

Chapter 3: Ethics and Social Responsibility

Management 301

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1. 3.1: How Do Ethics and Ethical Behavior Play Out in the Workplace
 - a. **Ethics:** sets standards of good or bad, or right, or wrong, in our conduct
 - b. **Ethical Behavior:** is “right” or “good” in the context of a governing moral code
 - c. Ethical behavior is values driven
 - i. **Values:** underlying beliefs and judgments regarding what is right or desirable and that influence individual attitudes and behaviors
 - ii. **Terminal values:** focus on desired ends, such as goal of lifelong learning
 1. Examples: self-respect, family security, freedom, inner harmony, and happiness
 - iii. **Instrumental values:** focus on the means for accomplishing these ends, such as the role of intellectual curiosity in lifelong learning
 1. Examples: honesty, ambition, courage, imagination, and self-discipline
 - iv. “Postmodern Learning:” where students are taught to collaborate and utilize communication
 - d. What is considered ethical varies among moral reasoning approaches (Four philosophical views on ethical behavior:)
 - i. **Utilitarian view:** considers ethical behavior to be that which delivers the greatest good to the greatest number of people
 1. Founded by John Stuart Mill
 2. Tries to assess the moral implications of our actions in terms of their consequences
 3. Relies on future outcomes that are difficult to predict
 - ii. **Individualism view:** focuses on the long-term advancement of self-interests
 1. People become self-regulating as they strive for individual advantage over time
 2. *Pecuniary ethic:* push the law to its outer limits and to over other people to achieve one’s objectives
 - iii. **Justice view:** considers a behavior ethical when people are treated impartially and fairly according to legally rules and standards
 1. Four types of workplace judgment:
 - a. **Procedural justice:** the fair administration of policies and rules
 - b. **Distribution justice:** the allocation of outcomes without respect to individual characteristics, such as those based on ethnicity race, gender, or age
 - c. **Interactional justice:** treating everyone with dignity and respect
 - d. **Commutative justice:** focuses on the fairness of exchanges or transactions

5. *Organizational Resources*: using official stationary or a business e-mail account to communicate personal opinions to make requests from community organization
- g. People have tendencies to rationalize unethical behavior
 - i. It is not really illegal: behavior is acceptable, but questionable
 - ii. It is in everyone's best interests
 - iii. No one will ever know about it
 - iv. The organization will stand behind me
2. 2.2: How Can We Maintain High Standards of Ethical Conduct?
 - a. Personal character and moral development influence ethical decision making
 - i. Character: reflection of family influences, religious beliefs, personal standards, personal values, and past experiences
 - ii. **Ethical frameworks**: well-thought-out personal rules and strategies for ethical decision making
 - iii. Three Levels of Moral Development (Kohlberg):
 1. **Postconventional Level (Principle-Centered Behavior)**:
 - a. Stage 6: Act according to internal principles
 - b. Stage 5: Live up to societal expectations
 2. **Conventional Level (Social-Centered Behavior)**:
 - a. Stage 4: Follow rules, meet obligations
 - b. Stage 3: Act consistently with peers, others
 3. **Preconventional Level (Self-Centered Behavior)**:
 - a. Stage 2: Make deals for personal gain
 - b. Stage 1: Avoid harm or punishment
 - b. Training in ethical decision making can improve ethical conduct
 - i. **Ethics training**: seeks to help them understand and best deal with ethical aspects of decision making and to incorporate high ethical standards into their daily behavior
 - ii. Pressure = difference between ethical dilemma in training seminar or part of class discussions
 - iii. **Spotlight questions**: highlight the risks from public disclosure of one's actions
 - c. Protection of whistleblowers can encourage ethical conduct
 - i. **Whistleblowers**: persons who expose organizational misdeeds in order to preserve ethical standards and protect against wasteful, harmful, or illegal acts
 - ii. *Strict chain of command*: can make it hard to bypass the boss if he or she is the one doing something wrong
 - iii. *Strong work group identities*: can discourage whistleblowing and encourage loyalty and self-censorship
 - iv. *Ambitious priorities*: sometimes make it hard to distinguish right from wrong
 - d. Managers as positive role models can inspire ethical conduct
 - i. Managers at all levels have power to influence ethical behavior
 - ii. Archie Carroll ideas on management: