BUSINESS ETHICS :: Introduction to Ethics

- Course format
- Overview of topics
- Mode of assessment
- Background to Ethics
- History of Business Ethics
- Role of Business Ethics Today

Course Aims and Objectives

The aim of this course is to give a basic understanding of the major theories of ethics - including deontology, utilitarianism and virtue theory - and their application in the relevant fields of business and information technology. One of the main course objectives is to encourage independent critical thought and develop an individual system of ethics.

Course Format

The class group is quite a large one, however the course will include group exercises and discussion. Each session (generally speaking) will have two parts. The first part will be informational, when we will go through the basics of a theory/issue, and the second will be participatory, involving debates, discussion groups, votes and questionnaires (not part of assessment).

This will be an opportunity for you to further develop your communication skills and also to gain experience in articulating your views before your peers. It is often the case that unethical decisions/activities go without criticism due to a failure of courage rather than moral judgment. But moral courage is not an innate characteristic it can be learnt through practice, and this will be an integral part of our classes.

Course Outline

See separate sheet with course outline.
Please note that the course has been prepared in such a way that it remains flexible. If there are any issues/topics you would like to include, please contact me as early in the course as possible and I will try to accommodate it.

Mode of Assessment

The course will be assessed by written assignment - a short essay of approx 1,500 words. I will be giving a handout on essay-writing and in our last class (review session) we will have a section devoted to the essay. If you are worried
about it you can contact me any time. I will make the handout available early on in the course.

Although the subject matter is serious, this course is meant to be enjoyable so don’t let the prospect of the essay discourage you.

**Background to Ethics**

Ethics is the area of philosophy concerned with the evaluation of human conduct. Philosophers generally distinguish between four or five major branches of ethics: meta-ethics, ethics and politics (political philosophy), normative ethics, virtue ethics and practical philosophy.

Meta-ethics is concerned with the meaning of philosophical language and moral propositions. This means that the focus is on the grounds used to justify moral judgments rather than on making moral judgments.

Political ethics consists mostly of an examination of the good society and the origins and forms of political power (government). Normative ethics is the branch of philosophy concerned with developing theories that determine which human actions are right and wrong. It is evaluative and constructive rather than descriptive (like meta-ethics). Deontological ethics, utilitarian ethics and virtue ethics are all normative.

Virtue ethics is often viewed as a separate branch in itself. Although it is certainly normative as well, virtue ethics is distinguished from other forms of normative ethics because it is concerned with possessing moral traits and living a good life generally as opposed to evaluating actions alone.

Practical (or applied) ethics applies ethical principles and theories to practical disciplines - this includes medical ethics, environmental ethics and business ethics. The purpose is to give guidance on a specific issue such as abortion, GM crops, donor consent, protecting client privacy etc.

During this course we will be concerned with an area of applied ethics (business and IT) and will be examining the normative ethical theories that can inform our examination of dilemmas in business.

**The History of Business Ethics**

Business ethics has only existed as an academic field since the 1970s. During the 1960s, corporations found themselves increasingly under attack over unethical conduct. As a response to this, corporations - most notably in the US - developed social responsibility programmes which usually involved charitable donations and funding local community projects. This practice was mostly ad hoc and unorganised varying from industry to industry and company to company. Business schools in large universities began to incorporate ‘social responsibility’ courses into their syllabi around this time but it was mostly focused on the law and management strategy.

Social responsibility has been described as being a pyramid with four types of responsibility involved - economic (on the bottom level), then legal, ethical and finally philanthropic. Ethical issues were dealt with in social issues courses
however, and were not considered in their own right until the 1970s when philosophers began to write on the subject of business ethics. Previous to this development, only management professionals, theologians and journalists had been highlighting problems of this nature on a regular basis.

When philosophers became involved they brought ethical theory to bear on the relevant ethical issues and business ethics became a more institutionalised, organised and integral part of education in business. Thereafter annual conferences, case books, journals and text books were more regular and established.

This new aspect of business ethics differentiated it from social issues courses in three ways:
1) Business ethics provided an ethical framework for evaluating business and the corporate world.
2) It allowed critical analysis of business and development of new and different methods. (This also made business ethicists unpopular in certain circles.)
3) Business ethics fused personal and social responsibility together and gave it a theoretical foundation. In this way, business ethics had a somewhat broader remit than its predecessor (the social issues course) and was a good deal more systematic and constructive. Business ethics also recognised that the world of business raised new and unprecedented moral problems not covered by personal systems of morality. Common-sense morality is sufficient to govern judgments about stealing from your employer, cheating customers and tax fraud. It could not provide all the necessary tools for evaluating moral justification of affirmative action, the right to strike and whistle-blowing.

The Role of Business Ethics Today

Business and IT students spend the majority of their time at university learning about economics, business development, software engineering and computer programming. This is all valuable and necessary knowledge to prepare them for the demands of employment in the business/IT sector. However, running or working in a business will raise many difficulties that are completely unrelated to the skills or knowledge gained in university.

How do you evaluate such problems as hiring the more qualified candidate for a job when she has a disability requiring costly adaptations to the work environment, outsourcing production materials from countries where child labour and sweatshops are prevalent etc.?

In recent years there have been several business scandals that caused serious damage to the credibility of the companies involved, occasionally the entire industry in which they operate, and the numerous stakeholders of the business. One such example is the collapse of Barings Bank - the actions of one rogue trader incurred losses of almost US$1 billion. It has been discovered that many high profile people (at home and abroad) are involved in tax-evasion, insider trading and fraud, Charlie Haughey and Martha Stewart are two such examples of people with considerable wealth and public standing who have been involved in questionable business dealings.
At this stage in your course, you are well equipped with knowledge of your subject, and this will be built on when you go into the workplace due to on-going training and other such practices. But it is fair to say that some of you may have never had the chance to think of the ethical issues entailed in business and IT. During this course on business ethics it is hoped that you will be given such an opportunity and attain a working knowledge of the different theoretical frameworks that can be applied to business.

**Further reading:**


Singer, Peter (1994) *Ethics* [library: 170/ETH]

Singer, Peter (1993) *A Companion to Ethics* [library: 170/COM]