

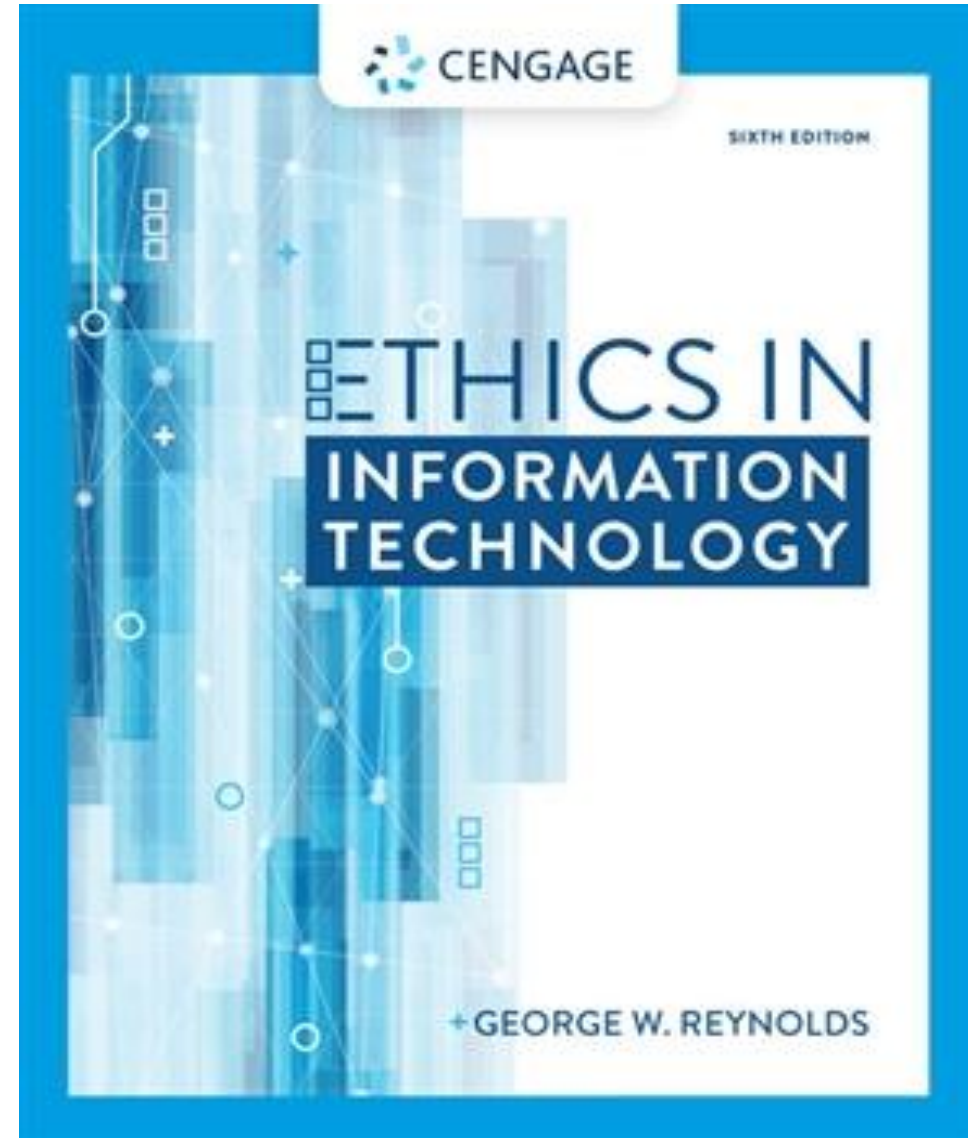


FROM POSSIBILITY TO ACTUALITY

## Professional Practice in Information Technology ICT945

## Prescribed Text

Reynolds, G. (2018), *Ethics in Information Technology*, 6<sup>th</sup> Edition, Cengage Learning, Boston, MA



# Chapter 1

An Overview of Ethics

# Learning Objectives, Part 1

- What is Ethics?
- What trends have increased the likelihood of unethical behavior?
- What is corporate social responsibility, and why is fostering good business ethics important?

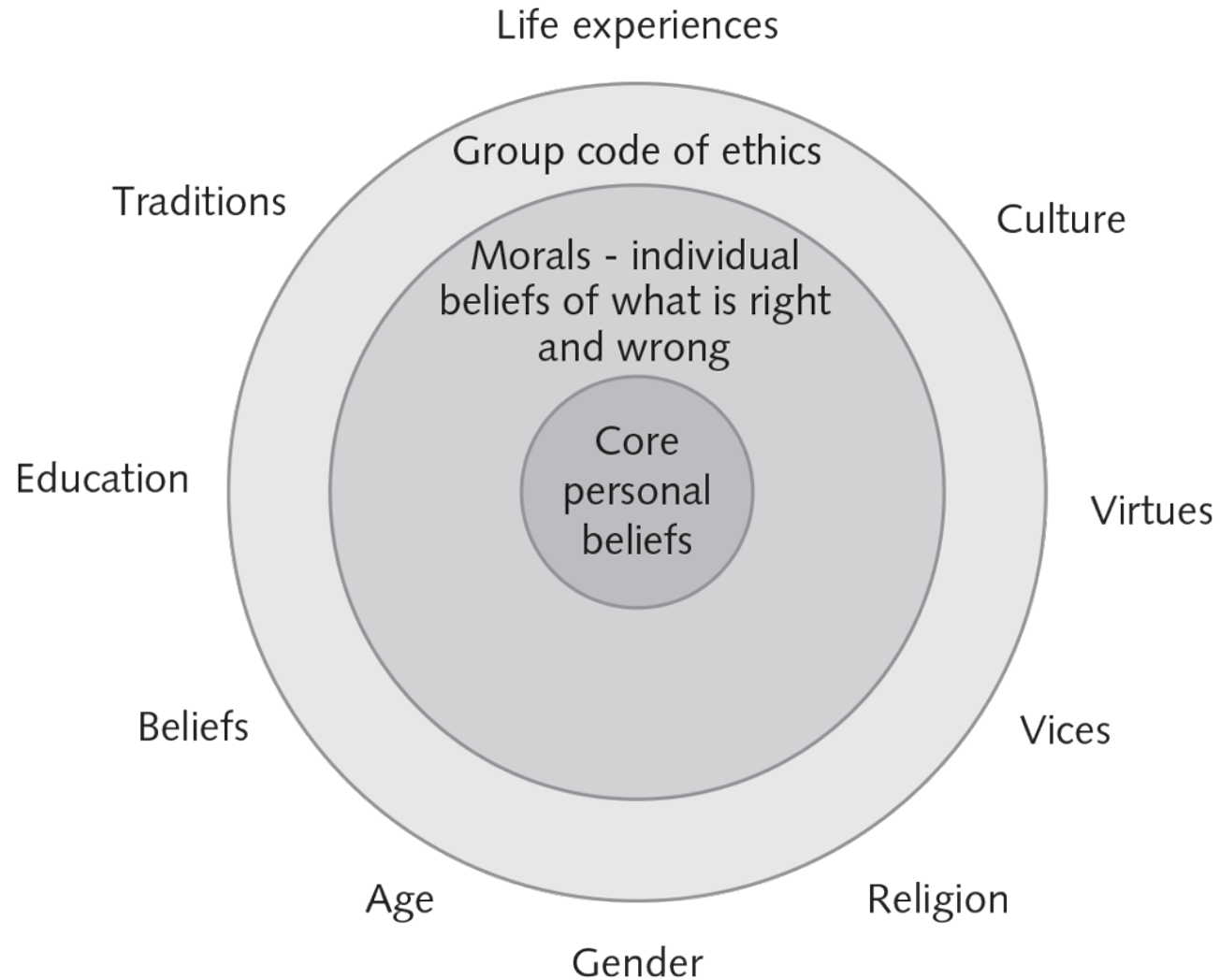
## Learning Objectives, Part 2

- What measures can organizations take to improve their business ethics?
- How can you include ethical considerations in your decision making?
- What trends have increased the risk that information technology will be used in an unethical manner?

# What is Ethics?

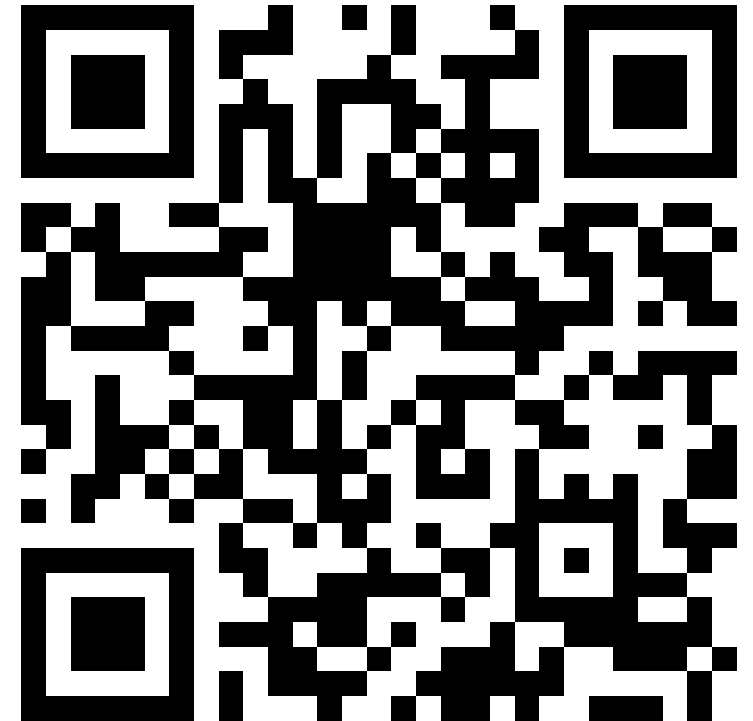
- **Ethics:** A code of behavior defined by the group to which an individual belongs
- **Morals:** Personal principles upon which an individual bases his or her decisions about what is right and what is wrong
- **Virtue:** A habit that inclines people to do what is acceptable
- **Vice:** A habit of unacceptable behavior

# The Relationship Between Ethics and Morals



# Integrity

- Acting in accordance with a personal code of principles
- Extending the same respect and consideration that one expects to receive from others
- Applying the same moral codes in all situations
- Consistency can be difficult to achieve in situations that conflict with one's moral standards.
  - Inconsistency also occurs if one applies moral standards differently depending on the situation or people involved.



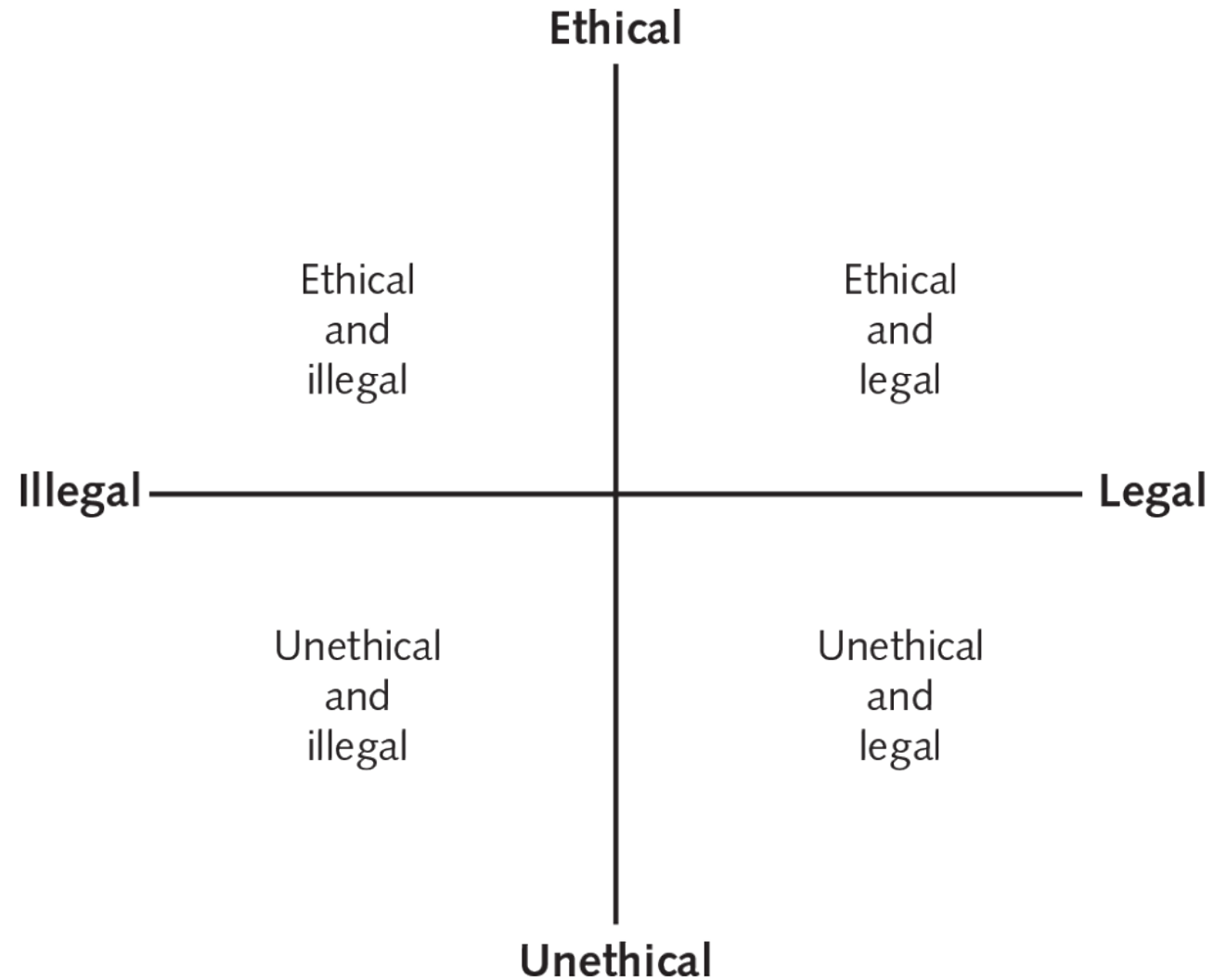
*Trolley Problem*



# Difference Between Morals, Ethics, and Laws

Morals	Ethics	Law
<ul style="list-style-type: none"><li>• Personal principles an individual uses to determine what is right and what is wrong</li><li>• Moral acts conform to what an individual believes to be the right thing to do</li></ul>	<ul style="list-style-type: none"><li>• Code of behavior that is defined by the group to which an individual belongs</li></ul>	<ul style="list-style-type: none"><li>• System of rules, enforced by a set of institutions, that tells us what we can and cannot do</li><li>• Legal acts are acts that conform to the law</li></ul>

# Legal versus Ethical



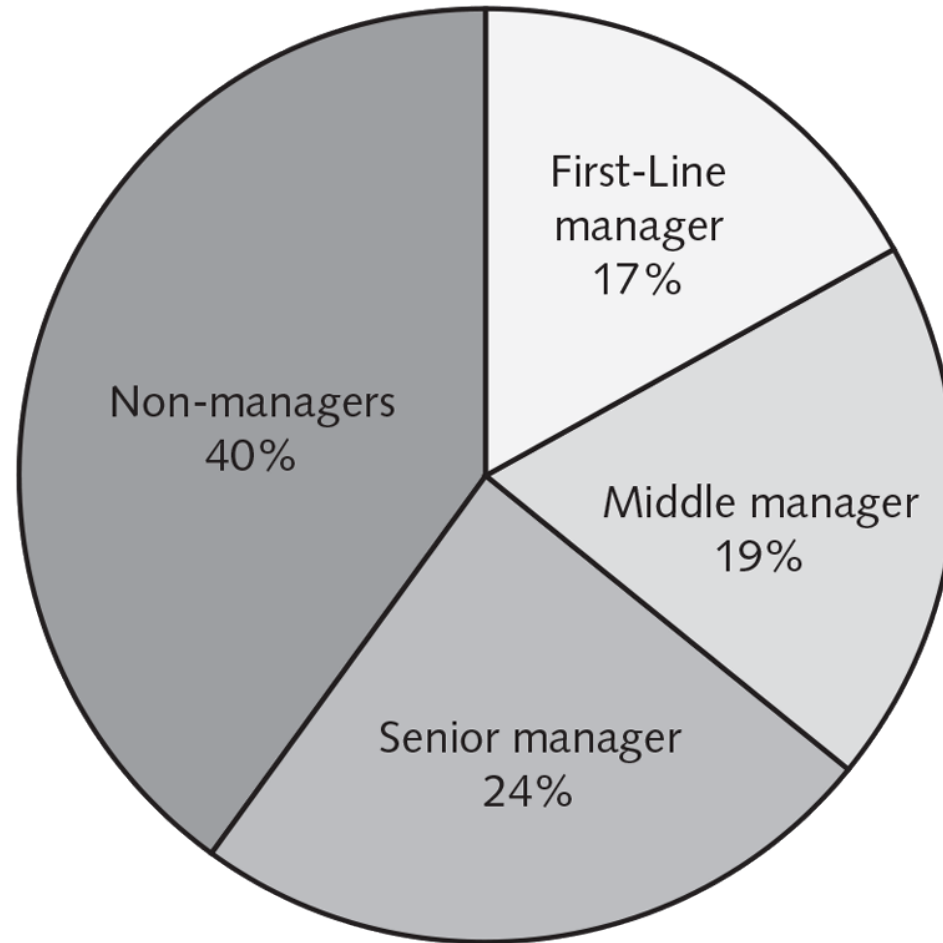
# Ethics in the Business World

- Trends that have increased the risk of unethical behavior:
  - More complex work environments spanning diverse cultures make it more difficult to apply principles and codes of ethics consistently.
  - Today's challenging economic climate has increased the pressure on organizations to maintain revenue and profits.
- Heightened vigilance by employees, shareholders, and regulatory agencies has increased the risk of financial loss and lawsuits for businesses that act unethically.

# Bathsheba Syndrome

- Term used to describe the moral corruption of those in power
- Refers to the biblical story of King David, who became corrupted by his power and success
- Moral corruption of people in power is often facilitated by a tendency for people to look the other way when their leaders behave inappropriately

# Who Is Responsible for Instances of Misconduct?



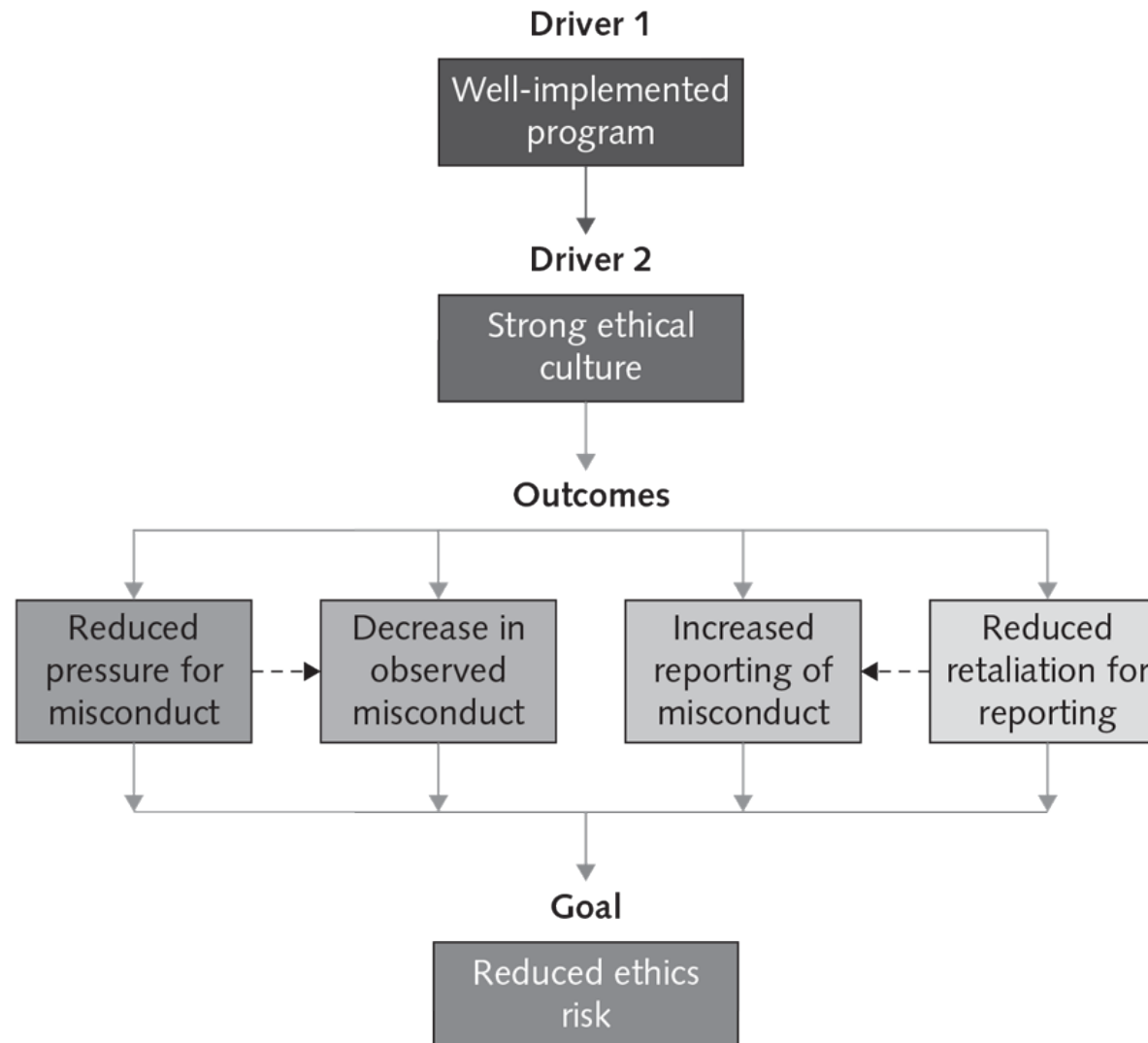
# Corporate Social Responsibility (CSR)

- Organization takes responsibility for the impact of its actions on:
  - Shareholders
  - Consumers
  - Employees
  - Community
  - Environment
  - Suppliers
- **Supply chain sustainability:** A component of CSR focused on developing and maintaining a supply chain that meets the needs of the present without compromising the ability of future generations to meet their needs

# Reasons to Foster Corporate Social Responsibility and Good Business Ethics

- Gain the goodwill of the community
- Create an organization that operates consistently
- Foster good business practices
- Protect the organization and its employees from legal action
- Avoid unfavorable publicity

# Reducing the Risk of Unethical Behavior





# Characteristics of a Successful Ethics Program

- Employees are willing to seek advice about ethics-related issues.
- Employees feel prepared to handle situations that could lead to misconduct.
- Employees are rewarded for ethical behavior.
- The organization does not reward success obtained through questionable means.
- Employees feel positively about their company.

# Corporate Ethics Officer

- Also called a **corporate compliance officer**
  - Provides an organization with vision and leadership in the area of business conduct
  - Ideally a senior-level manager who reports directly to the CEO
- Responsibilities:
  - Ensuring compliance with ethical procedures
  - Creating and maintaining the ethics culture envisioned by the highest level of corporate authority
  - Serving as the key contact person for ethics issues

# Ethical Standards Set by Board of Directors

- Conduct themselves according to the highest standards of personal and professional integrity
- Set the standard for company-wide ethical conduct
- Ensure compliance with laws and regulations
- Create an environment in which employees can:
  - Seek advice about business conduct
  - Raise issues
  - Report misconduct

# Corporate Code of Ethics

- **A code of ethics:**
  - Highlights an organization's key ethical issues
  - Identifies the overarching values and principles important to the organization and its decision making
- Organizational code of ethics should:
  - Apply to directors, officers, and employees
  - Focus employees on areas of ethical risk
  - Offer guidance to help employees recognize and deal with ethical issues
  - Provide mechanisms for reporting unethical conduct
  - Foster a culture of honesty and accountability

# Social Audit

- Organization reviews its ethical and social responsibility goals, and communicates its goals for the upcoming year.
- Information is shared with:
  - Employees
  - Investors
  - Market analysts
  - Customers
  - Suppliers
  - Government agencies
  - Community

# Ethics Training for Employees

- A comprehensive ethics education program:
  - Encourages employees to act ethically
  - Shows employees examples of how to apply the code of ethics in real life
- Goals of ethics training:
  - Encourage employees to report any misconduct
  - Show employees effective ways of reporting incidents
  - Reassure employees that such feedback will be acted on and that they will not be subjected to retaliation

# Ethical Criteria in Employee Appraisals

- Treating others fairly and with respect
- Operating effectively in a multicultural environment
- Accepting personal accountability for meeting business needs
- Continually developing others and themselves
- Operating openly and honestly with suppliers, customers, and other employees

# Manager's Checklist for Establishing an Ethical Work Environment

QUESTION	YES	NO
<ul style="list-style-type: none"><li>• Does your organization have a code of ethics?</li><li>• Do employees know how and to whom to report any infractions of the code of ethics?</li><li>• Do employees feel that they can report violations of the code of ethics safely and without fear of retaliation?</li><li>• Do employees feel that action will be taken against those who violate the code of ethics?</li><li>• Do senior managers set an example by communicating the code of ethics and using it in their own decision making?</li><li>• Do managers evaluate and provide feedback to employees on how they operate with respect to the values and principles in the code of ethics?</li><li>• Are employees aware of sanctions for breaching the code of ethics?</li><li>• Do employees use the code of ethics in their decision making?</li></ul>		



# Five-Step Ethical Decision-Making Process

1. Develop a problem statement
  - A clear, concise description of the issue
  - Don't make assumptions; verify "facts"
2. Identify alternatives
  - Enlist help of others
3. Choose alternative
  - Defensible and consistent; consider impact on others
4. Implement decision
  - Transition plan
5. Evaluate results
  - Poor alternative?
  - Bad implementation?

# Concerns About the Ethical Use of Information Technology

- Surveillance of citizens by governments
- Email and Internet access monitoring at work
- Music and movies downloaded in violation of copyright laws
- Unsolicited email and text messages
- Identify theft by hackers
- Plagiarism by students
- Cookies and spyware used to track users' online purchases and activities

# Summary, Part 1

- **What is ethics?**

- Ethics: A code of behavior defined by the group to which one belongs
- Morals: Personal principles upon which an individual bases decisions about right and wrong
- A person who acts with integrity acts in accordance with a personal code of principles.
- Law: A system of rules that tells us what we can and cannot do
- Code of ethics: States the principles and core values essential to one's work
- An activity may be legal but still not be ethical.

## Summary, Part 2

- **What trends have increased the likelihood of unethical behavior?**
  - More complex work environments make it more difficult to apply principles and codes of ethics consistently.
  - Organizations may resort to unethical behavior to maintain profits in an uncertain economic climate.
  - Highly successful individuals may fail to act in morally appropriate ways.

## Summary, Part 3

- **What is corporate social responsibility (CSR), and why is fostering good business ethics important?**
  - CSR: An organization takes responsibility for the impact of its actions
  - Supply chain sustainability: Meets current needs without compromising the ability of future generations to meet their needs
  - Reasons to foster CSR and good business ethics:
    - Gain the goodwill of the community
    - Create an organization that operates consistently
    - Foster good business practices
    - Protect the organization and employees from legal action
    - Avoid unfavorable publicity

## Summary, Part 4

- **What measures can organizations take to improve their business ethics?**
  - Appoint a corporate ethics officer.
  - Require the board of directors to set and model high ethical standards.
  - Establish a corporate code of ethics.
  - Conduct social audits.
  - Require employees to take ethics training.
  - Include ethical criteria in employee appraisals.
  - Create an ethical work environment.

# Summary, Part 5

- **How can you include ethical considerations in your decision making?**
  - Use a five-step model for decision making:
    1. Define the problem
    2. Identify alternatives
    3. Choose an alternative
    4. Implement the decision
    5. Monitor the results
  - Incorporate ethical considerations into decision making:
    - Weigh laws, guidelines, and principals.
    - Consider the impact of the decision.

# Summary, Part 6

- **What trends have increased the risk that information technology will be used in an unethical manner?**
  - The growth of the Internet and social networks
  - The ability to capture, store, and analyze vast amounts of personal data
  - A greater reliance on information systems in all aspects of life
  - The importance of ethics and human values has been underemphasized