

Business Ethics/Corporate  
Social Responsibility Overview

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Business Ethics & Corporate Social  
Responsibility: The Moral View

- Ethics is concerned with the following:
  - Good vs Bad
  - Right vs Wrong
  - Fair vs Unfair
  - Praise vs Blame

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Business Ethics & Corporate Social  
Responsibility: The Moral View

- Deontology:
  - An ethical theory that holds that actions are right or wrong independent of their consequences

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**Ethical Decision-making**

- Does the contemplated action:
  - Conform to important principles?

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**Ethical Decision-making**

	1	2	3	4	5	6
principles						
outcomes						
fairness						
caring						
liberty						
character						
sustainability						

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**Discussion Questions:  
Trevino/Nelson Case Vignettes**

- Effective Supervision
- You return from vacation and find that while you were away, your assistant forged your name to a cash advance to cover the cost of office supplies. Although the purpose of the advance is appropriate, you're frankly shocked that your assistant would forge your signature.
- \*How do you handle this employee?

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**Discussion Questions**

- Trevino/Nelson (p. 282) offer four principles for the resolution of ethical dilemmas in the international context:
- ...\*Human rights and fundamental freedoms--this principle is based on belief in the inherent worth and dignity of every individual and equality of rights of all human beings. However, this principle often competes with other principles...
- Are there universal human rights--and if so, what are they?

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**Business Ethics & Corporate Social Responsibility: The Moral View**

- Utilitarianism:
  - An ethical theory that holds that actions are right if they produce, or tend to produce, the greatest amount of good for the greatest number of persons

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**Ethical Decision-making**

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?

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### Ethical Decision-making

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### Discussion Questions

- What are the core ethical criticisms of utilitarianism?
- How might these best be remedied?

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### Business Ethics & Corporate Social Responsibility: The Moral View

Would you be willing to murder an innocent person if it would end hunger in the world?

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**Business Ethics & Corporate Social Responsibility: The Moral View**

You are given the power to kill people by thinking of their deaths and twice repeating the word "good-bye." People would die a natural death and no one would suspect you...

➤ Are there any situations in which you would use this power?

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**Business Ethics & Corporate Social Responsibility: The Moral View**

Brady's Survey of Ethical Theoretic Aptitudes

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**Business Ethics & Corporate Social Responsibility: The Moral View**

➤ Justice:  
– Consists in giving each person his or her due, treating equals equally and unequals unequally

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### Ethical Decision-making

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?

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### Ethical Decision-making

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### Discussion Questions:

- Out of the five principles of ethical reasoning (ethical relativism, utilitarianism, universalism/deontology, rights, and justice), is there one approach that is generally superior? Is there a superior combination of approaches?

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### Business Ethics & Corporate Social Responsibility: The Moral View

➤ Ethic of Care:

- Asks us to recognize and take seriously the moral worth of relationships, particularly those characterized by caring

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### Ethical Decision-making

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?
  - Promote caring relationships?

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### Ethical Decision-making

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Discussion Questions:

- What specific experiences can you provide which exhibit the conflict between the *ethic of care* and *justice*? The conflict between *utilitarianism* and *deontology*?

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Business Ethics & Corporate Social Responsibility: The Moral View

- **Libertarianism:**
  - Suggest right action consists in maximizing the capacity for free, informed personal choice

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**Ethical Decision-making**

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?
  - Promote caring relationships?
  - Advance personal liberty?

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### Ethical Decision-making

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### Business Ethics & Corporate Social Responsibility: The Moral View

- Virtue theory:
  - Focus is on achieving our personal ethical ideal—a matter of who we are, not what we do

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### Ethical Decision-making

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?
  - Promote caring relationships?
  - Advance personal liberty?
  - Stimulate personal ideals?

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### Ethical Decision-making

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### Discussion Questions

- Trevino/Nelson (p. 145) argue that:  
The ideal is to make the organizational environment one that supports ethical conduct and "integrity." Integrity is defined as that quality of state of being complete, whole, or undivided. So the ultimate goal is to bring these multiple ethical selves together--to support the idea that a business person can be equally ethical at the office and at home. But managers should pursue that goal with the practical understanding that many people find it quite possible to divide themselves into multiple ethical selves.

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### Discussion Questions

- What practical prescriptions might you offer organizations which want to encourage 'integrity' on the part of their employees?
- How might corporate reward systems be structured to promote 'integrity'?

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### Business Ethics & Corporate Social Responsibility: The Moral View

➤ Land Ethic:

– A thing is right when it tends to preserve the beauty, stability, and integrity of the biotic community. It is wrong when it tends otherwise.

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### Ethical Decision-making

- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?
  - Promote caring relationships?
  - Advance personal liberty?
  - Stimulate personal ideals?
  - Contribute to sustainability?

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### Ethical Decision-making

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- Gather the facts
- Does the contemplated action:
  - Conform to important principles?
  - Create more good than harm?
  - Lead to fair outcomes?
  - Promote caring relationships?
  - Advance personal liberty?
  - Stimulate personal ideals?
  - Contribute to sustainability?
- Think creatively about potential actions
- Check your gut

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**Discussion Questions:  
Johnson Controls**

➤ Johnson Controls Case:  
What are the key issues in this case?  
How would you go about thinking through these issues?

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**Discussion Questions:  
Johnson Controls**

- What do you see as the fundamental moral dilemma in the Johnson Controls case?
- The moral dilemma represents a conflict between \_\_\_\_\_ and \_\_\_\_\_

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Discussion Questions:  
Johnson Controls

- As the director of human resources for Johnson Controls, would you support or change the policy on women performing lead-exposure tasks? What ethical justification can you provide for your position?

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Discussion Questions:  
Johnson Controls

- To what extent should a woman have the right to make decisions that will affect not only her health but the health of her unborn child? To what extent should a woman's consent to or acknowledgment of danger mitigate an employer's liability? What if a child born with lead-induced birth defects sues? Should the mother's consent apply as a defense?

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Discussion Questions

- What principles do you think we would do well to live by?

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• Principle-based Reasoning

- Avoid all appearance of impropriety
- Never put private gain above the collective good
- Live your life with humility, never underestimating your capacity for self-deception

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**Business Ethics & Corporate Social Responsibility: The Social View**

➤ For whose benefit ought the corporation act?

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**Business Ethics & Corporate Social Responsibility: The Social View**

Stakeholder: Any group which either...

- ...can affect the ability of the corporation to achieve its mission,
- or
- ...which is affected by the corporation's activities

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**Discussion Questions**

- What is the "link between the firm's ethical responsibilities or perspectives and its major stakeholder groups"?

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**Discussion Questions**

- In The Pyramid of Corporate Social Responsibility, Archie Carroll seems to suggest that there are hierarchical interests with which corporations are involved. These interests range from economic to legal, social and ethical [see also Trevino/Nelson pp. 28-30]
  - \*Is Archie correct in his evaluation?
  - \*What is implied by the metaphor of hierarchy?
  - \*How might this model be applied in the context of the organization with which you are currently employed?

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**Discussion Questions:  
Trevino/Nelson Case Vignettes**

- **Employment Basics**

You've recently been promoted to a supervisory position and are now responsible for coordinating the work of four other employees. Two of these workers are more than 20 years older than you are, and both have been with the company much longer than you. Although you've tried to be supportive of them and have gone out of your way to praise their work, whenever there is some kind of disagreement, they go to your boss with the problem. You've asked them repeatedly to come to you with whatever issues they have; they just ignore you and complain to other workers about reporting to someone your age.
- Design a strategy for dealing with these workers and your manager

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Discussion Questions:  
Trevino/Nelson Case Vignettes

- Blowing the Whistle

A young man you manage tells you that one of your female peers has made a sexual advance toward him. Your peer is married, has children, and is a popular and respected department head. The young man is very flirtatious and has mentioned unwanted sexual attention from other women in the company on at least two other occasions. However, this is the first time he has named names and has made what appears to be a "formal" complaint.

- How do you handle this?

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