

ROLE & FUNCTIONS OF ETHICAL MANAGERS:

Managers in both large and small enterprises face difficult ethical situations daily as they attempt to do their jobs. Since management decisions inherently involve ethical considerations, however, it is important that managers recognize the ethical elements that are embedded in their day-to-day job functions. They need to be able to reason through ethical decisions, just as they would reason through any managerial problem facing them. Many times, ethics-laden situations involve issues that are clearly right or wrong when judged by the manager's or organization's values or code of conduct. Furthermore, most managerial decisions and actions are legal, although there are occasions when a certain decision would clearly go beyond legal boundaries and be illegal. Assuming that the law itself is just, these decisions are not really ethically problematic in that what to do to make an ethically sound decision is quite clear. In these cases, making a decision to break the law or to do something that disagrees with a code of conduct or set of values is clearly unethical. It is not difficult to know what the right thing to do is in such situations.

Ethical decision-making problems arise for managers and leaders when decisions involve a moral conflict—that is, a moral situation in which a person must choose between at least two equally bad choices, or when there are multiple ethical considerations, some of which conflict with each other. In such circumstances, which are common in business, the manager has to be able to think through the consequences and ethical implications of the decision thoroughly and mindfully so that the best possible decision can be made given the constraints, implications, and ethical considerations. If the decision itself cannot be reframed as a situation in which all parties can benefit—that is, a win-win situation—then the manager needs a decision-making framework to help.

To help managers think through ethical moral conflicts, the business ethicists Gerald Cavanagh and his colleagues have developed a decision-making framework that relies on the ideas of philosophers and ethicists and applies those ideas to business decisions. This approach combines four methods of ethical reasoning rights and duties, utilitarianism, justice, and the ethics of care— into a framework that helps managers and leaders step through a logical thinking process to sort out the ethical dimensions of a difficult and inherently conflictual situation.

Rights and Duties

Rights are justifiable claims or entitlements, frequently based on the law or other authoritative documents, such as treaties and international declarations that allow people to pursue their own interests. Rights can be viewed as the positive things that people are allowed to do, but they come with an obverse side as well, in the form of duties or obligations that go along with the rights. For example, in democracies, one right is the ability to vote. Along with that right comes the duty to exercise that right by actually voting. In many countries, employees are granted certain rights, such as the right to safe working conditions or a minimum wage, and employers have corresponding duties to ensure that these conditions are met. These rights are based on laws and regulations. Other rights are based on moral grounds and are frequently written into international treaties, such as the United Nations Declaration of Human Rights and the Natural Environment. Such rights include respect for human dignity, which enables communities, organizations, and societies to thrive. In using Cavanagh's ethical decision-making framework to assess a moral conflict, one question that needs to be asked involves rights and duties: Would this decision respect the rights and duties of the individuals involved?

Utilitarianism

A second way of reasoning through a moral conflict involves using utilitarian analysis, or assessment of the greatest good of the greatest number. This type of cost-benefit analysis is a very common management approach, but as the framework suggests, it may not be a sufficient basis by itself to make an ethical decision in a moral conflict. In a utilitarian analysis, the harms and benefits of a decision to the different parties that would be affected by the decision are evaluated, with some sort of weight given to the various harms and benefits that assesses their degree. Most utilitarian analysis focuses on the good of the group or collective as a whole over that of any given individual, unless the most serious harm is to the individual—for example, if the decision would be fatal to the individual. Putting the collective, which can include an organization's interest, over that of the individual avoids the problem of self-interest. A second question in the ethical decision-making framework for managers, then, would be as follows: Who will be affected by the decision and to what extent will the various parties affected by this decision be harmed or benefited?

Justice

Principles of justice are a third way for managers to reason about ethical decisions. Just decisions require fairness, equity, and impartiality on the part of decision makers, particularly with respect to the ultimate burdens and benefits that will accrue from the decision. The philosopher John Rawls has discussed the justice criterion in terms of a concept of what he terms distributive justice, which invites decision makers to make a decision behind a veil of ignorance that suggests that they do not know where in the system they will be after the decision is made. This veil-of-ignorance consideration forces managers to take into account the fairness of the decision to any party that will be affected. Similarly, the philosopher Immanuel Kant suggests that justice can be taken into account using the concept of —categorical imperative; that is, one should only act a given way or make a given decision if the decision maker can agree that it would be all right if any person in a similar situation acted that way. Alternatively, one can think of the categorical imperative as asking the decision maker whether this action or decision would be all right if it became a universal law. In considering justice, then, decision makers have to ask, How does this decision square with the canons of justice?

Ethic of Care

In addition to assessing a moral conflict from the perspective discussed above, ethical managers and leaders also need to look at the impact of a decision on the network of relationships that will be affected. This perspective is called the ethic of care. Based on feminist writings, the ethic of care proposes that one's moral responsibilities vary according to how closely one is linked to other people. That is, if a person is very close to another person, say, a family member, there will be more moral responsibility for ensuring the well-being of the family member than the well-being of an unrelated person. In an organizational context, using an ethic of care, more consideration might be given to the impact of a decision on long-term employees, who are more tightly connected to the organization and its goals, than to its impact on newly hired employees.