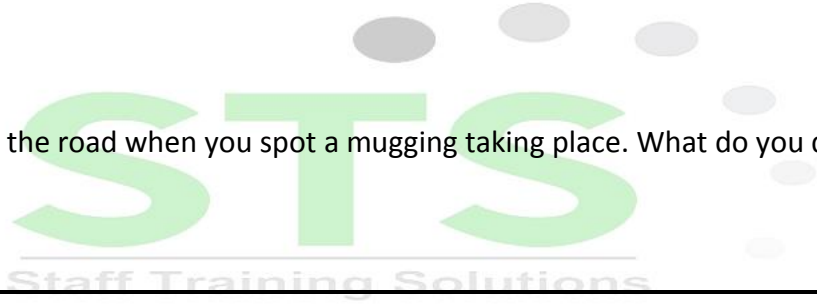
You're walking down the road when you spot a mugging taking place. What do you do?

Golden Rule

Golden Mean

Utilitarianism

Categorical Imperative



Utopianism

What Does Ethical Mean?

Merck Pharmaceuticals

River blindness has long been a problem in many African countries, as well as parts of Central and South America. It is an insect-borne disease that causes blindness and severe itching. (Some people have reportedly committed suicide because the itching is so terrible.) The disease is so prevalent that, according to the World Health Organization, it is the world's second leading infectious cause of blindness. In 1979, a scientist for Merck Pharmaceuticals discovered that one of the company's best-selling veterinary drugs, Ivermectin, might cure this terrible illness that had blinded millions.

However, there were several problems with this discovery.

- Developing a drug suitable for humans would take years and millions of dollars.
- The drug might be sold into the black market and reduce the profits of the veterinary drug, harming Merck's financial viability.
- Developing a way to get the drug to the afflicted areas and people would be costly and difficult, as there were no systems in place.

Despite the challenges, Merck went ahead and developed a human version of Ivermectin, called Mectizan, at their own cost. They also worked with the WHO, the World Bank, UNICEF, and other governmental agencies to get the treatment to those in need and to ensure it did not appear on the black market. To date, Merck has treated 530 million people with Mectizan for river blindness. They have also given Mectizan to millions to prevent another prevalent disease, elephantiasis.

Merck has made no direct profit from this 20-year effort, yet has mandated that they will continue to donate their product. The reason? Merck management felt (and still feels) that they have a moral obligation to help people. (Wisely, they don't deny that the positive publicity might help their business.)

Sources:

- Merck website (<http://www.merck.com>)
- WHO website (<http://www.who.int>)
- *Business Ethics: Concepts and Cases* by Manuel G. Velasquez

Decision Analysis

Do you think Merck made an ethically correct decision? Why or why not?

Perspective One: A Merck Stockholder

You have a significant portion of your life savings in Merck stock. You have heard that the company has embarked on a significant charitable venture. Stock prices have fallen because of this, and so far you have lost over \$100,000.

Based on your point of view, was the decision to go ahead with the Mectizan project an ethical one?

Perspective Two: A Merck Employee

As an employee of Merck, part of your compensation is in Merck stock. You also receive a yearly bonus based on the company's profits. Profits have fallen, reducing both your bonus and your stock's value.

Based on your point of view, was the decision to go ahead with the Mectizan project an ethical one?

Perspective Three: A Drug Recipient

At the age of 34, you have lost three family members to river blindness, reducing your family's income by 60%. You personally had the disease, but treatment with Mectizan halted blindness, enabling you to work. It has also saved your children from the disease, helping to ensure the family's financial future.

Based on your point of view, was the decision to go ahead with the Mectizan project an ethical one?

Perspective Four: Philosophical

The cost of developing Mectizan was approximately \$150 million. The approximate financial value to nations that received this drug is \$3 billion. The approximate cost to shareholders and employees was about \$500,000, although this may have been recouped in recent years.

Based on a utilitarian point of view, was the decision to go ahead with the Mectizan project an ethical one?

What about a utopian point of view?

(Note: The figures in Perspective Four are fictitious and have been included to provoke discussion.)

Avoiding Ethical Dilemmas

Some Easy Strategies

Wouldn't it be great if you never got yourself in another ethical quandary? While we can't guarantee that these tips will offer a 100% success rate, they should help you reduce the number of dilemmas you find yourself in.

Make sure ethical expectations are clear.

Discuss ethical dilemmas with your supervisor before they occur. Have a discussion of hypothetical situations, including:

- What do I do if I find out confidential information that could affect you, but that is supposed to remain hidden from you?
- What if you ask me to sign your name to some documents, and I sign documents that I wasn't supposed to?
- What if your supervisor asked you to perform some financial transactions for you?

You should also make sure your values are clear to your supervisor. If you think lying is always wrong, say so. Setting boundaries up front helps to ensure you stay within your ethical comfort zone.

Don't just say yes.

Avoid the knee-jerk reaction to say yes when your supervisor asks you to do something. Consider the request (even if it's just for a few seconds) before you commit to an action. If you need more time or information before making a decision, say so.

Learn to say no.

If someone asks you to do something that you think is (or could become) something unethical, say no. A good way to decline without lying is to say, "I'm not comfortable doing that," or, "I'm not comfortable with that approach."

Don't be the frog.

If you put a frog in boiling water, he will jump out. But, if you put a frog in cold water and slowly heat up the water, he will boil to death. Don't be the frog. Keep evaluating situations to make sure you haven't gotten yourself into hot water unintentionally. And if things get uncomfortable, make sure you face the dilemma rather than burying your head in the sand.

Don't be nosy.

Many ethical dilemmas result from finding out information that we're not supposed to know. If you poke around and hunt for information, you'll probably find it—and find yourself in an ethical quandary.

Lead by example.

Ethics filters from the top of the company all the way down to the bottom. If the CEO is seen as a reputable, honest, stand-by-their-word sort of person, the rest of the employees will adopt that attitude as well. It is much easier to make ethical decisions when it's the norm of the company.

Case Studies

Scenario One

You are the assistant to the operating manager of a pencil manufacturing company. She gets calls all the time from salespeople wanting to sell her everything from better factory equipment to better materials for pencils. Your policy for answering the phone is to always take a message and tell the caller she is unavailable. The exception to this policy is her husband and her supervisor (the president and the CEO). You feel that this policy is ethical; after all, she has a right to decide who she does and does not speak to.

What is the dilemma?

How could you prevent or resolve this dilemma?

Scenario Two

Your newest advertising client has a reputation for being very generous with the companies it chooses to work with: free trips, tickets to galas, privileges at movie premieres... the stories are legendary. Unfortunately, your company prohibits you from accepting these types of gifts. You're worried that the policy will harm your working relationship with the client.

What is the dilemma?

How could you prevent or resolve this dilemma?

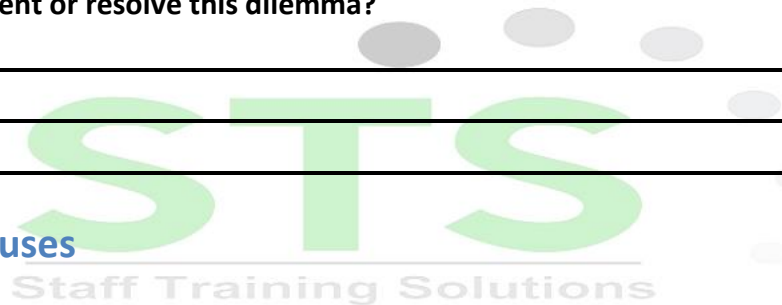
Scenario Three

You are the administrative assistant for the marketing department. Due to layoffs and downsizing, you now deliver mail and faxes throughout the building rather than just through your department. You're not used to dealing with confidential information; it's really tempting to peek and get the juicy gossip! One day, a fax from a high-ranking politician comes in. You look at it longingly, wanting to read it.

What is the dilemma?

How could you prevent or resolve this dilemma?

Pitfalls and Excuses



There are many things that can impede ethical decision making. Let's look at a few of the most common pitfalls and excuses and how you can avoid them.

The decision is just too difficult. I'm not going to do anything.

Thinking this means you've made a decision anyway, a decision to let the unethical behavior continue. Unfortunately, it's a snap decision based on a premise that making a decision will be a hard process with little to no reward. Trust us, it's better to take the time to think through the decision properly rather than to use this excuse.

There's nothing I can do.

If there's a moral dilemma that you've noticed in your workplace, then there definitely is some course of action that you can take, even if it's just prodding the right person to take action.

My job is too important to make any other decision.

What if your job asked you to sacrifice your children to an ancient god? Don't let blind loyalty to your job be an excuse for a poor decision.

I was just following orders.

If you're a robot, then this excuse is acceptable. Otherwise, you need to accept responsibility for your decisions.

I have to remain loyal.

Let's say you decide to hide evidence of your supervisor's embezzlement so that he or she won't go to jail. Of course, that benefits your supervisor in the short term. In the long term, however, you're not doing them any favors and you're certainly not acting in their best interest.

I didn't have time to make the right decision.

It is crucial that you take every potential ethical dilemma and think about it. If you need more time, say so. If you think there is a potential dilemma, say so. Don't use time pressures of the office as an excuse for bad decisions.

Developing an Office Code of Ethics

Are You Ready?



If you choose to develop an office code of ethics, it must be more than just a statement on the wall. It must truly be a code that you do business by. You must be prepared to change some of the ways you do business. You must be prepared to commit to those ethics for a code to succeed. You must be willing to look for staff who commit to these ethics.

A code of ethics, when properly implemented and followed, can have the following benefits.

- Happier employees. A code of ethics can relieve tremendous pressure on employees by giving them a moral compass that they can make decisions by.
- More consistent decisions. If everyone knows the company standard of right and wrong and commits to it, decisions made within the company are more likely to be consistent.
- More committed employees. As we discussed this morning, an ethical office environment will likely produce more committed, loyal employees. A properly implemented code of ethics can help an office become more ethical.

In summary, when developing an office code of ethics, make sure you and your company are prepared to live by it. Make sure input is obtained from everyone, even if it's just through a survey. And make sure people are committed to it; otherwise it's just another piece of paper on the wall.

Sample Codes of Ethics

The Ten Commandments

1. You shall have no other gods before Me.
2. You shall not make for yourself a carved image – any likeness of anything that is in heaven above, or that is in the earth beneath, or that is in the water under the earth.
3. You shall not take the name of the Lord your God in vain.
4. Remember the Sabbath day, to keep it holy.
5. Honor your father and your mother.
6. You shall not murder.
7. You shall not commit adultery.
8. You shall not steal.
9. You shall not bear false witness against your neighbor.
10. You shall not covet your neighbor's house; you shall not covet your neighbor's wife, nor his male servant, nor his female servant, nor his ox, nor his donkey, nor anything that is your neighbor's.

The Bible, Exodus 20:1-17

Rotary Four-Way Test

Of the things we think, say, or do:

1. Is it the TRUTH?
2. Is it FAIR to all concerned?
3. Will it build GOODWILL and BETTER FRIENDSHIPS?
4. Will it be BENEFICIAL to all concerned?

Minnesota Principles

Proposition # 1: Stimulating economic growth is the particular contribution of business to the larger society.

- We understand that profits are fundamental to the fulfillment of this function.

Proposition #2: Business activities must be characterized by fairness.

- We understand fairness to include equitable treatment and equality of opportunity for all participants in the marketplace.

Proposition #3: Business activities must be characterized by honesty.

- We understand honesty to include candor, truthfulness, and promise-keeping.

Proposition #4: Business activities must be characterized by respect for human dignity.

- We understand this to mean that business activities should show a special concern for the less powerful and the disadvantaged.

Proposition #5: Business activities must be characterized by respect for the environment.

- We understand this to mean that business activities should promote sustainable development and prevent environmental degradation and waste of resources.

U.S. Bank Ethical Principles

- **Uncompromising Integrity:** Doing the "right thing" without compromise for our customers, suppliers, and shareholders – even when circumstances make it difficult. We are clear, truthful, and accurate in what we say and do.
- **Respect:** Treating one another with respect and dignity; appreciating the diversity of our workforce, our customers, and our communities.
- **Responsibility:** Taking accountability for ethical decisions and actions; asking for clarification when necessary and reporting concerns or violations in the workplace.
- **Good Citizenship:** Complying with the spirit and intent of the laws that govern our business; contributing to the strength and wellbeing of our communities and shareholders.

Asimov's Three Laws of Robotics

1. A robot may not injure a human being or, through inaction, allow a human being to come to harm.
2. A robot must obey orders given to it by human beings except where such orders would conflict with the First Law.
3. A robot must protect its own existence as long as such protection does not conflict with the First or Second Law.

Text your Knowledge

What positive aspects do you see in these codes?

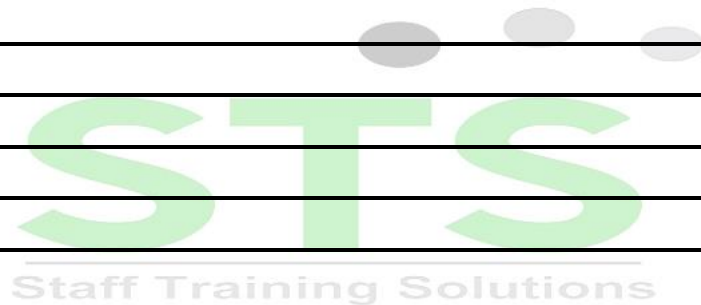
What possible issues do you see?

Could you live entirely by any of these codes?

Can you think of a recent ethical dilemma where one of these codes may have helped? Not helped?

How would these codes change your organization's way of doing business?

How could we modify the Three Laws of Robotics to be applicable to humans?



Your Code of Ethics

In the space below, develop a basic code of ethics.

- 16. Ask lots of questions.
- 17. Be organized. Stay focused.
- 18. Learn to dodge the ethical traps of overthinking and cynicism.
- 19. Remember that virtue is its own good reward.
- 20. Protect your key assets (good health, strong self-esteem, desire to improve a situation, good communication skills, and your reputation as a person of integrity).
- 21. Speak up whenever you feel more unethical behaviors are slipping in, or when you sense your collective ethics are getting sloppy, or when you think convenience is becoming more important than character.
- 22. Challenge yourself. Keep learning.

Pre-Assignment Review

Look at your pre-assignment and identify the areas of concern (typically questions answered with “yes”). Then, choose two or three keys that you think could help those areas of concern and devise a plan to improve that issue.

Area of Concern	Key(s) to Help	Action Plan Details

Further Reading:

