**Written Assignment**

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Student A

# Abstract

I will analyze Kirk's case using the case analysis guide in this paper. I will explore the ethical issues, identify stakeholders, propose possible alternatives, assess the ethics of each alternative, consider practical constraints, and recommend a specific action for Kirk to take.

Relevant Facts

## (A) Overview of pertinent points.

This case study is about Kirk's ethical dilemma. The following are pertinent points.

* Kirk works as an assistant controller for a medium-sized manufacturing company.
* The company is planning to add a new manufacturing plant.
* Environmentalists are pushing for more stringent regulations at the federal level.
* The current waste treatment facility meets industry standards but may not meet federal regulations.
* Management does not anticipate additional investment in the existing waste treatment facility because it is more capable than its competitors.

## (B) Describe the background of the situation or business that is relevant to the ethical problem(s)

## or dilemma(s) of the Case.

Companies are supposed to be responsible for the environment, but management is focused on market dominance and economic rationality and is reluctant to address environmental issues. No one at the briefing showed any signs of taking environmental issues seriously. Kirk is wondering whether he should take environmental issues seriously and how he should act.

## (C) Highlight information that sets the context for analysis.

The following information is required for a detailed analysis

* Criteria for new federal regulations
* Anticipated timing of application of new federal regulations
* Prospects for expansion of other companies' waste treatment facilities
* Management's attitude toward environmental issues
* Performance and problems with current waste treatment facilities
* Justification of environmental groups' demands

## Ethical Issues –

## (A) State the ethical problem(s) or dilemma(s)

From an ethical perspective, a dilemma exists regarding whether environmental issues should be more important or economic rationality. Environmental issues are important to a company's social responsibility to future generations and citizens. Meeting environmental standards is especially important because industrial waste can threaten health. On the other hand, the economy is directly related to employment and the survival of companies, and a negative attitude toward environmental issues could protect the livelihood of many people. Another point of view is that large-scale environmental protection cannot be achieved without corporations. For example, oo is committed to environmental protection by planting trees on a large scale yearly.

In terms of Kirk's choice of action, there is a choice between following management's wishes and speaking up to say that environmental issues should be addressed proactively.

## (B) Demonstrate a comprehension of ethical concepts.

From an ethical standpoint, the company's responsibility for environmental issues, the balance between shareholder interests and environmental protection, and the company's obligations to future generations and citizens must be considered. While Kirk, as an employee, has an obligation to follow the company's instructions, he is also responsible for environmental issues and the company's reputation and future prospects.

## (C) Describe the ethical aspects of the case.

1. Corporate responsibility for environmental issues

Companies that focus on environmental protection can fulfill their social responsibility.

2. Balance between economic rationality and environmental protection

A company should emphasize economic rationality to avoid economic distress, but at the same time, it should actively address environmental issues.

3. Company's obligation to future generations and citizens

Companies should be responsible for future generations and citizens, which extends to economic and environmental issues.

4. Ethical responsibility as an employee

As an employee, Kirk must follow the company's instructions. He is also expected to follow Henry's wishes as he assists Henry as an assistant controller.

## Identifying Stakeholders –

* John, as a chemical engineer, is responsible for product quality and environmental issues.
* Bob, as President, is responsible for the company's management policies and corporate social responsibility.
* As a controller, Henry manages the company's financial situation and is responsible for economic rationality.
* Kirk, as Assistant Controller, assists Henry.
* Other stakeholders include management, employees, shareholders, environmental groups, and citizens.
* Competitors and industry associations could also influence this company's decision.

## Possible Alternatives –

## (A) Identify solutions that can be described for each ethical issue identified. (B) List all solutions and approaches to identified ethical issues.

When prioritizing the economic rationale

* The company maintains its current waste treatment facility and forgoes action until federal regulations are in effect.
* The company maintains its current waste treatment facility and plans for the next-generation treatment facility.
* Kirk will follow management's wishes and say nothing about environmental issues.

When prioritizing the environmental protection

* The company forgoes the construction of a new manufacturing plant and builds a treatment facility that meets stringent environmental standards.
* Build a treatment facility with stringent environmental standards and a new manufacturing plant.
* Estimate the cost of building a treatment facility that meets stringent environmental standards and consider the economic risks.
* Kirk will provide input to management on environmental issues.

## (C) Alternatives may be drawn from the Case, Readings, or personal experience, including outside readings

From personal experience, I believe that companies need first to know the standards of social responsibility demanded by their shareholders and the general public. Kirk should first quantify the performance and problems of the current treatment facility and survey the public. It is important to incorporate input from outside the company. It is also important to estimate the effectiveness of the company's strategy to promote its commitment to environmental issues. Kirk could also consider the company's future prospects and seek out businesses that can claim CSR.

## Ethics of the Alternatives –

## (A) Critically assess the alternatives identified for possible recommendation.

## (B) Describe the ethical implications of each alternative.

Both ethics are important, but at the same time, they are easy to deny. Environmental protection cannot occur if a company is not sustained, and it cannot survive if it focuses solely on the environment. Thunderbird (n/d) states that the contradiction between commercial and CSR objectives can manifest itself in many ways. There are costs and profits, market pressures, and ethical tradeoffs. Companies need to balance these factors. And if a company's policies are unethical, employees should strive to change the company.

(C) Consider external and internal aspects of ethical proposals.  
Gardiner & Hartzell-Nichols (2012) states that ethical behavior involves many external factors, including international justice, intergenerational ethics, scientific uncertainty, and the proper relationship between humans and the natural world. He then decries the underdevelopment of these theoretical tools, citing the obligation to protect the (moral) values of non-human nature as an example.

## (D) Apply the "utilitarian" perspective (costs and benefits).

## 1. Which of the alternatives would provide the greatest benefit to the greatest number?

The information does not include the impact on the environment, so it is impossible to determine the effect of Kirk's action. If the environmental impact is small, economic rationality may benefit more people. If the environmental impact is significant, a greater emphasis on environmental protection may help more people.

## 2. What are the costs in each of the alternatives?

Since the cost of constructing a new treatment facility is unknown, this cannot determine Kirk's action's impact. If the current treatment facility is maintained, costs will be kept low; costs will be high if a new treatment facility is to be built. In either case, costs could spike if federal regulations were suddenly changed.

## 3. Which of the alternatives has the highest "cost" factor associated with it?

Financially, the cost of building a new treatment facility and a plant would be the highest. However, if, for example, a health hazard were to occur to a large number of citizens, the cost would be incalculable. However, this may be unlikely because the plant currently complies with federal regulations and more stringent industry standards. In some cases, such as asbestos, a building material that met the standards was later identified as a hazardous substance, but if a company did not recognize the hazard or recognized the hazard and took early action, the company may be exempt from liability. It is important to accurately assess the current hazards.

The highest cost to the kirk is to go against management's wishes. Preparing to give an opinion is costly, and failure to do so could result in Kirk losing management's trust and possibly losing his job, rather than losing the opportunity for promotion.

## 4. Do the benefits of honesty at all costs outweigh the benefits of obeying the directive?

## of a supervisor?

Being honest has a cost. As I grew older, I stopped being honest more often, but on the other hand, I learned that there are more situations where it was appropriate than I thought. For example, when I thought someone's opinion was wrong. When I was younger, I would honestly argue with them, but it comes at the cost of debate time and bad relationships. These days I do not argue in these situations. This is because after a while, I often realized that my opinion was wrong (although there is a cost of patience here as well). In those cases, I was able to deal with the situation without incurring unnecessary costs: according to Pshra (n/d), 96% of job seekers say that being honest with their new boss is important to them. Kirk should discuss the situation with Henry honestly in any case. If Henry does not consider Kirk's feelings at all, resignation will be considered.

## (E) Apply the "rights" perspective.

## 1. What does the stakeholder have the right to expect?

Kirk has the right to express his views on environmental issues to management. Kirk also has the right to be proactive on environmental issues. On the other hand, management has the right to focus on the economic rationality of the company. Management has the right to take a negative stance on environmental issues because it is responsible to shareholders for maximizing the company's profits.

## 2. Which of the alternatives would you want if you were each of the stakeholders?

I would in any case listen to my employees, colleagues, and subordinates. All stakeholders should have full information before deciding on a course of action.

## (F) Apply the "justice" perspective (benefits and burdens).

## 1. Which alternative distributes the benefits and burdens most fairly among the stakeholders?

From a justice perspective, it is most fair to be proactive in addressing environmental issues. Since environmental issues are a responsibility to future generations and citizens, it is fair to emphasize environmental protection. On the other hand, it is also fair to emphasize economic rationality. Protecting the livelihood of employees and their families is also justice.

## 2. Which stakeholders are most affected by each alternative?

Of all the stakeholders, Kirk is the most vulnerable. Kirk's own opinion of management based on his belief in justice is likely to put Kirk himself most at risk.

## Practical Constraints – (A) Possible obstacles to the implementation of the identified alternatives.

Since Kirk does not have the authority to change management in the first place, Kirk could be removed from the organization if his actions are not acceptable to management.The cost of developing a waste treatment facility is a major practical issue. Kirk does not have the authority to determine the economic risk.

## (B) Ethical problems that may come up in executing each alternative.

If Kirk does not take action, he is not fulfilling his ethical responsibilities as a corporate employee who is part of society. If Kirk takes action, he will be violating the policy of obeying his supervisor as an employee.

## (C) What unwanted outcomes may result from each alternative?

Kirk is forced to retire or the company's reputation suffers.

## (D) What aspects of the market might obstruct each alternative?

If other companies are not addressing environmental issues, this company's commitment to addressing environmental issues may reduce its market competitiveness. In addition, addressing environmental issues may be costly and reduce profits.

## Recomended Action –

Kirk should first be honest and tell Henry how he feels. The reason Henry did not argue with Bob may be because Henry knew that the environmental issues were less dangerous. First, Henry and Kirk must match the amount of knowledge they have. If Henry lacks knowledge about environmental issues, Kirk may be able to change Henry's opinion by providing his knowledge about environmental issues. If Henry is knowledgeable about environmental issues, Kirk will be able to more accurately assess the risks and make more accurate judgments about his actions with regard to environmental issues.

# Conclusion

This balance between economic rationality and ethical responsibility is important in business ethics. While it is important for a company to pursue profit, it is equally important to fulfill its social responsibilities. It is important to have the facts to accurately assess the situation and to consider each of the possible options that could be taken. Kirk may be able to bring about change in his organization by acting on his beliefs and being honest. However, it is important to fully understand the risks involved before acting.

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Reference

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