PRACTICING PERSONAL ETHICS IN THE ORGANIZATION

Organizational Systems

Group
Leadership-Followership

Interpersonal

Individual

Global Society
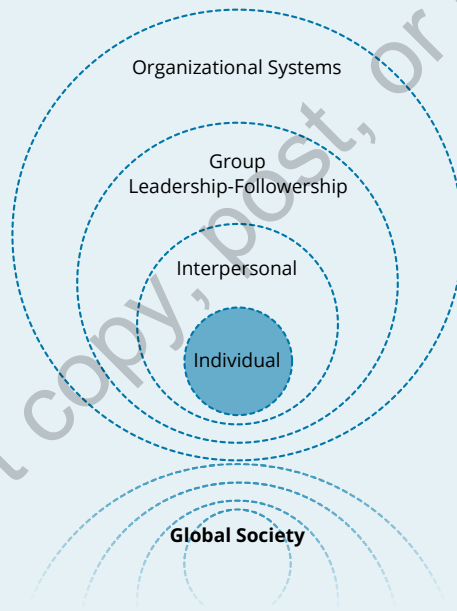
1 ETHICAL COMPETENCIES AND PERSPECTIVES

LEARNING OBJECTIVES

1.1 Identify ethical competencies that are essential to personal ethical development.

1.2 Define organizational ethics.

1.3 Evaluate the strengths and weaknesses of each of the six ethical perspectives.

CHAPTER PREVIEW

Developing Ethical Competencies

Defining Organizational Ethics
  Organizations: A Closer Look
  Ethics, Morals and Organizations

Ethical Perspectives
  Utilitarianism: Do the Greatest Good for the Greatest Number
  Kant's Categorical Imperative: Do What's Right Despite the Consequences
  Rawls's Justice as Fairness: Balancing Freedom and Equality
  Aristotelian Ethics: Live Well
  Confucianism: Building Healthy Relationships
  Altruism: Concern for Others

Chapter Takeaways

Application Projects

Before we can raise the ethical performance of ourselves and our organizations, we need to be equipped for the task. In this first section of the text, we'll focus on the knowledge and tools we need to make better ethical decisions ourselves while encouraging others to do the same. This chapter provides an overview of organizational ethics and introduces ethical competencies and

perspectives. Chapter 2 examines how to make and follow through on moral choices. Chapter 3 addresses the components of personal moral development.

DEVELOPING ETHICAL COMPETENCIES

For the study of organizational ethics to make a positive difference to us, to our organizations, and to society as a whole, we must put our knowledge to work. That calls for an applied or practical approach. A practical approach to organizational ethics is founded on the premise that we can develop our ethical expertise or competency just as we develop our abilities to manage, do cost accounting, and oversee operations.

Psychologist Darcia Narvaez argues that we can master the knowledge and skills that can help us behave more like moral experts. She points out that ethical authorities, like experts in other fields, think differently than novices.[1] First, they know more about the ethical domain. Their networks of moral knowledge are more developed and connected than those of beginners. They note commonalities and differences, are more sensitive to moral cues, and understand the moral standards of the culture and group. Second, they see the world differently than novices. While beginners are often overwhelmed by new data, those with expertise can quickly identify and act on the relevant information. They are able to "think about their thinking" (demonstrate metacognitive ability), knowing what moral knowledge to apply in a particular situation. Moral experts also understand their personal moral standards and use their self-understanding to evaluate their options (e.g., "Is this action consistent with my image of myself?"). Third, experts have different skill sets. They are better able to define the moral problem and then match the new dilemma with previous ethical problems they have encountered. As a result, they make better moral decisions faster, sometimes even automatically.

Experts become expert by learning in situations that reward the behaviors that lead to success in that domain, building on the knowledge of previous generations, and putting forth sustained effort. A professional violinist, for example, spends years taking lessons, completing classes in music theory, practicing hours daily, and performing in recitals and concerts. You must follow similar strategies if you want to become less of an ethical novice and more of an ethical expert. Learn in a well-structured environment where correct behaviors are rewarded and where you can interact with mentors and receive feedback and coaching. Master both moral theory and skills. Familiarize yourself with how previous experts have dealt with moral problems and why some choices are better than others. Gain experience so that you'll not only get better at solving ethical problems but be better able to explain your choices. Finally, practice, practice, practice. You will have to put in the necessary time and concentrated effort. Ethical progress takes hours of practice wrestling with moral dilemmas. (Ethical Checkpoint 1.1 describes three mental mindsets that can prevent you from improving.)

Organizational Ethics: A Practical Approach incorporates all of the developmental components just outlined. The book is designed for use in a college or university classroom where ethical knowledge and behaviors are encouraged and professors and classmates provide feedback. You will be introduced to the insights of ethical experts both past and present and see how some behaviors are more effective than others. The text supplies you with plenty of opportunities to

practice your problem-solving abilities and to defend your decisions. You'll be provided with lists of steps or actions you and your organization can take. Cases provide opportunities to apply what you've read, and the self-assessments in each chapter measure your (or your leader's or organization's) performance on an important behavior, skill, or concept. The Takeaways sections at the end of each chapter review important concepts and their implications. The Application Projects sections ask you to engage in further reflection, analysis, and implementation. You can complete some of these activities on your own; others require group participation.

ETHICAL CHECKPOINT 1.1

Developing Ethical Competence: Three Demotivators

Developing ethical competence is impossible without the motivation to do so. Psychologists identify three cognitive biases (demotivators) that undermine the drive to behave more like ethical experts. The first bias is the illusion of *moral superiority*. A significant majority of the population is convinced that they are more moral than other people. They consider themselves "paragons of virtue" but don't believe that those around them share these same qualities. For example, most college students surveyed claimed that they would refuse to cheat on a test, would give back extra change to a salesclerk, and would share their pizza with a hungry fellow student. However, they were much less likely to report that other students would do the same. Follow-up tests revealed that those claiming moral superiority were no more honest or generous than their classmates. Those who believe they are morally superior see less need to improve. After all, they are already better than average.

The second cognitive bias is *ignorance of ignorance (Dunning-Kruger effect).* Researchers David Dunning and Justin Kruger discovered that people often don't realize what they don't know. Trapped by "unknown unknowns," they fail to ask important questions or to identify the potential problems and risks they might avoid if forewarned. Further, they don't recognize that they lack expertise and can't accurately judge how well they are performing. One group of medical interns, for example, thought they could adequately perform common clinical procedures when they couldn't. Many students doing poorly on exams overestimate their performance. Ignorance of ignorance blinds decision makers to gaps in their ethical understanding and abilities while fostering a sense of overconfidence. They don't realize there is much they need to learn; they are not as ethically skilled as they believe.

The third demotivating bias is adopting a *fixed mindset*. Individuals with this orientation focus on self-enhancement, believing that their personal characteristics, such as intelligence, shyness, and conflict management abilities, are set in stone. More interested in performance than in learning, they seek out easy successes that make them look good (and keep them from looking dumb). As a consequence, they often do more poorly in school, are less committed to their organizations, and benefit less from managerial and leadership training. Gaining ethical competence requires being exposed to new challenges. Those with a fixed mindset are reluctant to take on the experiences that will expand their ethical competence. If they do fail, they dwell on their shortcomings instead of using the failure to improve their moral performance in the future.

In addition to identifying and describing the three biases, experts also make some suggestions for addressing them. They urge us to combat the illusion of moral superiority with humility. Dispense with the idea of being better than others. Instead, learn from how other

people respond to ethical challenges. If they fail, there is a high likelihood that we would fail in a similar situation. Gaining ethical competence is one way to reduce ethical ignorance. Acquiring knowledge and skills reveals what we need to learn and equips us with the tools we need to judge our ethical performance more accurately. Finally, reject a fixed mindset in favor of a *growth mindset*. Focus on self-improvement. Take on new challenges, identifying what can be gained from a particular experience; master the skills needed to reach these objectives. Risk failure; focus not on blame but on what can be learned from falling short.

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Scholars describe a variety of competencies we need to develop if we hope to become more expert. Sean Hannah and his colleagues believe that, in order to think and act ethically, you must expand your capacities for moral maturation and moral conation.[2] You can use these competencies as a yardstick to measure your ethical progress. *Moral maturation* capacity drives ethical thinking and involves the ability "to elaborate and effectively attend to, store, retrieve, process, and make meaning of morally relevant information." The components of moral maturation are the following:

1. *Moral complexity*: knowledge of a specific domain of ethics (i.e., accounting ethics or medical ethics), which allows for in-depth processing; developing categories to discriminate among types of information; ability to see commonalities and connections in ethical situations; creating prototypes to use in processing ethical

problems; knowing what *not* to do; sensitivity to moral cues; understanding of the morality of a culture or social group

2. *Metacognitive ability*: monitoring and regulating thinking; capacity to reason and solve problems; applying knowledge to specific moral dilemmas; assessing what information to use and its accuracy (i.e., considering all aspects of an ethical dilemma)

3. *Moral identity*: knowledge of self as a moral actor; regulating behavior according to beliefs, values, goals, and social roles; applying the moral self to a variety of situations

Moral conation capacity describes taking responsibility and then being motivated to do the right thing even when faced with adversity. Moral conation is made up of three elements:

1. *Moral ownership*: feeling a sense of responsibility for one's own ethical actions, the ethical behavior of others, and the moral behavior of the organization, group, or society; seeking to do good while refusing to ignore unethical behavior

2. *Moral efficacy*: belief in one's ability to take ethical action and to persist when faced with challenges; confidence to perform in a given ethical situation; availability of outside support for moral behavior (i.e., whistle blower protections, peer support)

3. *Moral courage*: willingness to face danger; strength of will to overcome ethical challenges and barriers; maintaining personal principles in the face of outside pressure

Moral intelligence can serve as another measure of your ethical development. Morally intelligent persons use moral principles, as well as their control over their thoughts and behaviors, "to do good" for other people and society. There are five moral intelligence competencies:[3]

1. *Moral compass*: a set of moral standards, ethical principles and convictions that serve as a reference point for ethical decision making and action

2. *Moral commitment*: the willingness and ability to pursue moral goals and to comply with moral standards

3. *Moral sensitivity*: recognition and identification of moral problems and issues

4. *Moral problem solving*: the ability to determine an ethical course of action when faced with complex problems and competing pressures

5. *Moral resoluteness*: engaging in moral behaviors based on moral standards; overcoming obstacles; demonstrating stamina when taking moral action

DEFINING ORGANIZATIONAL ETHICS

The first step toward expert mastery is defining the field of study. In the case of organizational ethics, that means identifying the unique characteristics of organizations and determining what sets ethical choices and actions apart from other forms of decision making and behavior.

Organizations: A Closer Look

Organizations consist of three or more people engaged in coordinated action in pursuit of a common purpose or goal. They function as socially constructed, structured, interconnected systems.[4] Let's look at the elements of this definition in more detail.

Three or more people. The presence of three or more persons sets the stage for the formation of an organization, allowing for the development of structure, coalitions, shared meanings, and so forth. Organizational membership is generally voluntary, which sets organizations apart from families. We choose which organizations we want to join; we don't have a choice about which family we are born into. Organizations are generally more stable than small groups due to substitution of personnel. Members leave—retire, quit, pass away—but the organization continues as new people take their places.

Coordination of activities. Completion of any complex project, whether it be making a film, repairing a highway, or starting a health club, requires the coordination of people and units that carry out specialized tasks. Coordination, in turn, produces synergy. Synergy describes the way in which organizations are greater than the sum of their parts. The achievements of an organization as a whole are much greater than could be reached by a collection of individuals working on their own.

Goal directed. Organizations don't form by chance. Instead, they are intentionally formed to meet specific needs and to serve specific purposes like educating elementary school children, producing and selling automobiles, passing legislation, and combating crime. These objectives focus the collective energies of members.

Socially constructed. Organizations are human creations shaped through the collective decisions and actions of their members. These creations then shape the thoughts and behaviors of their makers. For example, those who make a policy, such as one forbidding romantic relationships between superiors and subordinates, are bound by this rule. The socially constructed nature of organizations is particularly apparent in their cultures. No two organizations are exactly alike. Every group has its unique way of seeing the world or culture developed through shared meaning and experiences. New employees often undergo a form of culture shock as they move into an organization with a different language, customs, and attitudes about work and people.

Structured interaction. The word *organization* frequently conjures up images of organizational charts, policy manuals, discipline policies, articles of incorporation, and other official documents. Bureaucratic organizations in particular do their best to leave nothing to chance, spelling out everything from how to apply for sick leave and retirement benefits to the size of office cubicles. They also carefully detail how tasks like processing auto insurance payments and registering students are to be managed. However, some of the most important elements of structure aren't formalized. Communication scholars, for instance, study communication networks, which are patterns of messages sent between individuals and organizational units. These networks may have little resemblance to the flow of information outlined in the official organizational chart.

Roles and hierarchy are two particularly important aspects of structure. *Roles* are sets of expectations, responsibilities, and duties associated with organizational positions. Failure to meet role expectations generates sanctions in the form of criticism, reprimands, lower wages,

and termination. *Hierarchy* grants certain individuals and groups more power, status, and privileges, and there are one or more centers of power that review and direct organizational performance. Differences in status and power are part of every interaction between organizational members. The degree of structure helps set organizations apart from groups. Groups also have three or more members, may be goal directed, and delegate various roles. Nonetheless, they lack many of the formal elements—written policies, job descriptions, job titles—common to organizations.

Interconnectedness (systems). Organizations function as interconnected systems. Consider all the departments involved in the introduction of a new product, for instance: research and development, design, purchasing, production, marketing, finance, human resources. The success of a product introduction depends on each division doing its part. Marketing can do an effective job of promoting the new item, but first purchasing must secure the necessary components at the right cost and production must meet manufacturing deadlines. Because organizations function as systems, a change in any one component will influence all the others. A new accounting system, for example, will change the way that every department records expenses, books revenue, and determines profits.

Ethics, Morals, and Organizations

Ethics involves judgments about the rightness or wrongness of human behavior. To illustrate this point, I've collected definitions of the term from a variety of sources. Notice how each highlights the evaluative nature of ethical study and practice.

> "Ethics is concerned with how we should live our lives. It focuses on questions about what is right or wrong, fair or unfair, caring or uncaring, good or bad, responsible or irresponsible, and the like."[5]

> "Ethics deals with individual character and with the moral rules that govern and limit our conduct. It investigates questions of right and wrong, fairness and unfairness, good and bad, duty and obligation, and justice and injustice, as well as moral responsibility and the values that should guide our actions."[6]

> "[Ethics comprises] the principles, norms, and standards of conduct governing an individual or group."[7]

> "Ethical judgments focus . . . on degrees of rightness and wrongness, virtue and vice, and obligation in human behavior."[8]

> "Ethics guide us in identifying right from wrong, good from bad, and just from unjust."[9]

> "Ethics basically refers to issues of right, wrong, fairness, and justice."[10]

> "[An ethical act or decision] is something judged as proper or acceptable based on some standard of right and wrong."[11]

There are some scholars who make a distinction between ethics and morals, drawing in part on the origins of each word.[12] *Ethics* comes from the Greek term *ethos*, which refers to

"custom" or "usage" or "character." *Moral* is derived from the Latin *mos* or *moris*, which refers to "conduct" or "way of life." From this perspective, ethics has to do with the systematic study of general principles of right and wrong behavior. Morality and morals, on the other hand, describe specific, culturally transmitted standards of right and wrong ("Thou shalt not steal"; "Treat your elders with respect"). Maintaining this distinction is becoming more difficult, however. Both ethics and morality involve decisions about right and wrong. When we make such evaluations, we draw upon universal principles as well as upon our cultural standards. Further, scholars from a number of fields appear to use the terms *ethics* and *morals* interchangeably. Philosophers interested in ethics study moral philosophy, for example, while psychologists examine moral reasoning and educators promote moral education. For these reasons, I will use the terms synonymously in the remainder of this text. You, of course, are free to disagree. You may want to engage in a class discussion about whether these two concepts should be integrated or treated separately. (See Application Project 2 at the end of this chapter.)

Organizational ethics applies moral standards and principles to the organizational context. Organizations are well suited for ethical analysis because, as we've seen, they are the products of conscious, goal-directed behavior. Whatever form they take (small, family-owned restaurants; community-based nonprofits; large multinational corporations; international relief agencies), all employers share the common features described earlier. These shared elements mean that members in every type of organization face some common ethical temptations and dilemmas. Further, a common body of theory, principles, strategies, and skills can be used to address these moral challenges. (One set of ethical issues is described in the Contemporary Issues in Organizational Ethics box.)

I am convinced there is much to be gained in looking at ethical problems and solutions across organizational boundaries. No matter what particular type of organization we belong to, we can learn from the experiences of others in different settings. Knowing how corporate managers communicate important values, for instance, can be useful to those of us working in the federal government. If we work in business, we can gain important insights into how to empower employees from watching how nonprofit executives recruit and motivate volunteers.

CONTEMPORARY ISSUES IN ORGANIZATIONAL ETHICS

Ethics Meets ChatGPT

Few, if any, new technologies have been adopted as fast as ChatGPT. This program, introduced in 2022, can generate, understand, and respond to human language based on data analysis and learns by responding to human feedback. Open AI, the developers of ChatGPT, made the program free to the public, and the public quickly responded. The ChatGPT site hosted 266 million visits the first month it was open, increasing to 1.76 billion visits a few months later. Those using ChatGPT, as well as similar technologies like Google Bard and Microsoft Bing Chat, were soon putting these programs to use by, for instance, drafting

emails, business proposals, term papers, and legal briefs; creating computer code; advising patients; composing music; and generating art.

While the benefits of ChatGPT are great (i.e., greater efficiency, cost savings, higher profits, faster response times), so are its potential ethical costs. Some of the ethical issues raised by ChatGPT and related technologies include the following:

Misuse and abuse. AI has already been used to spread misinformation, generate fake news, plagiarize term papers, and impersonate politicians or other figures. In one case, potential presidential primary voters received an AI-generated message in Joe Biden's voice urging them not to vote.

Data privacy and security. ChatGPT can be used to process sensitive information like medical and financial records, which may not be adequately protected.

Bias and discrimination. AI reflects the biases of its data sources. These sources may mischaracterize or ignore cultural, racial, and linguistic groups. This can have a negative impact on hiring, health, and criminal justice decisions, for example.

Intellectual property. ChatGPT raises such questions as Who owns ChatGPT material? Does ChatGPT violate copyright law by developing patterns based on copyrighted material? The *New York Times* sued the makers of ChatGPT for violating its copyright by training ChatGPT on material published in the paper.

Transparency and accountability. As AI improves, generating more human-like responses, it will be harder to determine if an essay, answer, or article is written by a human or a computer. For example, *Sports Illustrated* was forced to withdraw articles that were written by AI but falsely attributed to *SI* staff.

Job loss. Goldman Sachs predicts that, worldwide, 300 million jobs will either be replaced or downgraded by ChatGPT and other forms of AI. Blue collar jobs (e.g., fast food, trucking, retail sales, clerical work) will disappear along with those in computer software engineering, banking, publishing, marketing, and other fields.

Environmental damage. It takes lots of energy to run ChatGPT and other forms of artificial intelligence, increasing energy consumption and carbon emissions.

Fortunately, businesses, governments, and other organizations can draw upon existing resources to respond to these issues. A number of nations, such as Korea and France, and international groups (UNESCO, the European Commission) offer ethical guidelines for the deployment of AI, which, in addition to ChatGPT technology, is used in everything from robots and self-driving cars to automated phone systems. One group of Chinese scholars reviewed these guidelines to identify common themes. Based on their analysis, they offer 11 AI ethical principles.[1] These principles can guide moral choices for ChatGPT and other forms of AI.

Principle 1. Transparency. Allow outsiders to understand the AI system; explain its design and implementation.

Principle 2. Fairness and Justice. Do not discriminate against individuals, communities, or groups.

Principle 3. Responsibility and Accountability. All persons associated with AI—designers, developers, operators—are responsible for the system's actions and decisions and are accountable for any harm caused.

Principle 4. Non-maleficence. Avoid harm to humans, protect human dignity, operate in safe environments.

Principle 5. Privacy. Respect privacy and protect data. Comply with applicable laws and regulations, protect data and algorithms from theft; immediately inform stakeholders of data breaches.

Principle 6. Beneficence. Do good for people and humanity. Clearly identify and justify objectives for AI systems; use AI technology to address global problems like food insecurity and pandemics.

Principle 7. Freedom and Autonomy. Do not harm or constrain the freedom and autonomy of people. When using AI, keep the ultimate decision-making authority in the hands of humans.

Principle 8. Solidarity. Use AI to promote, not threaten, social bonds and relationships.

Principle 9. Sustainability. Ensure that the production, management, and implementation of AI is sustainable and avoids environmental harm.

Principle 10. Trust. Operate in a trustworthy manner in the development and application of AI systems.

Principle 11. Dignity. Respect and support the inherent value of human beings regardless of background.

Note:

[1]Huang, C., Zhang, Z., Mao, B., & Yan, X (2022, August). An overview of artificial intelligence ethics. *IEEE Transactions of Artificial Intelligence*, 1–21.

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ETHICAL PERSPECTIVES

Ethical theories are critical to developing our ethical competence. Ethical perspectives are tools that help us identify and define problems, force us to think systematically, encourage us to view issues from many different vantage points, and provide us with decision-making guidelines. We'll return to them again and again throughout the rest of this text. In this section, I'll briefly summarize each perspective and then offer an evaluation based on the theory's advantages and disadvantages.

Chances are, you prefer one approach over the others (complete Self-Assessment 1.1). However, resist the temptation to choose your favorite perspective while ignoring the rest. Use a variety of theories when possible. Applying all six approaches to the same problem (practicing *ethical pluralism*) is a good way to generate new insights about the issue. You can discover the value of ethical pluralism by using each theory to analyze the case studies at the end of the chapter (see Application Project 9). You may find that some perspectives are more suited to these problems than others. Combining insights from more than one theory might help you come up

with a better solution. At the very least, drawing from several perspectives should give you more confidence in your choice and better prepare you to defend your conclusions.

SELF-ASSESSMENT 1.1: THE PHILOSOPHICAL MORAL-FRAMING MEASURE (PMFM)

Instructions

This scale measures the frame or perspective you typically use when faced with ethical dilemmas. Respond to each of the following 12 items on a scale of 1 (*Strongly disagree*) to 5 (*Strongly agree*).

1. I try to never break any moral rules.
2. I try to think and act logically in every situation.
3. A good intention is more important than a good result.
4. I think no one should have to suffer for the benefit of others.
5. I try to do whatever brings the most happiness for the most people.
6. It matters more to feel good than to think and act logically.
7. The results of my actions matter more than why or how I go about them.
8. I sometimes break a moral rule if doing so will achieve the best result.
9. When I choose to act ethically, I am also choosing to become a better person.
10. Acting ethically is more personally fulfilling to me than acting unethically.
11. Too much of anything is bad.
12. I tend to place my own interests above those of others.

Scoring

Determine your score for each of the moral frames:

Deontology: Items 1–4 (range 4–20) _____

Utilitarianism: Items 5–8 (range 4–20) _____

Virtue ethics: Items 9–11 (range 3–15) _____

Egoism: Item 12 (range 1–5) _____

The higher your score on a given frame, the more you rely on that approach when making ethical decisions.

Looking Further

Which frame(s) do you rely on in your ethical decision making? Can you think of a time when you relied on that approach? What was the result? What do you see as the strengths and weaknesses of your frame based on your own experience? Compare your list to the strengths and weaknesses outlined in in the chapter.

Source: Friedland, J., Emich, K., & Cole, B. M. (2020). Uncovering the moral heuristics of altruism: A philosophical scale. *PLOS ONE, 15*(3).

Utilitarianism: Do the Greatest Good for the Greatest Number

Many people weigh the advantages and disadvantages of alternatives when making significant decisions. They create mental balance sheets listing the pluses and minuses of each course of action. When it's a particularly important choice, such as deciding which job offer to accept or where to earn a graduate degree, they may commit their lists to paper to make it easier to identify the relative merits of their options.

Utilitarianism is based on the premise that our ethical choices, like other types of decisions, should be based on their outcomes.[13] It is the best-known example of *consequentialism*, a branch of moral philosophy that argues that the rightness or wrongness of an action is dependent on its consequences. The goal is to maximize the good effects or outcomes of decisions. English philosophers and reformers Jeremy Bentham (1748–1832) and John Stuart Mill (1806–1873) believed that the best decisions generate the most benefits relative to their disadvantages and benefit the largest number of people. In other words, utilitarianism is attempting to do the greatest good for the greatest number of people. *Utility* can be defined as what is best in a specific case (act utilitarianism) or as what is generally preferred in most contexts (rule utilitarianism). We can decide, for example, that telling a specific lie is justified in one situation (to protect a trade secret) but, as a general rule, believe that lying is wrong because it causes more harm than good.

Utilitarians consider both short- and long-term consequences when making ethical determinations. If the immediate benefits of a decision don't outweigh its possible future costs, this alternative is rejected. However, if the immediate good is sure and the future good is uncertain, decision makers generally select the option that produces the short-term benefit. Utilitarians are also more concerned about the ratio of harm to benefit than the absolute amount of happiness or unhappiness produced by a choice. In other words, a decision that produces a great amount of good but an equal amount of harm would be rejected in favor of an alternative that produces a moderate amount of good at very little cost. Further, utilitarian decision makers keep their own interests in mind but give them no more weight than anyone else's. (It's not easy to set aside personal interests—see Case Study 1.1, "To Forgive or Not to Forgive? The Battle Over Student Debt Relief.")

Making a choice according to utilitarian principles is a three-step process. First, identify all the possible courses of action. Second, estimate the direct as well as the indirect costs and benefits for each option. Finally, select the alternative that produces the greatest amount of good based on the cost–benefit ratios generated in Step 2. Government officials frequently follow this process when deciding whether to offer tax breaks to attract industry. Consider the subsidies given to Apple, Google, Facebook, and other technology firms to lure their data centers to small communities. The towns providing tax breaks benefit from jobs created during construction as well the permanent positions required to operate the server farms. They also receive some tax revenue that would otherwise go to other communities. Nevertheless, local jurisdictions pay significant costs for offering the subsidies. They lose funding for schools and infrastructure, which puts an increased burden on other taxpayers (some of them poor). Data farms can draw down aquifers because they use lots of water to cool their stacks of computers. Since it only takes a small staff to operate a server farm, each permanent job may cost the city or county $1 million or more in lost tax revenue. No wonder some towns are having second thoughts about their decision to offer generous tax incentives to big tech companies.[14]

Evaluation

Few could argue with the ultimate goal of utilitarianism, which is to promote human welfare by maximizing benefits to as many people as possible. We're used to weighing the outcomes of all types of decisions, and the utilitarian decision-making rule covers every conceivable type of choice, which makes it a popular approach to moral reasoning. Utilitarian calculations, as we saw earlier, typically drive public policy decisions, such as whether to legalize marijuana or to require motorcycle riders to wear helmets. In fact, Bentham and Mills introduced utilitarianism to provide a rational basis for making political, administrative, and judicial choices, which they felt previously had been based on feelings and irrational prejudices. They campaigned for legal and political reforms, including the creation of a more humane penal system and more rights for women.

Utilitarian reasoning is also applied in emergency situations, such as in the wake of earthquakes and tsunamis. In the midst of such widespread devastation, many medical personnel believe they ought to give top priority to those who are most likely to survive. They argue it does little good to spend time with a terminal patient while a person who would benefit from treatment dies.

Despite its popularity, utilitarianism suffers from serious deficiencies, starting with defining and measuring "the greatest good."[15] Economists define utility in monetary terms and use such measures as the gross national product to determine the greatest benefit. But the theory's originators, Bentham and Mills, defined the greatest good as the total amount of pleasure or utility, abstract concepts that are hard to quantify. Sometimes identifying possible consequences can be difficult or impossible as well. Many different groups may be affected, unforeseen consequences may develop, and so on. Even when consequences are clear, evaluating their relative merits can be challenging. Being objective is difficult because we humans tend to downplay long-term risks in favor of immediate rewards and to favor ourselves when making decisions. Take efforts to reduce the use of fossil fuels, for example. Too few seem willing to pay higher prices for energy now in order to reduce the effects of climate change in the future.

Due to the difficulty of identifying and evaluating potential costs and benefits, utilitarian decision makers may reach different conclusions when faced with the same dilemma, as in the case of legalizing marijuana or motorcycle helmet laws. As a result, marijuana and helmet laws differ among states. Ironically, one of the greatest strengths of utilitarian theory—its concern for collective human welfare—is also one of its greatest weaknesses. In focusing on what's best for the group as a whole, utilitarianism discounts the worth of the individual. The needs of the person are subjugated to the needs of the group or organization. This type of reasoning can justify all kinds of abuse. For example, in the past, many college and professional football players immediately returned to the field after suffering concussions. They did so, in part, for the good of the team or the school, but the American Academy of Neurology found that 40% of former National Football League players suffer from brain injuries as a result.[16] Then, too, by focusing solely on consequences, utilitarianism seems to say that the ends justify the means. Most of us are convinced that there are certain principles—justice, freedom, integrity—that should never be violated. We believe that some acts are always wrong (e.g., torture, murder, betrayal) no matter how much benefit they generate.

Kant's Categorical Imperative: Do What's Right Despite the Consequences

Like the utilitarians, German philosopher Immanuel Kant (1724–1804) developed a simple set of rules that could be applied to every type of ethical decision. However, he reached a very different conclusion about what those principles should be. Kant argued that moral duties or imperatives are *categorical*—they should be obeyed without exception. Individuals should do what is morally right no matter what the consequences are.[17] His approach to moral reasoning falls under the category of deontological ethics. Deontological ethicists argue that we ought to make choices based on our duty to follow universal truths, which we sense intuitively or identify through reason (*deon* is the Greek word for "duty"). Moral acts arise out of our will or intention to follow our duty, not in response to circumstances. Based on this criterion, an electric utility that is forced into reducing its rates is not acting morally; a utility that lowers its rates to help its customers is.

According to Kant, "what is right for one is right for all." We need to ask ourselves if the principle we are following is one that we could logically conclude should be made into a universal law. Based on this reasoning, certain behaviors, like honoring our commitments and being kind, are always right. Other acts, like cheating and murder, are always wrong. Kant cited borrowing money that we never intend to repay as one behavior that violates what he called the *categorical imperative.* If enough people made such false promises, the banking industry would break down because lenders would refuse to provide funds.[18] That's what happened during the collapse of the U.S. housing market in 2008. A number of borrowers never intended to pay their home loans back, which helped generate a wave of foreclosures. Home loans then became much harder to get. Deliberate idleness is another violation of Kant's principles, because no one would exercise their talents in a culture where everyone sought to rest and enjoy themselves.

Kant also argued for the importance of "treating humanity as an end," or respect for persons, which has become one of the foundational principles of Western moral philosophy. Others can help us reach our objectives, but they should never be considered solely as a means to an end. We should, instead, encourage the capacity of others to choose for themselves. It is wrong, under this standard, for manufacturing companies to expose nearby residents to hazardous chemicals without their consent or knowledge. Managers shouldn't coerce or threaten employees, because such tactics violate freedom of choice. Coworkers who refuse to help one another are behaving unethically because ignoring the needs of others limits their options. Concern for persons extends across international borders. Multinational corporations have a duty to ensure that their subcontractors and suppliers follow local labor laws, refrain from coercion, follow minimum safety standards, and provide a living wage for workers.

What would a Kantian organization look like? Former University of Minnesota business ethics professor Norman Bowie provides a detailed description.[19] Such organizations would function as moral communities. In moral communities, members have a significant voice in the rules and policies that govern them. They are organizational citizens with free speech and privacy rights who receive information on the group's future. Their leaders persuade rather than impose and ensure that the interests of all stakeholders are taken into consideration. Kantian organizations protect the rights of dissenters and resolve disagreements through just means. Employees engage in meaningful work, which supports their right to make decisions, including

moral ones, and provides a living wage. (Case Study 1.2, "'A Cog in a Very Big Machine': Blue Collar Work at Amazon," describes one major company that falls well short of Kantian ideals.)

Respect for persons underlies the notion of moral rights. Fundamental moral or human rights are granted to individuals based solely on their status as equal persons. Such rights protect the inherent dignity of every individual regardless of culture or social or economic background. Rights violations are unethical because they are disrespectful and deny human value and potential. The rights to life, free speech, and religious affiliation are universal (always available to everyone everywhere), are equal (no one has a greater right to free speech than anyone else,), and cannot be given up or taken away.[20] (I provide lists of universal human rights in Chapter 12.)

Evaluation

Kant's imperative is a simple yet powerful ethical tool. Not only is the principle easy to remember, but making sure that we conform to a universal standard should also prevent a number of ethical miscues. Emphasis on duty builds moral courage. Those driven by the conviction that certain behaviors are either right or wrong no matter the situation are more likely to follow through on their choices (Chapter 2), blow the whistle on unethical behavior (Chapter 7), and resist group pressure to compromise personal ethical standards (Chapter 8). Recognizing that people are intrinsically valuable is another significant ethical principle. This standard encourages us to protect the rights of employees, act courteously, demonstrate concern for others, and share information. At the same time, it condemns deceptive and coercive tactics.

Critiques of Kant's system of reasoning often center on his assertion that there are universal principles that should be followed in every situation. In almost every case, we can think of exceptions. For instance, many of us agree that killing is wrong yet support military action to protect our national interests. We value our privacy but routinely provide confidential information to secure car loans and to order products online. Then, too, how do we account for those who honestly believe they are doing the right thing even when they are engaged in evil? White supremacists, for instance, are convinced that Caucasians are superior to other racial groups. They believe that preserving racial purity is their duty.

Conflicting duties also pose a challenge to deontological thinking. Complex ethical dilemmas often involve competing obligations. For example, we should be loyal both to our bosses and to our coworkers. Yet being loyal to a supervisor may mean breaking loyalty with peers, such as when a supervisor asks us to reveal the source of a complaint when we've promised to keep the identity of that coworker secret. How do we determine which duty has priority? Kant's imperative offers little guidance in such situations.

Rawls's Justice as Fairness: Balancing Freedom and Equality

Limited organizational resources make conflicts inevitable. There are never enough jobs, raises, corner offices, travel funds, laptop computers, and other benefits to go around. As a result, disputes arise over how to distribute these goods. Departments battle over the relative size of their budgets, for example, and employees compete for performance bonuses, promotions, and job titles. Participants in these conflicts often complain that they have been the victims of discrimination or favoritism.

Over the last third of the 20th century, Harvard philosopher John Rawls developed a set of guidelines for justly resolving disputes like these that involve the distribution of resources.[21] His principles are designed to foster cooperation in democracies. In democratic societies, all citizens are free and equal before the law. However, at the same time, citizens are unequal because they vary in status, economic standing, talents, and abilities. Rawls's standards honor individual freedom—the foundation of democratic cultures—but also encourage more equitable distribution of societal benefits. Rawls offered a political theory focused on the underlying structure of society as a whole. Nevertheless, I hope to demonstrate that his principles also apply to organizations and institutions that function within this societal framework.

Rawls rejected the use of utilitarian principles to allocate resources. He believed that individuals have rights that should never be violated no matter the outcome. In addition, he asserted that seeking the greatest good for the greatest number can seriously disadvantage particular groups and individuals. This can be seen in decisions to outsource goods and services to independent contractors. Outsourcing reduces costs and helps firms stay competitive. Remaining employees enjoy greater job security, but some employees lose their jobs to outsiders.

As an alternative to basing decisions on cost–benefit ratios, Rawls argued that we should follow these two principles of justice:[22]

> *Principle 1:* Each person has an equal right to the same basic liberties that are compatible with similar liberties for all.

> *Principle 2:* Social and economic inequalities are to satisfy two conditions: (a) they are to be attached to offices and positions open to all under conditions of fair equality of opportunity, and (b) they are to be to the greatest benefit of the least advantaged members of society.

The first principle, the *principle of equal liberty*, has priority. It states that certain rights are protected and must be equally applied to all. These liberties include the right to vote, freedom of speech and thought, freedom to own personal property, and freedom from arbitrary arrest. Invading employee privacy and pressuring managers to contribute to particular political candidates would be unethical according to this standard. So would failing to honor contracts, since such behavior would reduce our freedom to enter into agreements for fear of being defrauded.

Principle 2a, the *equal opportunity principle*, asserts that everyone should have the same chance to qualify for offices and jobs. Job discrimination based on race, gender, or ethnic origin is forbidden. Further, all citizens ought to have access to the training and education needed to prepare for these positions. Principle 2b, the *difference principle*, recognizes that inequalities exist but that priority should be given to meeting the needs of the disadvantaged. (To see how some organizations violate Rawls' second principle, turn to Case Study 1.3, "Equal Opportunity Meets the Sham Interview.")

Rawls introduced the concept of the *veil of ignorance* to support his claim that these principles should guide decision making in democratic societies like Great Britain, the United States, and Canada. Imagine, he said, a group of people who are asked to come up with a set of guidelines that will govern their interactions. Group members are ignorant of their own

characteristics or societal position—they may be privileged or poor, employed or unemployed, healthy or sick, and so on. Faced with such uncertainty, these individuals will likely base their choices on the *maximin rule.* This rule states that the best option is the one whose worst outcome is better than the worst outcomes of all the other options. Or, to put it another way, the best choice is the one that guarantees everyone a minimum level of benefits.

Rawls argued that individuals standing behind the veil of ignorance would adopt his moral guidelines because they would ensure the best outcomes even in the worst of circumstances. Citizens would select (1) equal liberty, because they would be guaranteed freedom even if they occupied the lowest rungs of society; (2) equal opportunity, because if they turned out to be the most talented societal members, they would not be held back by low social standing or lack of opportunity; and (3) the difference principle, because they would want to be sure they were cared for if they ended up disadvantaged.

Evaluation

Rawls became one of the most influential philosophers of his time because he offered a way to reconcile the long-standing tension between individual freedom and social justice. His system for distributing resources and benefits encompasses personal liberty as well as the common good. Individual rights are protected. Moreover, talented, skilled, or fortunate people are free to pursue their goals, but the fruits of their labor must also benefit their less fortunate neighbors. Applying Rawls's principles would have a significant positive impact on the moral behavior of organizations. High achievers would continue to be rewarded for their efforts, but not, as is too often the case, at the expense of their coworkers. All of an organization's members (including those, for example, employed in low-income jobs in the fast-food industry) would be guaranteed a minimum level of benefits, such as a living wage and health insurance. Everyone would have equal opportunity for training, promotion, and advancement. The growing gap in compensation between the top and bottom layers of the organization would shrink.

Rawls's theory addresses some of the weaknesses of utilitarianism outlined earlier. In his system, individuals have intrinsic value and are not to be treated as means to some greater end. Certain rights should always be protected. The interests of the organization as a whole do not justify extreme harm to particular groups and individuals.

Stepping behind a veil of ignorance does more than provide a justification for Rawls's model; it can also serve as a useful technique to use when making moral choices. Status and power differences are an integral part of organizational life. Nonetheless, if we can set these inequities aside temporarily, we are likely to make more just decisions. The least advantaged usually benefit when status differences are excluded from the decision-making process. We need to ask ourselves if we are treating everyone fairly or if we are being unduly influenced by someone's position or relationship to us. Classical orchestras provide one example of how factoring out differences can improve the lot of marginalized groups. Orchestras began to hire a much higher percentage of female musicians after they erected screens that prevented judges from seeing the gender of players during auditions.[23]

Rawls's influence has not spared his theory from intense criticism. Skeptics note that the theory's abstractness limits its usefulness. Rawls offered only broad guidelines, which can be

interpreted in a number of different ways. Definitions of justice and fairness vary widely, a fact that undermines the usefulness of his principles. What seems fair to one group or individual often appears grossly unjust to others. Take, for instance, university admissions policies. Giving preferential treatment to minorities can be defended based on the equal opportunity and difference principles. Members of these groups claim that they should be favored to redress past discrimination and to achieve equal footing with whites. On the other hand, such policies can be seen as impinging upon the equal liberty principle because they limit the freedom of whites and Asian Americans to pursue their goals. Attorneys for these groups convinced the Supreme Court to strike down racial admissions criteria at Harvard and the University of North Carolina, which means that all schools receiving state and federal funding must follow suit.[24]

By trying to reconcile the tension between liberty and equality, Rawls left himself open to attack from advocates of both values. Some complain that he would distribute too much to the have-nots; others believe that his concern for liberty means that he wouldn't give enough. Further, philosophers point out that there is no guarantee that parties who step behind the veil of ignorance would come up with the same set of principles as Rawls. Rather than emphasizing fairness, these individuals might decide to emphasize certain rights, such as freedom from coercion. Or they might believe that benefits should be distributed based on the contributions each person makes to the group, arguing that helping out the less advantaged rewards laziness while discouraging productive people from doing their best. Because decision makers may reach different conclusions behind the veil, critics contend that Rawls's guidelines lack moral force and that other approaches to distributing resources are just as valid as the notion of fairness.

Aristotelian Ethics: Live Well

Aristotle (384–322 BCE) would appear on any list of the most influential thinkers in history. Here are just some of the topics he wrote about: logic, philosophy, ethics, zoology, biology, chemistry, astronomy, botany, language, rhetoric, psychology, the arts, and politics. One biographer summed up his achievements this way: "He bestrode antiquity like an intellectual colossus. No man before him had contributed so much to learning. No man [or woman] could hope to rival his achievements."[25] A student of Plato, Aristotle founded a school for young scholars (the Lyceum) in Athens and served as an advisor to Alexander the Great. His surviving works are not in polished book form but consist of collections of lectures and teaching notes.

Bentham, Mills, Kant, Rawls, and most other moral philosophers argue that we make the right choices by following rules or principles. Not so Aristotle. He contends that we will make ethical decisions if we develop character traits or virtues.[26] These virtues are both intellectual (prudence and wisdom that give us insight) and moral (e.g., courage, generosity, justice, wisdom). To make ethical determinations, virtuous people find the mean or middle ground between the extremes of too little (deficit) and too much (excess) in a given context, which some refer to as the "Golden Mean." For instance, the entrepreneur who refuses to invest in any project, fearing loss, is cowardly. But the overoptimistic entrepreneur who ignores risks is foolish. The courageous entrepreneur recognizes the risks but invests when appropriate. Aristotle admits that finding this balance is difficult:

Hence also it is no easy task to be good. For in everything it is no easy task to find the middle . . . anyone can get angry—that is easy—or give or spend money; but to do this to the right person, to the right extent, at the right time, with the right aim, and in the right way, *that* is not for everyone, nor is it easy; that is why goodness is both rare and laudable and noble.[27]

According to Aristotle, we cannot separate character from action: "Men [and women] become builders by building, and lyre-players by playing the lyre, so too we become just by doing just acts, temperate by doing temperate acts, brave by doing brave acts."[28] Good habits are voluntary routines or practices designed to foster virtuous behavior. Every time we engage in a habit—telling the truth, giving credit to others, giving to the less fortunate—it leaves a trace. Over time, these residual effects become part of our personality, and the habit becomes "second nature." In other words, by doing better, we become better. We also become more skilled in demonstrating the virtue. Practicing self-restraint, for instance, improves the ability to demonstrate self-restraint under pressure. (I'll have more to say about character-building habits in Chapter 3.) Conversely, practicing bad habits encourages the development of vices that stunt character development. Lying once makes it easier to lie again, helping to undermine our integrity.

For Aristotle, the exercise of virtues is designed to serve a higher purpose. To describe this purpose, he uses the term *eudemonia*, which has been variously translated as "happiness," "success," and "flourishing." Eudemonia is the ultimate goal in life for which we strive through our actions and choices. We are happiest when living well—effectively using our abilities to achieve our purpose. Aristotle rejects the notion that happiness comes from pleasure—food, wine, entertainment—and is critical of those who pursue wealth solely to purchase these items. In fact, fixating on pleasure puts us at the level of animals. It is our ability to reason and to apply reason to higher goals that sets us apart from other creatures. Aristotle urges us to focus more on goods of the soul that include the mind (knowledge, contemplation) as well as our relationships with others (love, friendship). Because people are social or political in nature, we flourish when working together in community. Good (high-character) individuals create a good society.

Modern researchers apply virtue to organizations as well as to individuals. In ethical organizations, the virtuous behaviors of members are magnified or amplified, encouraging others to do the same. Moral organizations, like the moral individuals described by Aristotle, demonstrate high character, strive for moral excellence, and serve a higher purpose. Organizational virtuousness fosters better relationships, meaningful work, and personal development while having a positive impact on society. High organizational character buffers (protects) members from the stress caused by layoffs, accidents, deaths, and other traumatic events.[29]

Compassion is one important organizational virtue. Compassion involves being sensitive to the pain and suffering of others and then acting to relieve that suffering. Organizational compassion occurs "when individuals in organizations collectively notice, feel, and respond to human pain in a coordinated way."[30] Examples of compassionate practices include organizing a clothing drive for fellow students who lost everything in a dorm room fire, granting leave to an employee following the death of a child, and protecting the privacy of those with serious illness. Compassionate practices, when combined with the practice of other virtues like forgiveness, inspiration, integrity, and gratitude, have been linked with better financial performance,

client retention, patient satisfaction, quality of care, and other measures of organizational performance.[31] (Complete Self-Assessment 1.2 to determine the collective level of compassion in your organization.)

SELF-ASSESSMENT 1.2: COMPASSIONATE SUPPORT SCALE

Instructions

On a scale of 1 to 5 (1 = *Strongly disagree*, 5 = *Strongly agree*), rate your organization (employer, college, residence hall, religious congregation, volunteer group) on each of the following items.

1. We help people who are facing difficulty.
2. We are there for fellow employees who are struggling.
3. We provide emotional support to each other.
4. We show compassion for each other.
5. We show kindness to one another.

Scoring

Scores can range from 5 to 25. The higher the score, the more you believe that your organization acts to help members who are suffering.

Looking Further

On what did you base your ratings? Can you think of examples of when the organization supported or failed to support suffering group members? What steps could you, your colleagues, and your organizational leaders take to act more compassionately? If possible, ask others from your organization to complete the scale and compare your ratings.

Source: Cameron, K. S. (2017). Organizational compassion: Manifestations through organizations. In Seppalo, E. M., et al., *The Oxford handbook of compassion science*. Oxford University Press. Used by permission.

Evaluation

Aristotle's enduring popularity can be traced, in large part, to the fact that he addresses some of humankind's most important concerns: What is my purpose in life? What is success? What does it mean to be human? What kind of person do I want to become, and how can I become that person? How can I live my life in the most satisfying manner possible? Modern scholars are still wrestling with these timeless questions. Happiness remains an important topic of investigation, for example, and many researchers and organizations are dedicated to determining what makes people satisfied with their lives. Modern investigators make a convincing case that organizations, as well as individuals, can be described as virtuous.

Aristotle's emphasis on the goods of the soul is more relevant than ever in modern materialistic societies that equate wealth with success and are driven by consumer spending on clothing, automobiles, cars, cosmetics, fine dining, and other pleasures. Aristotle contends that flourishing or living well rests not on external goods (though he agreed that we need some of these) but on developing high character and working with others to create a healthy society. He seems to take direct aim at businesspeople who excuse immoral behavior by saying "business is business" and care only about generating profits. Business ethicist Robert Solomon summarized Aristotle's message to businesspeople this way:

> The bottom line of the Aristotelian approach to business ethics is that we have to get away from "bottom line" thinking and conceive of business as an essential part of the good life, living well, getting along with others, having a sense of self-respect, and being part of something one can be proud of. [32]

Virtue ethicists who follow Aristotle's lead recognize that ethical decisions are often made under time pressures in uncertain conditions.[33] Individuals in these situations don't have time to apply rules-based approaches by weighing possible consequences or selecting an abstract guideline to apply. Instead, they respond based on their character. Those with virtuous character will immediately react in ways that benefit themselves, others, and the greater good. They will quickly turn down bribes, reach out to help others, and so on. Patterns of behavior (good or bad) tend to continue over time and are hard to break.

Those looking for specific guidance from Aristotle will be disappointed. He offers only general thoughts about what it means to "live well," leaving us to define happiness for ourselves. Since Aristotle provides no rules to follow when making ethical choices, we must determine what is right based on our character. Further complicating matters is the fact that the exercise of virtue is determined by the specifics of the situation. Finding the middle ground or mean is difficult (as Aristotle himself points out) and varies between contexts. Individuals will likely disagree as to the correct course of action. What is courageous to one person may appear rash to another.

Aristotle privileges reason as humankind's highest achievement and treats emotion with suspicion. As we'll see in Chapter 2, modern researchers are discovering that feelings play an important role in making wise ethical choices. Finally, it should be noted that some people would never be able to live well according to Aristotle. Certain individuals lack reasoning ability, for example. Others (like many around the world who live on a dollar or two a day) must put all their efforts into acquiring external goods like food, shelter, and water. They have little time and energy to engage their minds in the reflection and contemplation Aristotle considered so essential to eudemonia.

Confucianism: Building Healthy Relationships

China's emergence as an economic and military superpower has focused the attention of Western scholars on Chinese culture and thought. Ethicists have been particularly interested in Confucianism. Confucius (551–479 BCE), the son of a low-level official, was born into a turbulent period of Chinese history. Wars, palace coups, and power struggles were common as the ruling Zhou dynasty collapsed into competing states. Confucius wanted to restore order and good government. He believed that the ideal society is based on a series of harmonious,

hierarchical relationships (starting in the family and extending all the way up to the pinnacle of government) marked by trust and mutual concern. Ideal citizens are individuals of high character who engage in lifelong learning and always strive to improve their ethical performance. Ideal leaders govern by setting a moral example.[34]

Confucius apparently served a brief period as a government minister but spent most of his life working outside the political system, offering his ideas to various rulers. After his death, a number of his disciples, most notably Mencius, spread his ideas; Confucianism gained a foothold in Korea, Japan, and Vietnam. The philosophy's most important guidebook, *The Analects*, is a collection of the founder's (Master's) sayings. Confucianism was adopted as the official state doctrine of the Han dynasty, but throughout Chinese history Confucian thought has undergone periodic attack, most recently during Mao's Cultural Revolution of the 1970s. However, since that time Confucius has regained his popularity. Chinese president Xi Jinping embraces Confucianism, requiring mandatory lectures on Confucius for Communist Party members and school children. The Chinese government sponsors over 1,000 Confucius institutes around the world, including in North America. Sinyi real estate group, kitchen appliance maker Fotile, and pharmaceutical company Tong Ren Kang are three successful firms that operate according to Confucian principles.[35]

Several key components of Confucianism are particularly relevant for modern business and organizational ethics, starting with the philosophy's emphasis on relationships.[36] Confucius argued that humans don't exist in isolation but are social creatures connected to others through networks of relationships. Because organizations consist of webs of relationships, it is critical that these connections be based on trust and benefit all parties. Organizations must also establish relationships with other organizations, as in the case of a firm that moves into a new foreign market. This company must enter into agreements with shippers, suppliers, local distributors, banks, and other business partners in the new country. The firm's expansion plans will fail if its relational partners don't live up to their responsibilities.

Confucianism emphasizes that rituals, policies, norms, and procedures—referred to as etiquette, or *li*—maintain relationships within and between organizations. These practices also prevent ethical misbehavior. It is easier to trust others if we operate under the same guidelines, and we are less likely to cheat or steal if there are clearly stated rules against such activities. (We'll take a closer look at the formal and informal elements of ethical culture in Chapter 9.) However, Confucius was quick to point out that rules and codes are not enough, by themselves, to maintain good relationships and ethical behavior. Individuals have a moral duty to take their roles and duties seriously. They should follow the Golden Rule ("Do not do to others what you do not want them to do to you") in all of their dealings. (We'll take a closer look at the Golden Rule in Chapter 12.)

Confucius, like Aristotle, puts a high priority on personal virtues or character.[37] That's because virtuous behavior is essential to maintaining healthy relationships and fulfilling organizational duties. The most important Confucian virtue is that of humaneness or benevolence. Benevolence goes beyond demonstrating care and concern. It also means treating others with respect and promoting their development through education and other means. In addition to benevolence, the key virtues of Confucianism are honesty, trust, kindness, and tolerance. Virtuous people put the needs of others above their own. They seek the good of the organization

as a whole and of the larger society. Consider profit making, for instance. While they do not condemn profit, Confucian thinkers argue that profit should never take precedence over moral behavior or concern for others. The ideal person strives first for virtue, then for profits. In instructing the king, Mencius emphasized that commercial activities should serve the needs of society:

> Your majesty . . . What is the point of mentioning the word "profit"? All that matters is that there should be benevolence and rightness . . . If the mulberry is planted in every homestead, then those who are fifty can wear silk; if chickens, pigs and dogs do not miss their breeding season, then those who are seventy can eat meat; if each field is not deprived of labor during the busy season, then families with several mouths to feed will not go hungry . . . When those who are seventy wear silk and eat meat and the masses are neither cold nor hungry, it is impossible for the prince not to be a true king. (Mencius I, 3, I, A, 1, 1, A, 3)[38]

Finally, Confucians recognize the reality of status and power differences in society as well as in organizations. Individuals occupy various roles and levels in the organizational hierarchy, and humaneness demands that we treat every person, whatever their position, with love and concern. At the same time, Confucius recognized the important role played by those at the top of the hierarchy. Executive-level management plays a key role in establishing moral organizational climates by setting an ethical example and expecting ethical behavior from followers. For example,

> The Master said, "When a prince's personal conduct is correct, his government is effective without issuing orders. If his personal conduct is not correct, he may issue orders, but they will not be followed." (*Analects*, XIII, vi)

> The Master said, "The superior man seeks to perfect the admirable qualities of men, and does not *seek to* perfect their bad qualities." (*Analects*, XII, xvi)[39]

Evaluation

Confucianism highlights the fundamental truth that organizations, economies, and societies are built on relationships. In the global economy, fostering ethical relationships is even more important. People who never meet each other in person now conduct much of the world's business. Confucius offers a blueprint for fostering trusting, healthy relationships that we can put into practice. We need to institute rules and procedures that create ethical organizational climates. However, codes and policies are not enough. We have to develop personal character to equip us to take our duties seriously and follow the Golden Rule. Every person, no matter their status, is worthy of our respect and should be treated as we would want to be treated. Putting the interests of others ahead of our own concerns can keep us from taking advantage of them or pursuing profit above people. Confucian thought also recognizes that the leader shapes the ethical climate of the organization by setting a moral example.

The strengths of Confucianism can become weaknesses if taken too far.[40] Consider the philosophy's emphasis on social connections, for example. Placing too much importance on

relationships can undermine justice or fairness. Jobs and promotions in China often go to family members, friends, and associates instead of the most qualified individuals. In China, *guanxi*, which is the practice of favoring those with social connections, has led to corruption. Local and foreign firms try to establish *guanxi* through bribes to win public works contracts, commercial deals, and bank loans. Placing too much emphasis on hierarchy and submission to the collective good can foster authoritarian leadership where leaders impose their will and followers have little freedom but blindly submit to authority. Critics point out that pursuing harmony at any cost can suppress individual rights and silence dissent. President Xi apparently uses Confucianism to strengthen his power and to legitimize authoritarian rule. Citizens considered to be a threat to societal harmony (e.g., those who criticize government policies) are censored and punished. Confucius Institutes at U.S. universities were closed after the U.S. State Department declared them to be tools of Chinese propaganda.[41] Many Confucian thinkers have been reluctant to endorse the existence of universal human rights like those described earlier or to embrace gender equality.[42]

Altruism: Concern for Others

Altruism is based on the principle that we should help others regardless of whether or not we profit from doing so.[43] Assisting those in need may be rewarding—we may feel good about ourselves or receive public recognition, for example. Nevertheless, altruistic behavior seeks to benefit the other person, not the self. The most notable cases of altruism are those that involve significant self-sacrifice, as when a soldier jumps on a grenade to save the rest of the platoon or when an employee donates a kidney to another worker in need of a transplant. The word *altruism* comes from the Latin root *alter*, which means "other." Advocates of altruism argue that love of one's neighbor is the ultimate ethical standard.

Some philosophers argue that altruism doesn't deserve to be treated as a separate ethical perspective because altruistic behavior is promoted in other moral theories. Utilitarians seek the good of others, Kant urges us to treat others with respect, compassion/generosity is an Aristotelian virtue, and Confucianism identifies benevolence as a key element in maintaining proper social relations. However, I believe that altruism deserves to be considered on its own merits and demerits. To begin with, altruism often calls for self-sacrificial behavior, whereas utilitarianism and the categorical imperative do not. Kant warned us never to treat people as a means to an end. Altruism goes a step further and urges us to treat people as if they *are* the ends. Then, too, there is significant debate over the existence of prosocial behavior. One group of evolutionary biologists believe that humans are conduits of "selfish genes."[44] For instance, they believe that anything we do on behalf of family members is motivated by the desire to transmit our genetic code. Some skeptical philosophers argue that people are egoists. Every act, no matter how altruistic on the surface, always serves our needs, such as helping others because we expect to get paid back at some later time.

In response to the skeptics, research in sociology, neuroscience, political science, economics, social psychology, and other fields establishes that true altruism does exist and is an integral part of the human experience.[45] In fact, altruistic behavior is common in everyday life:

We humans spend much of our time and energy helping others. We stay up all night to comfort a friend who has suffered a broken relationship. We send money to rescue famine victims halfway round the world, or to save whales, or to support public television. We spend millions of hours per week helping as volunteers in hospitals, nursing homes, hospices, fire departments, rescue squads, shelters, halfway houses, peer-counseling programs, and the like. We stop on a busy highway to help a stranded motorist change a flat tire, or spend an hour in the cold to push a friend's—even a stranger's—car out of a snowdrift.[46]

Concern for others promotes healthy relationships like those described by Confucius. Society functions more effectively when individuals help one another in their daily interactions. This is particularly apparent in organizations. Many productive management practices, like empowerment, mentoring, and team building, have an altruistic component. Researchers use the term *organizational citizenship behavior* to describe routine altruistic acts, not in the typical job description, that increase productivity and build trusting relationships.[47] Examples of organizational citizenship behavior include an experienced machine operator helping a newcomer master the equipment, a professor teaching a class for a colleague on jury duty, and an administrative assistant working over break to help a coworker meet a deadline. Such acts play an important if underrecognized role in organizational success. Much less work would get done if members refused to help out. Take the case of a new machine operator. Without guidance, this person may flounder for weeks, producing a number of defective parts and slowing the production process. Caring behaviors also break down barriers of antagonism between individuals and departments. Communication and coordination increase, leading to better overall results.

The Ethic of Care

Altruism provides the foundation for the *ethic of care*, which developed as an alternative to what feminists deem the traditional, male-oriented approach to ethics.[48] The categorical imperative and justice-as-fairness theories, for example, emphasize the importance of acting on abstract moral principles, being impartial, and treating others fairly. Carol Gilligan, Nel Noddings, and others initially argued that women take a different approach (a "different voice") to moral decision making that is based on caring for others. Instead of expressing concern for people in abstract terms, women care for others through their relationships and tailor their responses to the particular needs of the other individual. Subsequent research has revealed that the ethic of care serves as a moral standard for many men as well as for many (but not all) women.[49]

The ethic of care incorporates both attitude and action.[50] Caring individuals are alert to the needs of others. They value those who demonstrate care and concern as well as groups and societies that tend to the needs of their members. Care is also an activity.[51] To practice care, we must first recognize or be attentive to the needs of others. We then have to take responsibility for meeting those needs. Providing good care depends on having the right skills, such as listening, counseling abilities, and medical training. As caregivers, we should recognize that receivers of care are in a vulnerable position, and we must not take advantage of that fact.

Philosopher Virginia Held identifies five key components of the care ethic that separate it from other moral philosophies.[52]

1. *Focuses on the importance of noting and meeting the needs of those we are responsible for.* Most people are dependent for much of their existence, including during childhood, during illness, and near the end of life. Morality built on rights and autonomy overlooks this fact. The ethic of care makes concern for others central to human experience and puts the needs of specific individuals—a child, a coworker—first.

2. *Values emotions.* Sympathy, sensitivity, empathy, and responsiveness are moral emotions that need to be cultivated. This stands in sharp contrast to ethical approaches that urge decision makers to set aside their feelings to make rational determinations. However, emotions need to be carefully monitored and evaluated to make sure they are appropriate. For example, caregivers caught up in empathy can deny their own needs or end up dominating the recipients of their care.

3. *Gives priority to specific needs and relationships over universal principles.* The ethic of care rejects the notion of impartiality and believes that particular relationships are more important than universal moral principles like rights and freedom. For instance, the needs of our immediate coworkers should take precedence over the needs of distant employees or society as a whole (though we should be concerned for members of those groups as well). Most moral theories see ethical problems as conflicts between two extremes: the selfish individual and universal moral principles. The care ethic falls somewhere in between. Persons in caring relationships aren't out to promote their personal interests or the interests of humanity; instead, they want to foster ethical relationships with specific individuals. These relationships benefit both parties. Family and friendships have great moral value in the ethic of care, and caregiving is a critical moral responsibility.

4. *Breaks down the barriers between the public and private spheres.* In the past, men were dominant in the public sphere while relegating women to the "private" sphere. Men largely made decisions about the exercise of political and economic power while women were marginalized. As a result, women were often economically dependent and suffered domestic violence, cut off from outside help. Previous moral theories focused on public life and ignored families and friendships, but the ethic of care addresses the moral issues that arise in the private domain. It recognizes that problems faced in the private sphere, such as inequality and dependency, also arise in the public sphere.

5. *Views persons as both relational and interdependent.* Each of us depends on our webs of interpersonal relationships throughout our time on Earth. These relationships help create our identity. Unlike liberal political theory, which views persons as rational, self-interested individuals, in the ethic of care, individuals are seen as "embedded" in particular families, cultures, and historical periods. Embeddedness means that we need to take responsibility for others, not merely leave them alone to exercise their individual rights.

Adopting the ethic of care would significantly change organizational priorities. Employers would use caring as a selection criterion, hiring those who demonstrate relational understanding and skills. Managers would be evaluated based on how well they demonstrated concern for employees. Organizations would help members strike a better balance between work and home responsibilities, provide more generous family leave policies, expand employee assistance programs, and so on. Those directly involved in caregiving—assisted-living attendants, nursery school teachers, hospice workers, home health caregivers—would receive more money, recognition, and status.[53]

Evaluation

Altruism has much to offer. First, concern for others is a powerful force for good. It drives people to volunteer to care for the dying, to teach prisoners, to comfort the families of those killed in mass shootings, to deliver meals to shut-ins, to act as Big Brothers and Sisters, to provide medical relief, to answer crisis calls, and perform other compassionate acts.

Second, following the principle of caring helps prevent ethical abuses. We're much less likely to take advantage of others through accounting fraud, stealing, cheating, and other means if we put their needs first. (We'll return to this theme in our discussion of servant leadership in Chapter 7.) Third, altruistic behavior, as we've seen, promotes healthy relationships and organizations. There are practical benefits to acting in a caring manner.

Fourth, altruism lays the foundation for high moral character. Many personal virtues, like compassion, hospitality, generosity, and empathy, reflect concern for other people. Fifth, adopting an ethic of care would make our workplaces more humane and provide caregivers with the rewards they so richly deserve. Finally, altruism is inspiring. When we hear of the selfless acts of Desmond Tutu, the Rwandans who risked their lives to save their neighbors from genocide, and health workers battling COVID-19, we are moved to follow their example.

While compelling, altruism suffers from serious deficiencies. All too often, our concern for others extends only to our immediate families, neighbors, or communities. Sadly, well-intentioned attempts to help others can backfire. Many charitable efforts fail to meet the need, have unintended negative consequences, or make the problem worse. Recognition of that fact is the impetus for the effective altruism movement. Effective altruists argue that most charities are inefficient, spending far too much to for meager results. Members of the effective altruism community give to charities who can provide evidence that they generate the greatest benefit for each dollar received.[54]

Altruism is not an easy principle to put into practice. For every time we stop to help a stranded motorist, we probably pass by several others who need assistance. Our urge to help out a coworker is often suppressed by our need to get our own work done or to meet a pressing deadline. Even when we do help, it can be out of suspect motives. We may be driven by peer pressure, guilt, or the desire to maintain a good image. In some cases, we may hope that our good deeds can atone for our past bad behavior. There's also disagreement about what constitutes loving behavior. For example, firing someone can be seen as cruel or as caring. This act may appear punitive to outsiders. However, terminating an employee may be in that person's best interests.

For someone who is not a good fit for an organization, being fired can open the door to a more productive career.

The ethic of care often conflicts with the ethic of justice. Take the allocation of jobs and resources, for instance. The ethic of care suggests that job openings and organizational funds should go to those closest to us—family, friends, acquaintances, coworkers. The ethic of justice holds that such determinations should be impartial, based on qualifications, not relationships (see our earlier discussion of Confucianism). Care and justice often clash in the legal system as well. Some advocate that jails should focus on rehabilitation; others argue that the prison system should focus on punishment, seeing that criminals get the treatment they deserve. Norway is one nation that takes a caring rather than a punitive approach to incarceration, housing inmates in beautiful facilities and treating them with respect. While Norwegians argue that their system reduces the number of prisoners who return to jail, many in the United States and Britain believe that Norway's compassionate prison system is unjust to the victims of crime.[55]

CHAPTER TAKEAWAYS

- Developing ethical competencies is essential to taking a practical approach to organizational ethics.

- Ethical experts know more about the ethical domain, see the world differently than novices, and have different skill sets. To become more of an ethical expert, learn in a well-structured environment, master moral theory and skills, and practice, practice, practice.

- In order to think and act ethically, expand your capacity for moral maturation (ethical thinking) and moral conation (motivation). Build your moral intelligence, which is made up of moral compass, moral commitment, moral sensitivity, moral problem solving, and moral resoluteness.

- Organizations are made up of three or more persons engaged in coordinated action in pursuit of a common purpose or goal. Ethics is concerned with the rightness or wrongness of human behavior. Organizational ethics applies moral standards to the organizational context.

- Ethical theories or perspectives are critical tools for developing competence. Each ethical perspective has its weaknesses, but each makes a valuable contribution to moral problem solving.

- Utilitarian decisions are based on their consequences. The goal is to select the alternative that achieves the greatest good for the greatest number of people.

- Kant's categorical imperative is based on the premise that decision makers should do what's morally right no matter the consequences. Moral choices flow out of a sense of duty and are those that we would want everyone to make. Always respect the worth of others when making ethical decisions.

- Justice-as-fairness theory provides a set of guidelines for resolving disputes over the distribution of resources. Ensure that everyone in your organization has certain rights, such as freedom of speech and thought; is provided with a minimum level of benefits; and has the same chance at positions and promotions. Try to make choices without being swayed by personal or status considerations.

- Aristotelian ethics rejects rules-based approaches and urges us to develop virtues that lead to wise moral choices. You'll need to find the middle ground between extremes—not deficiency or excess—and focus your choices and actions on your ultimate purpose, which is happiness or flourishing. Live well by pursuing goods of the soul, which develop the mind and relationships, not wealth or pleasure.

- Confucianism focuses on the importance of creating healthy, trusting relationships. You can help build such connections by establishing ethical organizational practices, taking your responsibilities seriously, following the Golden Rule, demonstrating humanity toward others, and seeking the good of others over your own interests.

- Altruism seeks to benefit the other person, not the self. By making caring for others the ethical standard, you can encourage practices—empowering, mentoring, team building, organizational citizenship behavior—that build trust, reduce pain, and increase productivity. The ethic of care rejects abstract, universal moral principles in favor of meeting the needs of specific individuals.

APPLICATION PROJECTS

1. Outline a plan for developing your ethical competence. What skills/abilities do you want to develop? How will you incorporate the components of ethical development described in this chapter into your plan?

2. With your classmates, determine whether ethics and morality differ from each other. What are reasons for treating them separately? For treating them interchangeably?

3. Reflect on one of your ethical decisions. Which ethical perspective(s) did you use when making your determination? Evaluate the effectiveness of the approach(es) as well as the quality of your choice. What did you learn from this experience?

4. Form a group and develop a list of behaviors that are always right and behaviors that are always wrong. Keep a record of those behaviors that were nominated but rejected by the team and why. Report your final list, as well as your rejected items, to the rest of the class. What do you conclude from this exercise?

5. Join with classmates and imagine that you are behind a veil of ignorance. What principles will you use to govern society and organizations?

6. What does happiness mean to you? How is your education helping you (or not helping you) to flourish and live well?

7. How would your organization operate differently if it were governed by the ethic of care?

8. Create a case study based on an individual or group you admire for its altruistic motivation. Provide background and outline the lessons we can learn from this person or persons. As an alternative, create a case study based on an organization operating according to Confucian principles.

9. Apply all six ethical perspectives presented in the chapter to the case studies. Keep a record of your deliberations and conclusions using each one. Did you reach different solutions based on the theory you used? Were some of the perspectives more useful in this situation? Are you more confident after looking at the problem from a variety of perspectives? Write up your findings.

CASE STUDY 1.1

TO FORGIVE OR NOT TO FORGIVE? THE BATTLE OVER STUDENT DEBT RELIEF

As college costs have risen (tripling since 1980), so has student debt. In 2012 Americans held $948 billion in student loans. By 2020 that number had ballooned to over $1.7 trillion. Nearly 45 million Americans owe for school loans taken out for themselves and for their children and grandchildren. Younger borrowers report that their school loans are a heavy burden, ruining their credit ratings as well as keeping them from buying homes, starting businesses, and having kids. (A majority of student borrowers between 18 and 35 owe more than their original loans due to interest payments.) Older borrowers, who account for 20% of outstanding student loans, can have their Social Security benefits garnished if they default.

Joe Biden promised to provide student debt relief during his 2020 presidential election campaign. In 2022 he moved to fulfil this promise by issuing an executive order, forgiving up to $20,000 for Pell Grant recipients and up to $10,000 for non–Pell Grant recipients. Eligibility was limited to individuals making less than $125,000 and couples making less than $250,000.

Biden's order received an enthusiastic reception from student borrowers. Within days 22 million people registered for debt relief and the president said that he had received over 10,000 letters thanking him for his action. However, pushback against the order was also swift. Political opponents accused the president of abusing his power by bypassing Congress through issuing an executive order. Attorneys general of several states immediately sued to block the plan, claiming that federal relief would undercut state student loan programs. The Supreme Court agreed, striking down Biden's directive. Nevertheless, the president found other ways to cancel student loan debt, using forgiveness programs already on the books for public-sector workers, those defrauded by for-profit colleges, and borrowers who have paid on their loans for at least 20 years but never got the relief they were entitled to. His administration claimed it cancelled over $130 billion in loans for 3.7 million borrowers.

Reaction to Biden's executive actions highlights the divide between those who support and oppose loan forgiveness. Critics raise a number of objections to student debt relief.

Not only is loan forgiveness expensive (Biden's original order would have cost roughly $400 billion), but some of the relief would go to those with relatively high incomes. Money to help the poor, they claim, would be better spent on targeted programs, like housing assistance and food stamps, that would have more of a direct impact on the disadvantaged. Opponents worry that debt forgiveness will encourage more students to take out loans, encourage colleges to increase tuition, and drive up inflation by freeing dollars for consumer spending. To them, debt forgiveness is unfair to those who didn't attend college or who have already paid off their loans. According to former senate minority leader Mitch McConnell, the idea of forgiving student loans is

> a slap in the face to every family who sacrificed to save for college, every graduate who paid their debt, and every American who chose a certain career path or volunteered to serve in our Armed Forces in order to avoid taking on debt.[1]

For their part, proponents of debt relief believe that higher education is a public good because society as a whole benefits when young people can establish households and move into the middle class. They argue that federal aid hasn't kept pace with rising college costs. Loan forgiveness reduces racial disparities when much of the relief goes to low-income borrowers from minority communities. These former students have fewer family resources to draw upon when paying for college and transitioning into adulthood. Black graduates owe more than their white counterparts and are much more likely to fall behind on their loan payments. Advocates also contend that student loan forgiveness will have little impact on inflation but will boost the financial health of recipients and help the economy by freeing up money for investment and spending. They take issue with the notion that loan forgiveness is unfair, noting that the same standard isn't applied to other government programs like special benefits for veterans. According to them, student debt is a long-term problem that should have been dealt with much earlier. "The argument that 'this how it was for me, so why should it be any easier for you' is a lazy interpretation of—and solution for—a crisis decades in the making," notes one commentator. In the words of another observer: "It's *not* unfair that they're finally taking care of the problem."[2]

Discussion Probes

1. What was your initial reaction when you heard about student debt relief? Do you think your response was based on whether or not you were eligible for loan forgiveness?
2. Is higher education a public good?
3. Is student debt forgiveness unfair to those who don't go to college and to those who repaid their loans?
4. Are there better ways to help the poor than by offering student debt relief?
5. Can you identity any additional arguments for and against student loan forgiveness?
6. Does student loan forgiveness do the greatest good for the greatest number? Why or why not?

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CASE STUDY 1.2

"A COG IN A VERY BIG MACHINE": BLUE-COLLAR WORK AT AMAZON

Amazon's drive to be "Earth's most customer-centric company" has made it "the embodiment of the American success story," according to one retail sales expert.[1] What started as a small online bookseller storing its products in an office basement is now the world's largest online retailer and the second largest employer in the United States. Founder Jeff Bezos consistently ranks as one of the world's richest men.

Fast delivery is key to meeting customer expectations, with millions of Amazon products arriving on the day they were ordered. However, reducing delivery times comes at significant cost to Amazon's warehouse workers and delivery drivers. Sorting packages can be a grueling job, with employees constantly bending, stooping, and lifting as they pick and stow items during long (often 10-hour) shifts, all while standing in the same position. Assisted by robots, goals for pickers and stowers have jumped from 100 to 300–400 pieces of merchandise an hour. Employees suffer repetitive motion injuries but can be reluctant to report them for fear of being fired. Serious injury and death rates are higher at Amazon fulfilment centers than at those of Walmart and other rivals. Drivers report having to urinate in bottles in order to meet their targets, which can be as high as 375 deliveries per shift.

Both sorters and drivers are under constant surveillance. The firm's TOT software tracks how many packages employees pick off the shelves and the amount of time they spend off task during a day, including minutes spent in the bathroom, hand washing, and talking to colleagues. Accumulating too much time off task during a single day or over the

course of a year is grounds for dismissal. Employees report that they have been penalized for not making their quotas due to factors beyond their control, such as when poorly wrapped packages break open. Cameras mounted in delivery vans monitor the driver's location, movements, and facial expressions. Every driver receives a score based on their driving performance. Those who score low lose their bonuses and their jobs. Drivers complain that they are unfairly penalized when, for example, other drivers cut them off in traffic and they can't keep a safe distance, and for looking at their mirrors, which registers as distracted driving.

Amazon's blue-collar workers complain that life at the firm is dehumanizing. They feel like "they are a cog in a very big machine that does not always listen to their problems," notes one BBC reporter. "They have little control over their shifts, time off, sick leave and being fired."[2] Some are fighting back. Workers in Minnesota and California held walkouts to protest working conditions. Others are trying to unionize. (Staten Island warehouse employees were the first to unionize in the United States, but managers later fired the key union organizers.)

Government officials are responding to complaints from Amazon's workforce. Federal prosecutors and the Department of Labor conducted warehouse inspections to identify unsafe working conditions, including the pace of work, and possible attempts to hide injuries from the Occupational Safety and Health Administration (OSHA). Washington State fined the company for "knowingly putting workers at risk of injury" by requiring that they complete physical tasks too quickly. Inspectors found a "direct connection" between the firm's surveillance and discipline systems and musculoskeletal problems suffered by employees.[3] Even Amazon's executives acknowledge that more can be done to improve working conditions. In his final CEO letter to shareholders, Jeff Bezos admitted that the company needed "to do a better job for our employees."[4] Bezos's successor, Andy Jassey, pledged to spend millions to reduce injuries. Nevertheless, sceptics question Amazon's commitment to improved working conditions and greater safety given its focus on keeping costs low while satisfying customers who want speed and convenience.

Discussion Probes

1. Do you know anyone who works or worked for Amazon in a warehouse or as a driver? What is or was their experience like?
2. Would you be willing to pay more for goods from Amazon, or wait longer for delivery, in order to ensure better working conditions for company warehouse workers and drivers?
3. How do working conditions at Amazon violate Kantian ideals for the workplace?
4. Considering complaints about how it treats its workforce, do you consider Amazon to be the "embodiment of the American success story?" Why or why not?
5. What steps could Amazon take to make its warehouses and vans more humane places to work?

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[2]Wakefield, J. (2020, September 2). *Amazon withdraws job adverts for union "spies."* BBC.

[3]Smith, H. (2022, March 21). *Amazon employee monitoring system directly connected to workplace injuries, L&I finds.* king5.com.

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CASE STUDY 1.3
EQUAL OPPORTUNITY MEETS THE SHAM INTERVIEW

African Americans make up 70% of the players in the National Football League but only a small percentage of its head coaches. (Blacks hold 50% of the head coaching positions in the National Basketball Association.) In an attempt to promote diversity in its coaching ranks, the NFL adopted the Rooney Rule. The Rooney Rule requires teams to interview two external minority candidates for head coaching spots and at least one minority applicant for other executive posts. So far the Rooney Rule hasn't produced the desired results. Although the number of team presidents and general managers from underrepresented groups has increased significantly, there has been less progress when it comes to head coaches. There were three Black coaches when the Rooney Rule was adopted in 2003, but in 2023, only 5 of the NFL's 32 coaches were Black.

League executives are accused of using sham interviews to circumvent the Rooney Rule. In sham or fake interviews, owners and general managers decide to hire white candidates but still interview minorities after the decision has been made. Brian Flores is a case in point. Flores, the former head coach of the Miami Dolphins with the Minnesota Vikings, sued the league for bias. He claimed that the New York Giants had already decided to hire Brian Daboll, who is white, before interviewing him. In fact, New England coach Bill Belichick congratulated Flores for getting the job before the hiring announcement was made, mistaking him for Daboll. When interviewing with the Denver Broncos, Flores reports that the team

owner and general manager arrived an hour late to the interview and appeared to be recovering from a night of drinking. Former coaches Steve Wilks and Ray Horton later joined the lawsuit, also claiming employment discrimination.

A number of other companies have adopted versions of the Rooney Rule, requiring that minority candidates be interviewed for job openings. For example, Wells Fargo Bank instituted a "diverse slate" policy. This guideline requires that at least half of the candidates being interviewed for positions paying a $1,000,000 or more be racial minorities, women, or members of other disadvantaged groups. Personnel at Wells Fargo, like NFL officials, are also accused of holding sham interviews. Current and former Wells Fargo employees told journalists that they routinely interviewed minorities for jobs that had already been promised to white male candidates. The bank paused its diverse slate policy in response to press reports, though bank CEO Charles Scharf condemned the sham interviews and noted that the percentage of minority employees had risen since the requirement was put in place.

The experiences of diverse candidates at the NFL and Wells Fargo appear to be all too common. Black applicants complain that "a lot of job interviews allow a company to simply check a diversity-in-hiring box without actually caring about inclusivity or equity."[1] They describe being told that there are not enough qualified minority candidates and being asked questions unrelated to the job description. Even members of majority populations can be victimized by fake interviews, such as when organizations advertise positions externally but plan to hire internal candidates.

The NFL contested the discrimination lawsuit, claiming that it was "without merit." Nevertheless, after Flores brought suit, the league created a diversity advisory panel, required that every team have an executive overseeing diversity efforts, and instituted a requirement that every team hire a minority offensive assistant coach. Teams hiring minority head coaches and general managers receive extra draft picks. These efforts may be paying off. There were nine coaches of color as the league prepared to open the 2024 season. Flores realizes he is risking his coaching career by bringing legal action but wants to spark long-term change. "My sincere hope is that by standing up against systemic racism in the NFL, others will join me to ensure that positive change is made for generations to come."[2]

Discussion Probes

1. Have you ever participated in a sham interview as a job applicant? How did you know the interview was fake? How did you respond?
2. How do sham interviews violate justice-as-fairness principles?
3. Why do you think the percentage of minority coaches is so much lower in the NFL than in the NBA?
4. How can the Rooney Rule, the "diversity slate," and their variants be made more effective?
5. Can any diversity effort or policy succeed if the organization isn't seriously committed to broadening its workforce?

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