Conversations on Ethics and Business

A Guide to Thinking About Workplace Ethics

By

Randy Richards, Borna Jalsenjak and Kristijan Krkac

With a Foreword by **R. Edward Freeman**

Conversations on Ethics and Business: A Guide to Thinking About Workplace Ethics

Randy Richards, Borna Jalsenjak and Kristijan Krkac

This book first published 2023

Ethics International Press Ltd, UK

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Copyright © 2023 by Randy Richards, Borna Jalsenjak and Kristijan Krkac

All rights for this book reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical photocopying, recording or otherwise, without the prior permission of the copyright owner.

Print Book ISBN: 978-1-80441-008-0

eBook ISBN: 978-1-80441-009-7

Dedication

Randy Richards: To Father Bill "Digger" Dawson who lit a philosophical fire in a nineteen year old that still burns today.

Borna Jalsenjak: To Valerija and Augustin who are teaching me humility and perseverance.

Kristijan Krkac: To my teacher and friend Professor Ivan Macan, SJ (1939-2015) who raised me simultaneously in the rigor of analysis and pursuit of originality and creativity.

Table of Contents

Dedication	iv
Foreword	vii
Preface	viii
Acknowledgments	xii
Introduction	xiii
Part One: Ethical Decision-Making and Business Ethics	
Chapter One: Ethical Decision-Making in Business	1
Chapter Two: Is Obeying the Law the Only Ethical Obl Business?	C
Chapter Three: Three Approaches to Ethical Decision-N	Making.40
Part Two: Ethical Issues Involving Honesty	62
Chapter Four: Motivation and Manipulation	63
Chapter Five: Consumer Ethical Choices	81
Chapter Six: Lying and Buying	97
Chapter Seven: What is Known to Them but Hidden Fro	om Us. 112
Part Three: Ethical Issues Involving Fairness	126
Chapter Eight: Fair Pay	127
Chapter Nine: Discrimination	142
Chapter Ten: Promotions and Layoffs	159
Part Four: Acting on Values	174
Chapter Eleven: Empathy in the Workplace	175
Chapter Twelve: Speaking Up and Taking a Stand	190
Conclusion	205
Glossary	208
Bibliography	216
About the Authors	232

Foreword

This is a unique volume in business ethics and in all of management theory. The authors express a concern with the practicality of many business ethics textbooks, claiming that while they may be theoretically sound, they do not offer much assistance in applying the theories to actual cases. Their solution is to write a book that is entirely based on dialogue among the authors. These authors have a wide range of academic and business experience and as the dialogue unfolds we find them engaged in trying to solve some real issues in business ethics, such as how to blow the whistle, how to deal with illegal actions, and others. And they do so while not neglecting important theoretical issues such as how far do contracts and obligations go towards acting ethically.

The chapters on motivation and discrimination are particularly good with respect to how they treat the interaction of philosophical analysis with real every-day business problems. And section 4 on acting on values contains much valuable advice for business students.

Each chapter ends with a summary of its arguments and a very useful guide to further material, some of which is academic and some that is professional, with a scheme to make it clear to the reader the nature of a particular piece of material.

Overall, this will be a very useful book not only for business ethics courses, but also for anyone interested in getting to know more about what counts as good thinking about the role of ethics in business.

R. Edward Freeman University Professor The Darden School, University of Virginia

Preface

"There must be something in books, things we can't imagine, to make a woman stay in a burning house; there must be something there. You don't stay for nothing."

Ray Bradbury, Fahrenheit 451

Yet another book on business ethics? As business ethics professors, we have used dozens of business ethics textbooks in our teaching. We have found them focused more on the concepts and evolution of concepts rather than on applying the theories to the realities of everyday organizational life. They might offer an excellent conceptual treatment of business ethics topics, but leave it to the instructor and the students to figure out how to apply the learning to everyday practice. We have come to believe that, unfortunately, this rarely happens well. When it comes to facing the daily realities of the workplace, such an approach provides little guidance on what to look for and what to do about on-the-job ethical issues.

In contrast, we address these shortcomings with straightforward, informal conversations about topics pertinent to business ethics rooted in real-life experience. Our approach:

- 1. Utilizes the dialogue method to make the learning as accessible and direct as possible.
- 2. Practices academic integrity by providing the readers with curated in-depth materials for both working professionals and academics for further study and exploration.
- 3. Begins with and explores real-life work situations prior to seeking guidance from possible theories, rather than starting from theory first.

- 4. Presents our case for ethics as an integrated part of human lives.
- 5. Uses plain language.

We initially intended to write this book in a standard textbook format. As we conversed about how to proceed, it became apparent that if we wrote the textbook using the standard format, we would find ourselves trapped in what we find objectionable. Therefore, we decided to address business ethics topics through dialogue. After reading William Isaacs's (1999) book *Dialogue and the Art of Thinking Together*, we were inspired to use this approach. This decision resulted in us having conversations about what we felt were important topics for business ethics. Our conversation forms the core of each of the chapters. Our intention is not to offer a comprehensive view of each topic but to open up a space for others to join in the conversation. That space could be either in a classroom or a conference room.

We supplement these informal conversations with carefully curated materials to be used either by academics, students, or professionals to explore further. We have grouped the supplementary materials into separate sections: those for professionals and those for academics. We have done this by keeping in mind that readers might have different interests in how to go above using what is in this book.

Philosophy is at the center of any applied ethical considerations. Unfortunately, philosophy sometimes tends to be overly technical and abstract. As Stark (1993) points out:

Far too many business ethicists have occupied a rarified moral high ground, removed from the real concerns and real-world problems of the vast majority of managers. They have been too x Preface

preoccupied with absolutist notions of what it means for managers to be ethical, with overly general criticisms of capitalism as an economic system, with dense and abstract theorizing, and with prescriptions that apply only remotely to managerial practice.

Therefore, we use clear language and common real-world examples to explain and illustrate how ideas from ethics and other philosophical disciplines can be helpful.

This book's major theme is that ethics can and should provide guidance and support in dealing with everyday professional (but also personal) challenges and dilemmas. Ethical consideration is not something restricted to classrooms; it should be a regular aspect of human lives because it is a regular aspect of human lives. We will explain and demonstrate that ethical considerations and methods serve to help people make better decisions. Yet, sometimes seemingly simple things are more complex than they appear on the surface. To quote Peter Strawson (1992): "There is no shallow end to the philosophical pool" which is why our conversational approach is useful.

This book has four parts. In Part 1, we explore topics relevant to decision-making and the important ethical theories for better decisions. We outline three frameworks or lenses that can be applied to business decisions: (1) considerations based on our duties or obligations (2) considerations of the results or consequences of our decisions and (3) considerations based on the character and virtues of the decision maker.

With Part 2, we address workplace issues connected to various virtues. The first theme is honesty. We talk about: (1) the differences and lines between motivation and manipulation (2) themes

associated with selling and telling the truth (3) what is the responsibility and the influence of consumers and (4) what are some of the ways we can look at the issue of disclosure of information.

In Part 3, we examine fairness issues. We follow the critical events of an employee on the job experiences, including getting hired, receiving a fair wage, getting promoted or dismissed, and various ethical transgressions that may occur in the course of one's employment.

In Part 4, we discuss themes connected to taking action, speaking up and standing for one's beliefs, and acting with compassion in the workplace.

Bibliography

Isaacs, W. (1999). *Dialogue and the art of thinking together: A pioneering approach to communicating in business and in life* (1st ed). Currency.

Stark, A. (1993). What's the Matter with Business Ethics? *Harvard Business Review*, *May-June*.

Strawson, P. F. (1992). Analysis and metaphysics: An introduction to philosophy. Oxford University Press.

Acknowledgments

We would like to thank the people who influenced us the most in business ethics, corporate social responsibility, and sustainability through numerous collaborations and/or their work. Namely, David Crowther, R. Edward Freeman, and Norman Bowie. And to our students who advanced in philosophy and business ethics because, without them, we wouldn't progress as teachers.

We are also grateful to the hundreds of business practitioners who have shared their experiences with us in class, at work, in private conversations, and in professional development workshops. These conversations have made it clear to us that, generally, people want to do the right thing but don't always do it either out of ignorance or fear. We hope our efforts here can provide those people with some practical ways to understand how to get a better answer. And perhaps, in that process, find the courage to pursue it.

Introduction

Conversations on Ethics and Business utilizes informal conversations about real-life ethically challenging on-the-job situations as the book's distinctive feature. The three authors dialogue about these types of questions opening a space for others to join the conversation. The result creates a relaxed atmosphere where friends talk about the issues people face at work. Why do this?

Andrew C. Wicks (2010, pp. xvi–xvii) identified two things about teaching and applied business ethics. These ideas drive this book. First, Wicks (2010, p. xvi) noticed: "The failure to connect ethics to the core of business and to the decision-making perspective of managers is a dysfunctional and unhelpful approach to business." Second, he also noticed that: "(...) treating ethics as a problem-solving tool, rather than as fundamental consideration in the day-to-day activities of a company fails to capitalize on the positive and constructive role that ethics can play in creating value at a company and as a foundation for successful and sustainable business." (Wicks, 2010, p. xvii)

Although more than a decade has passed since Wicks co-wrote his textbook, we believe that the shortcomings he identified still plague us. Many business ethicists, teachers and students have a hard time connecting academic theories to business contexts; sometimes because the teacher lacks any real-world work experience outside of academia, and sometimes because the students lack any real-world work experience. Additionally, ethical theories tend to be carefully crafted round holes while real-world work experiences come in the form of misshapen square pegs.

xiv Introduction

At the same time, managers struggle to see the purpose of applied ethics. Business professionals typically look at business ethics as something that might be added on but not something to be fully integrated into their everyday work life. Words of John Stuart Mill, as quoted by Thomas J. Donaldson, ring true to the authors' perspective: "People are people before they are lawyers, or physicians, or merchants, or manufacturers; and if you make them capable and sensible people, they will make themselves capable and sensible lawyers, physicians, or merchants." (Donaldson & Freeman, 1994, p. 8)

To us, this seems foundational. No good reason separates our business careers as an isolated part of our lives. Professional life exists as just another facet of our overall lives. In a lifetime, we play many roles, often simultaneously. Therefore, we approach these topics in an integrated approach.

How is this book different from other books on business ethics?

We have decided to write our book using dialogue as the primary method to present the book's content to our readers. We chose to adopt and adapt this ancient pedagogical style because we believe it provides a more direct and lively access to the material.

We created the book in a relatively straightforward way. Each of the chapters covers a specific topic. Prior to our conversation, we prepared a brief about the chapter topic defining what we want to cover in our talk. In preparing these briefs, each of us selected what we considered to be the fundamental issues relevant to the chapter's topic. After we had a preliminary understanding of what we wanted in the chapter, we organized a video conference call. Our recorded conversations lasted about one hour. We transcribed the conversation and edited the text. That transcription forms the center

of every chapter. Once we were satisfied that it opened the conversation on the topic, we added the summary. Finally, we selected additional materials for further study and exploration of the topics. To be clear, we are not claiming our conversation provides a comprehensive coverage of each topic. Rather, we engaged in an exploration of possibilities and perspectives. We discovered on nearly every topic that our conversations opened up unexpected new insights for us. We believe this became possible because we were more interested in inquiry and exploration than in a typical philosophical debate. Our hope is that our dialogue will stimulate others to follow suit and benefit from their own conversations.

Of course, many different views exist on how to structure a book on business ethics - what matters to include, and what to leave out. When we planned the book's structure, we decided not to start with the theoretical concepts and try to apply them through case studies. Nor did we decide to structure the book following stakeholder classification of some kind, such as primary and secondary social and nonsocial stakeholders and issues connected to them. Rather, we decided to pick the topics of the chapters based on our own real-world work, our interaction with working professionals from all walks of life through professional workshops and executive coaching, and our combined experience of teaching business ethics of nearly a century. When we thought about it, we grouped the questions asked in our classes, workshops, and our own work experience into values categories.

How will this book impact the readers?

First, we believe this book offers a direct line and insight into business ethics for readers. By reading the conversations first and following up with the recommended material, our readers should see how questions that appear in real-life can be clarified by various xvi Introduction

ethical frameworks or perspectives. So our conversation creates a space that invites the readers to explore these topics more deeply through the curated and guided list of additional material. We have readily available material to all and often free of charge. As we noted above, we hope this encourages our readers to explore these topics with their own dialogue partners.

Second, this book offers an introduction to business ethics for working professionals who may not have had any formal exposure to an ethical examination of the typical problems of running a business. We show that business ethics must be integral to everyday business decisions. Our approach should help working professionals make better choices and create value for various types of stakeholders on a dozen issues. Working managers can target those issues that seem especially relevant in their circumstances.

Finally, with various examples from the real world, followed by conceptual and academic discussion, we believe this book serves as a good primer for all readers interested in business ethics and ethics in general because of the broad reach of high-quality accompanied readings. If readers are interested in academic coverage of the topics, then the materials in the theoretical sections should serve them well. On the other hand, if readers are interested in practical application, more professionally oriented materials should also serve them well. To lay our philosophical cards on the table: good ethics is good business.

What is the general structure of the book and chapters?

Each of the chapters in this book has the same structure. The chapters start with the introduction, revealing the topic under consideration.

After the introduction, the next part of the chapter is the edited transcription of the actual conversation. As much as possible, we have done our best to keep the flow of the ideas from our conversation. Our only textual intervention breaks up the discussion with subtitles to delineate different focuses in the conversation.

After our conversation, we summarize each of the topics' key points to give the readers condensed takeaways of the conversation in a streamlined and easily accessible form. On top of this, we further deepen the topics by providing suggestions on where to research more on the issues in question. We offer references that we used in the actual conversation.

Each chapter ends with resources, activities, and materials pertinent to the topics discussed in the chapter. Here, we provided readers with high-quality curated materials to be used either in class or to continue the individual exploration of the topics in the chapters. We grouped the materials in those primarily for professionals separate from those for academics. Materials for professionals relate to the application of the ideas discussed. (Designated as (PF)). Materials for academics offer a deeper look into the chapter's theoretical foundations. (Designated as (AF)).

This book has four parts. Part 1 introduces business ethics as an area of applied ethics and provides guidance on how to make better ethical decisions. Primarily these questions arise in the context of ethics in the workplace. Our conversation tries to clarify everyday decision-making choices. Furthermore, we challenge the often-held opinion among business practitioners that the only ethical obligation of business is to obey the law. Finally, three classical ethical theories (we call them "frameworks") are discussed using everyday language.

xviii Introduction

Parts 2 – 4 cover the application of general ideas introduced in Part 1 to the most frequent issues (as we see them) that appear in the business world. Part 2 examines honesty as it applies in common situations of everyday work life. Honesty, or the lack of it, forms a central concern of employees, customers, and other stakeholders in how they are dealt with in companies. First, we examine the wellworn topic of employee motivation in light of the real potential for manipulation. We continue to treat issues related to honesty by examining the question: Can people be unintentionally dishonest in business transactions? Further, we believe that the notion of honesty cuts both directions, so that customers, as well as companies, face their own questions about honesty. We close this section of the book by examining what kind of information and to what degree requires transparent disclosure. For example, the idea of fine print seems to us especially curious because we wonder if the purpose of having fine print is the expectation that people will not read it.

Part 3 takes on the topic of fairness. Like honesty, people seek fairness, especially in the corporate world, where the distribution of benefits and burdens stands at the center of most business decisions. We explore fairness in workplace issues concerning starting work, working, and leaving or changing employment. We follow an employee's entire life cycle, starting with issues connected to compensation. Moving from compensation issues, we explore the difficult terrain of fair treatment related to ethnicity, gender, and sexual orientation. Here we consider the cumulative effects of systemic discrimination. We close this part by discussing mechanisms for promoting, demoting, and laying off employees.

Two other values that draw our attention are courage and compassion and so these values delineate the fourth part of our book. Knowing what is the right thing to do and having the courage

to do it in the face of corporate or peer opposition forms a significant part of many people's work experience. Under what circumstances should we speak up and take a stand for one's beliefs in the face of disapproval and even punishment? In the presence of suffering in the workplace, how should we exercise empathy and compassion for those who are suffering?

```
In Rock Island (U.S.) and Zagreb (Croatia)
December 20, 2022
R.R.
B.J.
K.K.
```

Bibliography

Donaldson, T., & Freeman, R. E. (Eds.). (1994). *Business as a humanity*. Oxford Univ. Press.

Wicks, A. C. (Ed.). (2010). Business ethics: A managerial approach. Prentice Hall.

Part One: Ethical Decision-Making and Business Ethics

Chapter One Ethical Decision-Making in Business

"I can't go on. I'll go on." Samuel Beckett

In this conversation, we explore what kinds of considerations people should use when making decisions about what to do in business when faced with what may be an unethical request or practice. We draw on our practical experience in working in business and the stories we have heard in teaching business ethics. We uncover three basic ethical frameworks: consequences, obligations, and personal values important for making better ethical decisions. Our conversation explores how people might employ these three frameworks or perspectives in making decisions in real-life business contexts.

We open the topic with illegal practices, which, on first thought, might be the simplest to decide on what to do. However, further exploration uncovers these decisions may be more complex than initially thought. In the process of touching on legal obligations, we show how obligations alone are not enough to decide what to do. We suggest that in any business ethical decision people find there is a complex interplay of obligation, consequences, and personal codes of ethics. We introduce these ideas for more in-depth conversations on just how that works for later chapters on specific topics.

Finally, we explore the assertion that business is a "special" domain requiring a different set of ethical considerations because of the oftrepeated claim that the purpose of business is to maximize profit. Our critique of that assertion flows from a challenge that there

would be a singular value or rule that would dictate all actions we should take. Once again, we re-enforce the recognition of the complexity of ethical decision-making involving obligations, consequences, and personal identity.

Conversation #1: Ethical Decision Making in Business Participants: Randy Richards & Borna Jalsenjak

Randy: Good afternoon, Borna. Good to see you, again.

Borna: You, too. Kristijan can't make our conversation today but wants us to go ahead.

Randy: He will be missed.

Borna: So, how would you like to start, Randy?

Randy: Well, you and I have explored this territory before. People confront questions at work where they worry if what they are being asked to do is right or wrong. Or maybe they should be worried but are not. So, I think that's a good place to start. So let's take up the question of deciding what's right and wrong on the job.

Borna: Agreed.

Types of ethically challenging actions

Randy: Lots of ways to get at this but let's say that an employee's boss asked them to do something that troubles them. They have a sense it might be wrong.

Borna: I often hear in my classes that not only do they think it's something they shouldn't do. It actually might be contrary to some

stated policy within the organization or even covered by the law. In either case, they are asked to do something which seems improper.

Randy: You have made two important distinctions, Borna. On the one hand, you have people who are asked to do things that may violate the law. Secondly, you have people who are asked to do things that may be against company policy. I would add a third distinction. You have people who are asked to do things that they believe are some kind of violation of a personal ethical code.

Borna: Employees and managers may be faced with any or all of these three kinds of situations on the job. I would add they are not mutually exclusive. Situations arise that fit into more than one of these categories.

Criteria for decision-making

Randy: The problem facing people in business is how to decide what I should do in these situations. Frankly, these things can be complicated and messy. Not everyone agrees about what I should or shouldn't do.

Borna: Yes, ethics is always about making good choices and trying to avoid the bad ones.

Randy: In all three of the situations you brought up, we could ask what the process is for making an ethical decision. What kinds of factors do we weigh to lead us in one direction rather than another? And, as we said, things can be complicated and confusing. Even in the cases of illegality which initially might appear to be more clearcut.

Borna: Right. The simple answer is if it's illegal, don't do it. But as you said, it can be more complicated.

Randy: Let me give you an example of an ethical issue involving illegal behavior. It's one I was involved with personally before I became an academic. I was working for a company that sold auto insurance. The head underwriter was using different criteria for evaluating auto insurance based on gender. Stricter criteria for women than for men. He would assign different rating criteria for women that had been divorced or women who were single than men in the same categories. This made their rates worse, which meant those women had to pay more for the insurance.

Borna: Why did he do that?

Randy: Good question. I talked to him about that. I told him that it was clear to me that these practices were illegal. You can't make those kinds of distinctions based on gender. He said that he thought that they, the women who were divorced or single, posed greater risks of having auto accidents than women who were married or men in the same categories. I asked if there was any data for this. He said that was his experience and his judgment to make.

Borna: Then what?

Randy: I raised the issue with his boss, who was also my boss. And my boss said, well, we're going to do what he says anyway because he is in charge of underwriting that's his decision, and he has a reasonable defense. So that was pretty much the end of the discussion. Now I wasn't asked to do anything here. I was just an outside observer, so to speak. But the women who worked for him were being asked to apply these discriminatory rates. They began to question what they should do about this.

Borna: You know what I like about the example is that the insurance company's action did not actually seriously hurt anyone. The repercussions for the insured were not horrible. They might be unfair, and they might be illegal, but no one got seriously harmed. It's not like they were being poisoned by some toxic product. I think that makes your story harder to untangle in regard to what to do.

Randy: Plus, if the insured don't like what the rates are, they don't have to buy the insurance. They are free to buy it elsewhere.

Borna: Right.

Randy: So, now, Borna, you are bringing to light one of the considerations that we would weigh in making our decisions. That is, what are the consequences of doing this? The consequences of that for the potential insurance customer, as you indicated, were harmful but minor and voluntary.

Borna: Exactly, good.

Randy: Then we should ask what were legal consequences for those women who were clerks if the insurance commission found out. The answer is nothing. They were simply doing their jobs. But what would the consequences be if they made an issue out of this for the company? Let's say they confronted their boss and others in positions of authority. What are the consequences of that? I think it is fair to say they would be punished in some way, perhaps let go. In any case, the potential harm to them would be serious.

Borna: Right.

Randy: So now they need to weigh the relatively minor consequences (harm) for customers who are free to go elsewhere

versus the more potential, more severe, ones for them on the job that might endanger their livelihood. If we are only looking at consequences, then their choice would seem to be not to make it an issue with those above them.

Borna: I guess the harm to the insured is not so harsh that they should risk their family's livelihood at that point.

Randy: I think that is the calculation that almost everyone would make at that point based on the immediate consequences.

Borna: But what about you? Even though you weren't involved directly, you knew it was going on. You knew it was illegal and unethical. Did you do enough to confront the unethical practice?

Randy: Ha! An excellent question, my friend. Even though I was not asked to do anything myself, maybe some people would say that I didn't go far enough. I didn't persist in making it more of an issue. Or maybe I could have filed some kind of anonymous complaint with the state authorities. Weighing all of the consequences out, I decided I had done enough. The customers had a choice. I mean, maybe even doing this, the person got a better rate from us than they would have from some other company. So even given the discriminatory rating, it's possible that they still could have been better off with our company. That's another possibility. But still, others may have a point. Perhaps, I should have done more. Perhaps I was overly concerned about the potential consequences to me. Nonetheless, even today, I'm not sure if I should have gone further.

Borna: Right, well I guess we can bring in now, if the consequences don't give us a clear idea, other criteria into our conversation.

Randy: I agree, but no matter what else we do, the consequences are something that we have to weigh in. We may not be sure how much they should count, but they count for something.

Borna: Yes, they must be a factor, but often not the only one.

Randy: You and I both know; different kinds of ethical theories ask us to consider the consequences in different kinds of ways. Some ethical theories say they mean everything. Others claim they mean nothing. You and I are probably somewhere in the middle. They mean something, not everything, and not nothing. I think we would likely say, it depends on the situation and the severity of the harms.

Borna: Well put, but now I would like to raise a second framework for making ethical decisions that doesn't involve consequences. Think about this, do you want to be the person who looks the other way when women are being treated unfairly?

Randy: Ouch. But okay, keep going.

Borna: Single divorced mothers, for example, to make it more interesting, right? Why would you take even a little bit of amount from, I don't know, her monthly income for a higher rate when they could use that income to buy a present for her kid or whatever.

Randy: Sure. So even here aren't you still looking at the consequences?

Borna: I am, but that's not my point. The ethical question I am raising is - what kind of person are you? Everyone has an idea of what kind of person they are, or want to be. Let's call it a personal vision of who we are and who we want to be that is key to understanding the second perspective. Traditionally, this ethical

perspective is known as virtue ethics. It has to do with the quality of our character.

Randy: This notion of character cuts deep into all kinds of business ethics issues. It speaks to our sense of who we are and what we stand for and what we're capable of - a significant part of our very identity.

Borna: My understanding of who I am should figure into my decisions along with the consequences of the decision. My identity is the framework from which I consider how important the consequences actually are. At the end of the day, the question is can I look in the mirror, so to speak, and respect the image that I see?

Randy: I will say that personally I have been fired for refusing to do something because it did rise to the level I couldn't accept. In certain situations, we could not get up in the morning and look in the mirror and say this is who I am. Even if the consequences for ourselves are severe, it's a violation of who I am. No matter what the consequences. We have to be true to our core identity.

Borna: Alright, I think that's a good introduction to the idea of virtue or character perspective in making ethical decisions. And before that, we explored the idea of consequences as another set of criteria we can use to evaluate our ethical decisions. There is also a third perspective or framework. Let me raise the concept of duties or obligations. What are our obligations towards ourselves and others? There might be multiple sources of those duties.

Randy: Yes, good. All of those possible duties or obligations, cut across all those categories that we've talked about - legal, organizational, personal ethical issues. Our duties or obligations can arise within the legal system, company policies, natural reason, religious texts, and the roles I play at work and elsewhere. Whatever

the source, our duties can be relevant to a very large number of ethical issues. Reflecting on those duties should form a significant part of our ethical evaluations.

Borna: There we have it. The three traditional frameworks or perspectives on evaluating ethical issues. You would look at the consequences to everyone affected by the decision. You would look at your idea of who you want to be and who you are and how it aligns with what you think are virtues. And of course, you would look at what you ought to do, or your duties, wherever their source and they themselves are stated. As we look at the specific business issues or topics in the ensuing chapters, we will use these frameworks to explore them.

Randy: Nice summary.

Business is a topic for ethics

Borna: So I think our conversation can now turn slightly to the question of ethics applicability. In other words, is business so special that it needs to have its own topic or its own field of discussion regarding ethics?

Randy: It seems that the application of these ethical perspectives would apply in business and organizations as well as in my neighborhood or with my friends and family.

Borna: I think so, and I know you think so. However, many business managers and executives disagree with us.

Randy: Situations that arise in business and organizations present us with certain kinds of problems. As we apply the ethical decision frameworks - consequences, duties, and virtues - we examine those

perspectives in issues specific to organizational situations that are bound to be different from specific situations in my family, neighborhood or civil society.

Borna: Maybe, let's follow this out further.

Randy: Of course, we need to engage those ethical reflective processes in all cases. The interesting thing that may happen there, though I think Borna, is that the weight I give each one of those factors might be different. So the weight I give a factor in the organizational context might be different from the weight I give those same factors in my family.

Borna: I agree. I have to take certain kinds of actions in business which I wouldn't in other contexts. I don't see how that changes much. If it's wrong to lie to my family and friends, what would make it acceptable to lie at work? I've always found that ethical dichotomy between business and private life very peculiar.

Randy: I understand that and yet we often hear people say, "business is business".

Borna: Right, but the tautology business is business doesn't say anything.

Randy: In one sense, you're right it's meaningless, but I think they are making the claim that you find peculiar - business is not bound by the same ethical perspectives as private life.

Borna: Say more.

Randy: Are there things that I have done in organizations that I would never do in my private life? The answer to that question is yes. During the course of all of the kinds of jobs that I've had, I've

had to fire four people overall in the years of my experience. It's not a lot, but it is four. And it means, and I understand what it means, that I am putting this person and their family at some risk, some serious risk. I've harmed their career. I've created difficulty and harm for their families. I don't think I would do something that would harm my family or friends.

Borna: Well, maybe, but keep going for now.

Randy: Why would I do this within the organization? And the answer is because of my managerial obligations to the greater organizational whole. These people, after due warning and coaching, and counseling, refused to do their jobs. That refusal had serious consequences within the organization. So, I let them go. Would I have done that harm to neighbors somehow? Wait, wait. As I'm talking about this, it occurs to me that maybe I would be, and maybe even in my family.

Borna: I think it's likely you have harmed your family members or your friends, or your neighbors, but not in the same way. And the reason for it is that your relationship with them is different. You brought up your obligation to the welfare of the entire organization. I think that obligation to the overall well-being remains even when you think about your family or neighborhood. The obligation arises from a different relationship between members within those groups. I'm pretty sure that you sometimes punished your kids because they were disruptive to family life or for some other reason.

Randy: True.

Borna: I think our relationship within each so-called organization may result in different things being done, but applying the ethical frameworks to arrive at what the right thing to do remains the same.