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Business Ethics: Implications for Managerial Decision Makers

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BUSINESS ETHICS:
IMPLICATIONS FOR MANAGERIAL
DECISION MAKERS

submitted to:

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and the
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by:

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ABSTRACT (100-200 words):

Thesis reviews existing ethical models as a foundation for ethical decision making. Bias is discussed as it relates to the development of ethical frameworks. The need for managers educated in basic ethical thought is examined. The subject of social responsibility is separated from the subject of ethics. The author criticizes current efforts in business ethics instruction. These efforts emphasize case studies and de facto examination of management decisions. Students are taught existing ethical opinion and decisions rather than the skills necessary to perform decision making on their own. Finally, a suggested framework for making ethical decisions is offered that incorporates the notions of both intent and consequences.

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TABLE OF CONTENTS

- I. Introduction
 - II. Developing Unbiased Frameworks
 - III. Ethics: Definition and Models
 - IV. Ethical Posture of Business
 - V. Suggested Ethical Model for Decision Makers
 - VI. Conclusions
-

Business ethics is a subject that is becoming increasingly prevalent in the minds, speech, and agendas of corporate managers and professional educators alike. Movements toward social responsibility, admittedly a latecomer for most of the business environment, are quite common. As companies either realize a responsibility to the environment they operate in; or, cynically, hurry to be part of the latest movement. The problem with the stirring ethical movement is the fact that business ethics and social responsibility have been equated. In doing so, much of the substance and purpose of ethics and applied ethical frameworks has been lost. Whereas social responsibility may be seen as an imperative or corollary liability of ethics, it is not the same as ethics. An analogy for this would be the demand, "Love thy neighbor." Although many religions would necessarily require this, the demand and the subject of religion are not the same. Crudely put, ethics is the study of the propriety of human actions and is a judgemental framework for assessing whether certain actions conform to proper treatment of individuals.

Questions of ethical treatment are compounded when put into the business environment. The role of business enterprises within the social structure and the extended impact of business activities on great numbers of individuals complicate ethical diagnosis. So, "business ethics" is addressed as a special problem within the social environment. While it is acknowledged that the determination

of ethical imperatives is more difficult in the business environment, at the same time one must realize that, essentially, business ethics are the same as personal ethics. Two reasons can be given to support the above contention. First, businesses are treated as individuals under the law - an extension of the social order. Second, and much more important, businesses act under direction of managers, and as individuals, these managers' decisions may be judged ethically. In other words, managers as individuals are responsible for their actions whether they are carried out through a business vehicle or personally. Therefore, to understand business ethics it is important to understand ethics in general first.

One problem with developing ethical frameworks is resistance from various parties to a particular ethical program. Once again, this problem is one that results from a misperception of what ethics implies, and not a focused disagreement on ethics itself. Ethics is not the same as, nor does it concern itself, with questions of morality. The two are not equal. What is ethical, normally, is moral but ethics is not bounded by the laws of morality. Morals describe a conformity to accepted social rules in many societal cases. These laws do not imply some metaphysical or absolute standard. Rather, they are based on existing standards for treatment of human beings. Ethics challenges existing norms and looks for ultimate norms (Klonski p. 7). In doing so, ethics does not ground itself in societal ideas

of righteousness. Instead, it focuses on non-prudential foundations that may be universally applied to all situations and peoples.

In keeping with separation from moral notions, ethics separates from the field of specific religious beliefs. It does not demand the same imperatives as structured religions. Normally, believers hold such imperatives as being given from one manner of divine revelation or another. As such, religious imperatives are above questioning or empirical testing and must be accepted as a matter of faith. Ethics arises out of a foundation of pure reason and must be recognized as such. In dividing human existence into components of technical and metatechnical, ethics stops at technical and leaves religion and moral theology for metatechnical imperatives. The misperception of ethics as constructing some sort of moral theology is entirely wrong. Nonetheless, it happens and causes a great deal of unnecessary resistance from those representing differing sectarian interests. Of course, many times management may create a corporate philosophy that they believe is ethically based when, in fact, it is contaminated with some sectarian influences. Again, it isn't necessarily wrong to have this sort of philosophy under the right circumstances, but it should be qualified as a doctrinal philosophy and not as a purely ethical philosophy.

In practice it may be difficult to distinguish from a purely ethical framework and one which is biased. Bias may

even be desired in some instances. However, if an ethical decision is desired, sectarian or moral bias can be discouraged if the basis for the decision is questioned. One must stop and ask, "Upon what presupposition or idea am I deriving this decision?" If, after consideration it appears that a decision or judgement is based on irrational precepts it is not ethically based.

An example may help to clarify this position. Scenario: It is apparent that a line manager and member of the support staff are sexually involved. Furthermore, the relationship has not proven disruptive to the work environment or quality of work, ceteris paribus. The question management is considering is, "Should the staff person be moved to another division to separate the couple?" Suppose also that there is no company policy to handle this situation, although such a policy could arguably be condemned as capricious. In fact, it is common for company policy to act as a cover for management, insulating decision makers from potentially difficult decisions. Everyone should recognize that many times such policies are poorly-concealed copouts. In striving to protect against increasing damage awards arising out of liberalized labor laws and "rights" legislation, companies are instituting policies that will insure equal treatment for all stakeholders' actions. The result of these policies is protection from possible unpleasant decisions based on merits and circumstances. At the same time, minor infractions and relatively harmless circumstances are

penalized with the full weight of the policies' sanctions.

In the above scenario, the senior supervisor has tentatively decided to separate the couple. Before doing so, he must ask, "What is the derivative reason for my actions?"

If, after careful thought, it appears the reason is actually the belief that casual relationships are wrong, based on (perhaps subconscious) sectarian values, then the decision is not an ethically based decision. Granted this example is simplistic, however, while it would appear that individuals are unlikely to fall victim to this prejudiced decision making, in reality it happens to many of us. If the reader were to present the scenario of some similar relationship to an acquaintance known to be conservative, quite likely the same pattern would occur. First, the acquaintance may say he felt it was "wrong". Then, possibly, "I believe it is wrong." And upon further promptings of "why?", something like: "I believe premarital sex is wrong" would be expressed. Of course, the above belief is one that quite likely is religiously held.

The supervisor may also find that certain moral biases are effecting his decision. The problem with moral bias, as was mentioned earlier, is that morals tend to change with social changes. This is how morality will be regarded in this paper. Those norms or judgements about human actions and the relationship of actions to accepted practice are current moral standards. Much, or most, of all business policies, in effect, reflect current morality. As will be

discussed later, part of the reason for this pattern is that businesses are motivated through law, which reflects current social interests. Moral bias many times will boil down to a "gut feeling". Gut feelings are helpful in making decisions, and do tell a lot about our perceptions of right and wrong. Maybe that is why so many of us will claim we don't "feel" something is right rather than "believe" or "think" something is right. Socialization greatly affects our feelings. However, socialization should never sway reason. It is important to remember that gut feelings relying on socialized perceptions are not germane to ethical decisions. Ethical concepts also induce these same feelings, however the reasons for them are different. The decision maker must again look for the factors prompting her decisions. Ethical concepts are immutable and relate to the realization of human worth and dignity. They are not temporal; as moral standards tend to be. An ethically based decision is not concerned with societal attitudes toward issues. Views toward casual sex, gambling, and other subjects change with cultures. These are moral standards. It is quite common for a businessperson to base decisions on accepted industry practices. These decisions may be ethically worthless because they are grounded in temporary social thought and posture. An effort should be made to avoid the pitfalls of this sort of decision making. An ethical answer to the hypothetical situation outlined earlier will be addressed later.

First, specific definitions and models of ethics must be examined. In their book *Business Ethics*, Klonoski and Barnett give an excellent definition of ethics. Paraphrased, the authors state that ethics is the science of judging specifically human ends and the relationship of means to those ends. The responsibility for ethical behavior results from the ability to control certain means so that they will serve specifically human ends. This concept of ethics is one that is shared by the vast majority of people researched. It is simple to see why businesses have come to be expected to exercise more ethical responsibility. The magnitude of corporate operations on stakeholders' interests indicate an extensive ability to control means. The special logistical implications give rise to the area of business ethics.

Business ethics addresses the issue of corporate involvement in the lives of their various stakeholders. It is concerned primarily with the relationship of business goals and techniques to human ends. Obviously, the goals of a business and the goals of its stakeholders are not always synonymous. Business ethics seeks to insure that companies do not unjustly put their own goals ahead of those of interested parties. The reader can probably at this point see that this involves goal-ordering or the creation of a goal hierarchy. While unpleasant, it does not have to be as difficult as many currently make it.

Laws help to insure that business goals are not unjustly secured. While they do many times serve the same purpose,

Law is not coextensive with ethics. As said above, law is a reflection of social interests or, more simply, an outgrowth of custom. Laws, generally, only provide certain minimum regulations necessary for public order. So, laws are concerned with social good. This is not sufficient to qualify laws as facilitating ethical good. Social good changes with expectations and attitudes of constituents. Business ethics addresses itself to issues of social good through examination of human good. Ethics serves to promote and protect individual good. In questioning the propriety of business codes and conduct, business ethics asks if the actions are responsible to all people, not just a narrow minority of individuals.

Ethics recognizes human beings as having worth and dignity as individuals. Humans are viewed as having worth and dignity as individuals. Humans are viewed as being more than primarily social beings. Ethics strives to allow all human beings to reach human perfection. This human perfection includes the full attainment of personal worth and dignity of every individual. The preceding concept is heady and has inspired volumes of philosophical thought over the ages, but as ethical decision makers, managers must probe the conceptual. Ethical decisions should not infringe on the attainment of human ends. Most people, managers as a subset, have a natural intuition as to what actions attack human ends. This paper is not critical of the use of intuition in periods of immediacy. However, careful analysis and study of

ethics in a conceptual framework will prove invaluable to a manager in the application of ethical decisions. In other words, understanding the conceptual meaning of ethics will allow more effective going in decision making.

Two rules to keep in mind regarding human ends are in order. First, for decision-makers who insist on "shooting from the hip"; follow the golden rule. Do unto others as you would have them do unto you. Provided the decision-maker himself has self-respect, this will result in respect of others' human ends. Nothing more than a rule of thumb (always carrying with it inaccuracies) is implied. Second, one should always remember that any person is never to be used purely as a means to perfection of a society, state, etc. Specifically applied to business ethics, an employee or stakeholder is never to be used as a pure means to further the perfection of a business unit. Unless decision makers persist in dogmatic perpetuation of ignorance, all will realize there is a big difference between utilizing and using stakeholders.

Several models of ethical thought have evolved that are primary to any study of ethics in any form. These models are similar in one respect: they have both strengths and weaknesses. In examining these models the reader should regard them in the same manner that all philosophical subjects are regarded: critically. None represents a tautology, nor do they purport to. In one way or another each is open to critical evaluation for the sake of

betterment. The ethical decision maker should familiarize himself with these models as he or she attempts to formulate his own understanding of ethics.

Although the opinion is not widely held, some ethicists tentatively classify Divine Command Theory as a primary ethical model. This theory regards ethics as arising out of divine revelation. In fact, much of the Western world bases morality and ethical judgements on a Judeo-Christian tradition. As mentioned earlier, this tradition doesn't normally enter into odds with other pure ethical models. This is because most of its corollary imperatives are synonymous with those of pure ethics. However, the imperatives of these sectarian models are much more extensive than those of secular models. Understandably, atheists and others reject the idea that ethics and morality presuppose a deity. Some of the basic tenets of Divine Command Theory (or fundamentalism, or absolutism) include the belief that knowledge of ethics is revealed rather than constructed. Its proponents judge actions and decipher meanings from the ideals of holy writs. Problems necessarily exist with such fundamentalist thinking. For one, many divine writs exist. Obviously, the Christian and the Moslem would have a difficult time convincing one another that his revelation is supreme. Even those who don't hold differing religious views, such as agnostics, would be resistant to the demands religiosity places on ethical models. Furthermore, even if universal consensus was reached on which absolutist doctrine

was correct, the differences in interpretation of such would be irreconcilable. If this were not the case, there would not be the power struggles apparent in fundamentalist nations like Iran and Iraq today.

It is not difficult to argue that Jimmy Swaggart's and Ayatollah Khomeini's interpreted "truths" are not the result of superior insight, but rather the better marketed wares of a charismatic leader. Fundamentalists, as Tad Tuleja points out in Beyond the Bottom Line, may tend to avoid difficult responsibilities in allowing a Book or one of its authorized readers (like the gentlemen [sic] listed above) decide their moral choices. Unquestioning surrender of personal accountability is tragic. It leads to the Nazi "I was only following orders" excuse and systematic passing of the buck. Distortion of mandates in interpretation is always possible, and responsibility must be taken to avoid pitfalls.

Utilitarianism and Deontology split with absolutism in asserting that ethics are independently right and valid apart from a deity. Thus, the principles of these ethical models are rationally correct. Whereas the absolutist claims that an action is objectively good because God says so, or because objective good and God's will are coincident, the objective ethicist believes that a certain action is objectively good, inherently.

Utilitarianism bases proprietary judgements on the effect of an action on the balance of happiness of conscious human beings. This model was championed and

developed by Jeremy Bentham and John Stuart Mill during the 1900's. Actions which affected a net increase in human happiness or a net decrease in the opposite were declared proportionally good.

Later philosophers refined the original utilitarian definitions to examine, specifically, net changes in pain/pleasure. To measure such changes a "hedonistic calculus" is used. It is from this philosophy that some more aberrant philosophies have tangentially grown. The most well known is certainly hedonism, the philosophy that whatever produces pleasure is good. These philosophies are not truly utilitarian because they make no true effort to evaluate the costs or pains involved in relation to the pleasures generated. In general, hedonism also has many egoist overtones. As a theological philosophy, utilitarianism bases the goodness of an action on its outcomes or ends.

It is easy to see where problems arise with utilitarian philosophy. How is one to accurately measure all happiness and unhappiness associated with an action? Is your pleasure greater than his pain? Because no person can experience someone else's perceptions, no true or absolute measure is possible. Also, under utilitarianism certain heinous injustices may be ethically justified if they serve to benefit the many. Richard Bullock, Professor of philosophy, and current faculty member of NIU's Department of Business Systems and Analysis gives an interesting hypothetical that shows the weaknesses of utilitarianism. It can be argued

that in the world today there is a great deal more suffering than contentment. Indeed, such more of the world's population goes for want of food than indulges in excess. Oppressive and brutal governments subject their people to immense suffering. Under the philosophy of utilitarianism it may be ethically justifiable to detonate every thermonuclear device available and destroy all human life. The net result would be a reduction in human misery. Of course, the gut reaction to such an assertion is dismay. Most people recognize a more pronounced value of human life.

Even with its shortcomings, most ethical thinkers would place themselves within a utilitarian framework. Many of the obvious problems concerning valuation of pleasure and pain are being addressed in modern work. In fact, almost all decision making revolves around utilitarian principles. People consistently decide in terms of maximizing goods or minimizing bads. Nearly all of economics, business, and social sciences, follow these concepts. Utilitarianism just makes explicit underlying decision processes. Perhaps most important, this philosophy makes the realization that an action has great impact to many people and that the interests of all must be considered when judging the propriety of an action.

Deontology expands upon utilitarian principles in response to their obvious subjective problems. As Mill is to utilitarianism, so Immanuel Kant is to deontology. Both ethical theories recognize that universal and rational

methods are needed to judge human actions. Kant applies what he calls categorical imperatives to ethical thought. As a formalist theory, deontology contends that in order for an action to be good, it must first pass certain tests against formal rules. For Kant (deontology) these rules were the categorical imperatives. These imperatives determined what he termed moral actions. An ethical action under deontology is unconditioned by time and place (categorical) and universally recognized by all rational people (imperative). Actions, therefore, are not judged on their consequences but on the reasons behind those actions.

Kantian ethics is not prudential, and the reason for undertaking an action is consistent with universal ethical principles. One does what is right because it is right whether or not it is to the benefit of those involved. The cornerstones of the categorical imperatives are that they are: universalizable, respectful of the individual, and acceptable to all rational beings. Ethical actions must be consistent and be appropriate in the same situation time and time again. Also, these actions would always treat human individuals as ends and not means.

Critics of deontology believe the theories are impractical. They feel that formalists fall into the trap of placing ideals ahead of consequential welfare of individuals. A deontologist, if purely so, might be apt to spare a single person's life even if it led to the misery of all.

Another theory, ethical relativism, grew out of the

anthropological movements of the last and current centuries. Relativists believe ethical and moral judgements are valid only within the context of the culture the action occurs in. Ethics, therefore, is only, and no more than, a matter of opinion. Relativism, while it helps impartiality and diplomatic tolerance, is not highly regarded among thinkers. Ethics professor Richard De George of the University of Kansas outlines the logical derivatives of ethical relativism:

- Judgement of an action is nothing more than an expression of your feeling about it. It is not a judgement of any reality.

- You cannot disagree with anyone about the morality of an action. Your opinion is baseless conjecture just like anyone else's.

- Noone can ever be mistaken in a judgement because they are making no claims about actuality, only in their view of them. Therefore you can say one opinion today, the opposite tomorrow and be right both times.

- You can alter the morality of an action simply by changing your opinion of it.

As the reader can see, relativism quickly falls apart into

absurdity. The relativist who cannot criticize unethical conduct in another culture also cannot praise the same's virtue. These virtues are above the relativist's judgements by his own rules.

Having reviewed the various ethical models, one can plainly see that even among ethicists the simplicity of consensus is nonexistent. The construction of a personal ethical model is one which must be made with a great deal of thought. The rewards, however, are worth the effort extended. If, in fact, a decision maker considers himself at all accountable to ethical standards, he must conscientiously resolve his search. Once a manager comes to a comfortable relationship with the ideas ethics hold, he will find that real world dilemmas may be handled more efficiently and certainly less painfully. He will discover that decisions may be reached with relative dispassion. These same decisions, because they are reached rationally, are safer and more defensible.

Is the term "business ethics" an oxymoron? No, it should not be. In practice many firms regard themselves as apart from ethical responsibility. This is because they are incorrect or misdirected in their societal role. Businesses are ethically liable for their actions. The recent public outcry for corporate ethicality reflects not necessarily the erosion of ethical behavior, but rather, increasing awareness and expectations of corporate behavior. In reality, most firms do act, for the most part, in an ethical manner. This

is not surprising. As a legislated (not actual) individual, companies find it quite easy to act in an egoist manner. Firms act according to their own self-interest. For a rational individual, self-interested actions imply ethical actions. It is not difficult to prove that in the long run a company who acts unethically will not benefit from such. The perception of Corporate America as unethical and amoral is attributable to the negative halo effect that surrounds business practice. Not much attention is given to the ethical norm, only the unethical aberration. Like any human being, every corporate individual will eventually commit an unethical act, most times without malicious intent. However, since the unethical act offends us, we remember it.

It is true that companies suffer in the long run if they do not act rationally and ethically. A going concern is not a completely autonomous entity creating products and services. It is a member of a system - an economy consisting of many stakeholders. All stakeholders have influence in the way a business is run. A company which acts unethically to its suppliers will find problems in the long-run obtaining raw materials. Likewise, an ethically poor company will eventually suffer in its markets as buyers begin to shun them because of their activities. All stakeholders, eventually, will similarly follow this cause-effect sequence. One can argue that in the short run, management can control certain stakeholder groups. Dissemination of information is slow, filtering gradually to interested parties. That argument is

true but it doesn't realize the long term compromise. Unethical practices used today at the expense of stakeholders will borrow from future benefits that would have accrued from them. It is not a sustainable advantage.

A trite phrase is applicable to many corporate critiques. "What goes around comes around, and the buck passes full circle." Unethical behavior occurs within the business world. Companies and the managers who run them are a subset of their society. Vice is a fact of human existence. In perspective, all stakeholders in a society (stakeholders defined in its broadest sense) are accessorially liable for prolonged corporate behavior. It is unfair to place total blame on corporations for willed indiscretions. As just mentioned above, corporations are not autonomous entities. Ethical liability arises out of actions freely willed. Therefore all who have the ability to affect corporate actions and willfully choose to let indiscretions persist are vicariously liable. And there can be no doubt that all corporate stakeholders, by their very definition, have means to affect corporate behavior. Unethical behavior is motivated behavior. In the capitalist system one dollar = one vote. The motivational factors that produce unethical behavior are held by stakeholders. This is especially true for the company's intended market. As buyers, the market stakeholders demand products and services that corporations provide. As consumers, society's members may effectively make it impossible for companies to act in the desired

ethical manner. Competitive disadvantage arising from ethical costs readily translates into economic loss. Demanders must either reward those firms who act ethically through consumption choices or accept as a bedfellow the disincentives created. It is a naturally occurring problem that arises in the capitalist system. When economic managers fail to assess the future costs of unethical behavior, he perpetuates it through his choices. Right or wrong, stakeholders in the long run determine corporate decisions and behavior. This, of course, does not preclude a firm from liability arising from decisions. It merely illuminates the stakeholder perimeter that must be factored in.

For all intents and purposes, a company is merely an extension of the individuals who drive it. The implication of this fact is that a company's actions are the responsibility of its managers. This group of people is accountable for the firm's ethical posture. A manager's understanding of ethical principles must display bold clarity as he goes about his daily decision making. Otherwise, indiscretions and misdirected choices can compromise the integrity of a company.

Why is business ethics such a different animal? Mainly because of the nature of business. The operations of a company impact so many individuals that the effects of any decision are widely felt. Compound this with the fact that corporate stakeholders hold conflicting goals, and the decision maker is left with a stressful burden.

Ethical problems encountered in the business world often necessitate examination of consequences and intent. Creative decision making, under the guidelines of ethical principles, will facilitate the resolution of business problems. Ethics has no formulas or pat answers, however careful application will lend order to decision making and help individuals avoid injustice. Because circumstances in the real world compromise the attainment of ethical ideals, managers must attempt to find the best solution. This means that the consequences of any decision must be weighed carefully to fully mitigate harm. At the same time certain immutable standards must never be violated. A manager must use principles of both utilitarianism and deontology in ethical decision making.

Decisions should always, first, be rationally based. Anything else is less than ethical and vulnerable. This means that a decision must never be capricious. Managers should not commit themselves to an action arbitrarily, because the unintended precedent is tainted.

When examining a problem, the manager should first examine the intent of differing decisions. Deontological principles will help indicate which decisions are ethical, and these principles should be used. Manager's decisions must always respect the sanctity of human ends. Anything less is unethical. Any action that hurts the dignity and essence of a human being cannot be justifiably undertaken. European textile mills of the 1900's, using child labor, were

guilty of violating the human ends of the children they
enslaved. No dignified development of the child was possible
under the labor conditions. It doesn't take horrible
oppression to harm an individual's dignity. When they make
decisions, managers must remember this.

At the same time, no individual may be treated solely as
a means to the perfection of the business. This is where the
distinction between used and utilized must be recognized. A
business, as a matter of operation, must utilize its
employees and stakeholders. However, the same firm should
never use a stakeholder. When an individual is used, he is
recognized only as a means to a business end. This is never
acceptable. As a formal rule, the means distinction is
generally clear. If, however, the distinction is vague an
attempt should be made to analyze the circumstances behind a
stakeholder's relation to a firm. If both parties are fully
informed regarding conditions of the relationship, accede
freely to the relationship and do not suffer any indignities;
then the relationship can be regarded as ethical. Perhaps
most important is the fact that both parties freely will the
relationship. An impoverished and unemployed steelworker who
agrees to work at minimum wage, at the beckoning of a mill,
for a discrete period, to cover a labor shortage, is being
used. Why? The man's economic conditions do not allow him
free will, rather he must accept the employment terms knowing
they will offer him no retention. In this case, the worker
is seen only as a means to uninterrupted production. The

treatment of this steelworker is ethically unjustifiable. Another instance of ethical failing occurs in many EEO findings. When the sole reason for hiring an individual is racial background, the dignity of that person is violated. While this is mandated in many instances by law, it represents an affront to human dignity. Companies who willfully engage in devious racial hirings are responsible for unethical conduct.

At this point, the astute manager can evaluate the decision to split the office couple. The decision is unethical. Under the conditions described in the scenario, no detriment to either the quality of work, or the work environment has occurred. If it had, the individuals would have simply been responsible for the harm because they freely willed such. In actuality, the decision to separate the individuals was one derived from moral bias concerning casual relationships. The manager needs to go no further to realize the decision is not ethically based. However, if we ignore this first failure, the separation falls to formal principles. No harm has occurred from the relationship. Separating the couple is a blatant affront to each individual's dignity. Certainly any adult has the right to pursue a relationship with whomever he/she pleases.

The intent of decisions was examined above. Every ethical dilemma must also be examined with regard to consequences. Utilitarian principles are helpful in analyzing the right or wrong of decisions. It was cited

numerous times that business decisions have a far reaching effect on groups of individuals. Therefore, all decisions should be weighed with consideration of the consequences resulting from each. Because of conflicting goals, a decision will never benefit all stakeholders. An effort must be made to minimize harm to individuals. Managers cannot be held responsible for all unintended harm arising from a decision. If they were, paralysis would prevent any action whatsoever. Kilonski and Gannet are on the mark in their evaluation of responsibility and consequence. They state, "If both the means and the end one is willing are good, one may ethically permit or risk foreseen but unwilling side effects." A manager is held responsible only for foreseen side effects. A manager is held responsible only for foreseen side effects. He can will them if the reason for doing so is good. No decision maker is ethically accountable for unintended harm that could not have been foreseen. Quite simply, you cannot will an effect on something if you do not know exists.

When permitting unintended harm, the decision maker is acting ethically only when there is proportionate reason for doing so. A manager cannot permit or risk harm for no reason. To do so is caecidous and evil. However, if the reason is proportionately just, harm may ethically be permitted (so long as these harms do not violate previously outlined deontological principles). Also, if the means or desired ends of an action are not inherently good no harm

intended or otherwise is ethical.

Now that the manager has been given immunity to permit unintended harm, he may weigh the benefits and costs to determine a utilitarian choice. The choice that results in the greatest net good is ethical. Many times, only one choice will produce any net benefits for a group of individuals. The manager must take extreme care to examine available alternatives to mitigate harmful effects of his decision.

I believe that conscientious application of the hybrid model will produce ethically good decisions. It certainly does not constitute any black-and-white solution to the task of ethical decision making. No model can ever do so. Models are only simplified representations of actuality. Hardly ever will a manager's dilemmas be superficial and clear. Every situation and every moment of human experience is painfully complex. When persons interact, the complexity increases. Therefore, decision making in a social structure will never be easy. Creative decision making will always be needed in order to fully resolve ethical dilemmas. Without human reason, models and policies can never attempt to approach ethics. The human essence that represents the cornerstone of ethical principle is inseparable from human judgement, recognition, and evaluation. This role is undertaken by managers in evaluating the ethical implications of corporate techniques.

Business ethics is not being taught in America today. What passes for ethical education is usually nothing more than an exposure to existing ethical opinion. Students do not learn how to make ethical decisions, they only assimilate existing opinion. Sadly, the propensity of managers to look to precedent for want of a current ethical solution to today's problems is reflective of the inability to make ethical decisions. Managers and all decision makers must learn how to evaluate and resolve ethical dilemmas. Unabashed campaigns for social responsibility do not constitute ethical awareness. The enlightened individual will contribute to the welfare of his environment when appropriate. In promoting only one idea, strict advocates of social responsibility are only conditioning behavior. When left to their own devices, uneducated managers will never be able to make social contributions. They will know only to give when asked, coerced, or cajoled.

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