

Lecture 31, Mar 29, 2023

Ethics

- Decision makers need to consider important questions about challenges, e.g. bribery and corruption, nationalism, discrimination, etc
- Societal values shift over time and ethical issues shift with it – ethics is dynamic
- Ethics is viewed as systematic thinking about the moral consequences of decisions – who does it impact and how does it impact them?
 - Moral consequences can be framed in terms of the potential harm to stakeholders
- Ethical conflict focus on disagreements due to differences in philosophy; institutional conflicts focus on disagreements due to differences in policy
- Why do we engage in unethical behaviour?
 - Personal gain
 - Role conflict (differences between what you want vs. what the organization wants)
 - Strong organizational identification (doing what’s best for the organization, even if it’s not the best for everyone else)
 - Organizational and industry culture (what is expected in the organization/field isn’t necessarily ethical, e.g. corruption)
 - Competition
 - Personality
 - * The cynical and those with an external locus of control are less tuned in to ethical matters
 - * Low conscientiousness, low agreeableness, high neuroticism
 - * High n Pow, strong economic values (i.e. valuing power and money) both make people more likely to behave unethically
 - * Also individual differences in people’s degree of sophistication when thinking about moral issues
- Ethical managerial behaviour consists of ethical behaviour, social responsibility (fairness and advocating for justice, for local and global communities), environmental stewardship and fair employment practices
- There are 3 traditional branches of ethics and 2 additional concepts:
 - Virtue ethics (Aristotle): focused on your character; prudence, temperance, courage and justice
 - * Your character pushes you to behave ethically
 - Deontology/duty ethics (Immanuel Kant): rooted in rules; the intent is more important than the consequences
 - * Process matters; if you follow the process, then it is ethical regardless of consequences
 - Utilitarianism (John Stuart Mill): maximizing benefit for maximum number of people
 - * The process doesn’t really matter as long as utility is maximized
 - Human rights perspective (John Locke): rooted in everybody having the right to life, liberty, and dignity; this supersedes everything else
 - Ethics of care (Nel Noddings): rooted in developing relationships and empathy
- Definitions:
 - Ethics: Moral principles that govern a person or a group’s behaviour
 - Diversity: Recognizing the demographic and experiential heterogeneity of a group
 - Equity: Creating opportunities and removing barriers to address historic and current disadvantages
 - Inclusion: Creating a welcoming environment where people feel they belong
- Ethical theories have variabilities, so ethics are conveyed in laws and policies, e.g. human rights laws, labour laws, accessibility laws
- Ethical dilemmas often faced by organizations include:
 - Honest communication (e.g. misleading customers to sell a product)
 - Fair treatment (equitable and ethical treatment)
 - Special consideration (e.g. favors)
 - Fair competition
 - Responsibility to organization
 - Corporate social responsibility (making a positive change in the world)

- Respect for law
- Ethical guidelines: identify stakeholders, costs and benefits present and future, consider the moral expectations, the nature of the dilemma, and discuss with stakeholders
- More equity concepts:
 - Privilege: invisible advantages linked to a social dimension
 - Implicit discrimination: subtly discriminatory practices
 - Identity: part of your identity being central and other parts of your identity not being visible unless they are of interest – there is more to what we are than meets the eye
 - Inclusion: not just that you are something (identity), but also that you belong there