

# Today's Agenda

- 1. Homework Debrief**
- 2. Week 2 continued.**
- 3. Finishing Kidder**
- 4. Team Discussions & Debrief**

## **Today's Handouts**

- 1. Today's overheads.**
- 2. Kidder: "Does Corruption Really Matter?" (2008)**
- 3. Carl Hausman: "Free — For Me" (2008)**

# **Kidder's Checkpoints for Ethical Decision-Making**

- 1. Is there an ethical dilemma?**
- 2. Whose dilemma is it?**
- 3. Distinguish facts from assumptions.**
- 4. Test for Right-versus-Wrong issues.**
- 5. Test for Right-versus-Right paradigms.**
- 6. Apply the Resolution Principles.**
- 7. Can we escape the dilemma?**
- 8. Make the decision.**
- 9. Revisit and reflect — learning.**

# **I Is there an ethical dilemma?**

**Very important:**

- 1. identify issues needing attention, and**
- 2. separate ethical issues from matters of mere manners and social conventions, or conflicting values, or æsthetics, or ...**

**But: too much diligence → self-righteous moralist  
and too little → apathy or cynicism.**

## **2 Whose dilemma is it?**

**Who is the actor?**

**Who is *responsible*? – Who is morally obligated and empowered to act in the face of the moral issues raised? (We're all involved, through society, but few are responsible.)**

**Not stakeholders: Stakeholders are separate, and of concern only to utilitarians.**

**Since Kantians seek obedience to a fundamental principle so universal that it operates equally for everyone: stakes are irrelevant.**

**But both utilitarians and Kantians need actors.**

### **3 Distinguish facts from assumptions.**

**Good decision making requires good understanding of facts.**

**How did things happen? What finally happened? What else might have happened? Who said what to whom? Who might have suppressed information? Who was culpably ignorant, and who innocently unaware?**

**Details determine motives; character reflected in context.**

**Assessment of future potential.**

## 4 Test for Right-versus-Wrong issues.

### Various tests:

1. The *legal test*: is lawbreaking involved?
2. The *stench test*: does it smell/stink? does it go against the grain of your moral principles somehow?
3. The *headline or front page test*: what everyone (including your mother, aunt, etc) suddenly knew what you were up to? OK?
4. The *Mum test*: if I were my Mum – or any moral exemplar – would I still do this?

**Note: The Stench test ~ Kantian (no consequences)**

**The Front page test ~ utilitarian, outcomes.**

**The Mum test ~ the Golden Rule.**

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## **5 Test for Right-versus-Right paradigms.**

**If not Right v Wrong, then which of the four dilemma paradigms?**

**Truth v Loyalty? Short term v Long term?  
Justice v Mercy? Self v Community?**

**Not just classification, but to emphasise it is a genuine dilemma, pitting two deeply held core values.**

**Loyalty v. Loyalty?**

## **6 Apply the resolution principles.**

**Apply the three resolution principles: Utilitarian, Kantian, and Golden Rule.**

**Not a vote of 2 against 1, or 3 against 0, but to identify a line of reasoning that seems most relevant and persuasive.**

**The Reading by Bratman on the CD has discussion of the conflicts between Kantian and Utilitarian views.**

## **7 Escape the dilemma?**

**At any time: is there a third way through the dilemma?**

**Sometimes a compromise.**

**Sometimes a highly creative and unforeseen course of action.**

**e.g. the lesbian to the school formal**

## **8 Make the decision.**

**Enough with the talk and thinking!**

**Analysis  $\neq$  action; theory  $\neq$  practice.**

**To act, to do, often requires *moral courage*: this distinguishes us from the animals.**

## **9 Revisit and reflect: learn.**

**Seek lessons in the analysis and the denouement.**

**To build expertise, to adjust the moral compass, to provide new examples for future discussion and reflection.**

## **Team Discussions (4 on the CD)**

**Discuss in groups (1 case per group) and answer the questions asked at the end of each case:**

- 1. Joseph, salesman, & Ellen, @ Alcon**
- 2. Elaine, CFO, & Dennis, @ UBC**
- 3. Gerard, CPA, & Vicky, @ Trawlers Accounting**
- 4. Jacob, sales, & Margurette, @ Richardson Drilling**

## **This Week's Homework (individual)**

- 1. Read today's handouts by Kidder and Hausman on the financial crisis. Twelve months later, are they onto something? Discuss.**
- 2. Read the Coastal Uniforms case (CD), and answer: (a) Discuss the issue of Coastal's "Rule 35" and the incentives it provides. (b) Identify any legal and ethical issues that Andrew Vilas needs to be aware of. (c) Discuss the advantages and disadvantages of each decision Andrew has made and could make. (d) Advise Andrew what he should do. (e) In your experience, is the culture at Coastal unusual?**

- 3. Read “The Failure of Business Ethics,” by Plender & Persaud (CD). In the light of their article, how might you improve the ethical culture at a company such as Coastal, if you were Andrew’s boss?**
- 4. Due by 9:30 am next Tuesday, max five pages or less. (Be prepared to share in class.)**