# Professional Issues in IT (Spring 2014, Spring 2015)

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# Framework for Ethical Decision Making

- Ethical Decision Process involves individuals
  - Individuals in their Personal Lives
  - Individuals in
     Organizations (procedures,
     organization pressure)
- Note: Our attempt at decision making will involve generalizations of typical behavior patterns

- Is the work environment too competitive & demanding? If so, this places great pressure on the employees. Examples:
  - Unrealistic Budgets
  - Tight deadlines
  - Bonus incentives for performance goals
  - Aggressive competition from peers
  - Politics
  - Harassment

Who is
Responsible
for all of
these?

# Factors and Processes Leading Towards Ethical Decisions

#### Intensity of Ethical Issue

- Intensity: How important it is to the organization and/or individual?
- Individual Intensity: An individual's perception of social pressure and harm decision will have on others
- Manager responsibility to make subordinate aware of intensity

#### **Individual Factors**

- Personal perceptions of right and wrong (Learnt from family, social groups, religion, education, Age)
- Affected by Time an individual gives to decision making can also play a role
- Does gender affect decision making? Female more soft? Males more hard?

#### **Organizational Factors**

- Organizational factors play a more dominant role over individual factors (but family & friends may still influence them)
- Ethical decisions usually made by groups and committees

#### Opportunities

- Opportunity: Conditions in an organization that limit or permit ethical or unethical behavior
- Example: Encouraging ethical behavior using policies of reward
- Example: Discouraging unethical behavior using effective barriers (e.g. bribe

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# Factors and Processes Leading Towards Ethical Decisions

Intensity of Ethical Issue

**Individual Factors** 

**Organizational Factors** 

Opportunities

• Dilemmas: Choosing between right and right

- No software, formula will tell us whether decision is right or wrong
- Decision: The last step taken by individual.

**Evaluations & Intentions** 

Ethical or Unethical Behavior

- If intentions inconsistent with ethical judgment, individual may feel guilty
  - This is the 1<sup>st</sup> sign that may suggest ethical decision could be wrong
  - Very variable from time to time

#### Role of Leaders

- Who are the leaders? Supervisors? Managers? CEO? Directors?
  - Anybody who passes you the blueprint of how things are done in an organization (culture of organization)
  - Must be able to guide and direct others towards achieving a goal
  - Must be able to play impact in ethical decision making (by playing motivating role) in-line with company policies
- Lee Kun-hee: CEO of SAMSUNG resigned in disgrace in April 2008) after being accused of evading \$ 128 million and bribing government officials
  - 1 ½ years later, South Korean government pardoned him
  - He resumed back as SAMSUNG CEO almost 2 years later
  - Kim Yong-chul: Chief legal counsel writes book "Think Samsung" in 2010, revealing more shocking details of his corruption
- 47% employees of large organizations think that their senior leadership in their firm is highly ethical !!!

<sup>&</sup>quot;Small Virtues: Entrepreneurs Are More Ethical," BusinessWeek online, March 8, 2000, www.businessweek.com/smallbiz/0003/ib3670029.htm?scriptFramed (accessed August 17, 2009).



# Leadership Styles

- Coercive Leader: Demands instantaneous Obedience and focuses upon achievements only (good for times of crisis but creates negative climate otherwise)
- Authoritative Leader: Inspires followers to follow a vision (general case, but most effective style)
- Affiliative Leader: Values peoples, their emotions, their requirements, creates friendship and trust with people in order to promote goals
- Democratic Leader: Involves participants to reach collaborative decisions

## Moral Philosophies

- The specific principles (or rules, or values) that people use to decide what is right and wrong
  - Used to settle conflicts in decisions
  - Decisions are optimized for mutual benefit of all groups
  - Different types of Moral Philosophies!!!
- Moral Philosophy != Professional Ethics
   (person specific) (person + group specific)
   but we have seen in framework that they are linked

## Goodness

- Clearly defined good and bad? Lesser good and better good?
- Aristotle: Goodness = Happiness
   Happiness is the universal goodness
- Immanuel Kant: Goodness = Goodwill applied towards accomplishments
   Accomplishments is the universal goodness
- Moral philosophies revolve around theory of goodness, what it is, and how it is obtained, and who will benefit from it.

# Teleology

- An act is morally right if it leads to some desired results such as Pleasure, knowledge, career growth, utility, wealth, fame, good family life,
- An act is morally right if it leads to a "consequence"
  - Consequence that benefits an individual (Egoists)
     Wealth, good family life, fame, etc.
  - Consequence that benefits others, but own self-interest is paramount (Enlightened Egoists)
     E.g., Employee reporting another employee for malpractice for the only reason that he may come into good books of employer
  - Consequence that benefits the greatest number of people (Utilitarians)

# Teleology: Utilitarian Decision Making

- Perform systematic comparison of costs and benefits to all affected parties (Cost-Benefit Analysis)
- Calculate a utility of consequences for all alternatives
- Select the one which results in greatest benefit

- How does one put a cost on life or environment?
- E.g., in a risky job, the employee life is at risk. But if employee does the job, will bring in a lot of money to the company + the employee.
- How to do cost-benefit of life vs profit?

### Kantianism: Immanuel Kant

- Moral philosophy that focuses on:
  - rights of individuals (equal respect to all)
  - intentions associated with particular behavior
  - rights can be upheld if people act upon duties
- Consequences is given secondary priority
- Argue that somethings must never be done, even if they have maximum utility of consequences
  - E.g., it is wrong to kill a person even if it has great social utility.
     Utilitarians may argue that it is justified because of the social utility!!
- Freedom of Conscience Freedom of Consent
   Freedom of Speech Freedom of Privacy



#### Kantianism

- If a factory employee dies on production line, Kantians will argue to modify the production line no matter how big the cost (even if it means bankrupting the company)
- Utilitarian will argue that company should not be bankrupted and to benefit all, heavy compensation should be paid to employee

#### Virtue Ethics

- Best ethical decision is one that best reflects the moral virtues of ourselves and our communities
  - Trust
  - Self-Control
  - Fairness
  - Honesty
  - Learning
  - Courtesy
  - Moral Leadership

 A superior decides that company should give a "gift" to secure a contract. You think it is a "bribe" and stand against decision. Some colleagues will call you brave!

## Common Good Approach

- Ethical choice is one that advances the common good (society as whole instead of individuals or businesses)
- A government invests in a bus service for common good of transportation for public. But it involves huge costs. Should the government do it?
  - Perception of common good varies with society/group.



## Relativists: Fairness Approach

- Derive ethical decisions from individual and group of people around individuals
- When Formulating a business strategy, relativist will try to
  - anticipate conflicts that arise between different philosophies of members of organization as well as suppliers, and customers.
  - take a decision based on consensus
  - take a decision that is fair to all parties (without favoritism and discrimination)
- A director decides to give vacation to muslim employees on account of Eid. To be fair to other minorities, he/she also gives vacations for Christmas, Easter, Holi, Diwali, Baisakhi, Chinese New Year, .....

Is it practical to be fair?

### Ghazalian Ethics

- كيميائع سعادت، احياء علوم الدين، ميزان الاعمال •
- Blend of contemporary philosophy and religion
- Happiness is the chief goodness, but contains two sub-divisions; Worldly and Other-Worldly
- Other-Worldly happiness cannot be achieved without certain Worldly virtues:
  - Moral Virtues
  - Logic and Reasoning
- But man is imperfect by nature; hence his objective in world is to obtain perfection using concept of **Ma'arifat**;
- Only then can worldly virtues be developed through education and training (or for Prophets using Revelation)



## Relativists & Utilitarians

- Table of Issues/Questions vs Stake-Holders/Options
- Assignment of Weights
- Questionnaire/Survey

- What if an ethical issue cannot be resolved through any given set of moral philosophy (or if there is conflict of moral philosophies)
  - Apply relativist approach?
  - Get a better understanding of the issue !!! (4-step process)

# Process of Ethical Decision Making

- 1) Describe & Analyze a Real Case ... Get the Facts, Prepare a scenario
- 2)Identify the Stake-Holder Network and their Positions
- 3)Identify the Ethical Issues in making a Decision. Also identify the consequences of this decision
- 4) Develop and evaluate alternate options. Weigh various guidelines and principles, e.g. presence of laws, personal principles, etc.

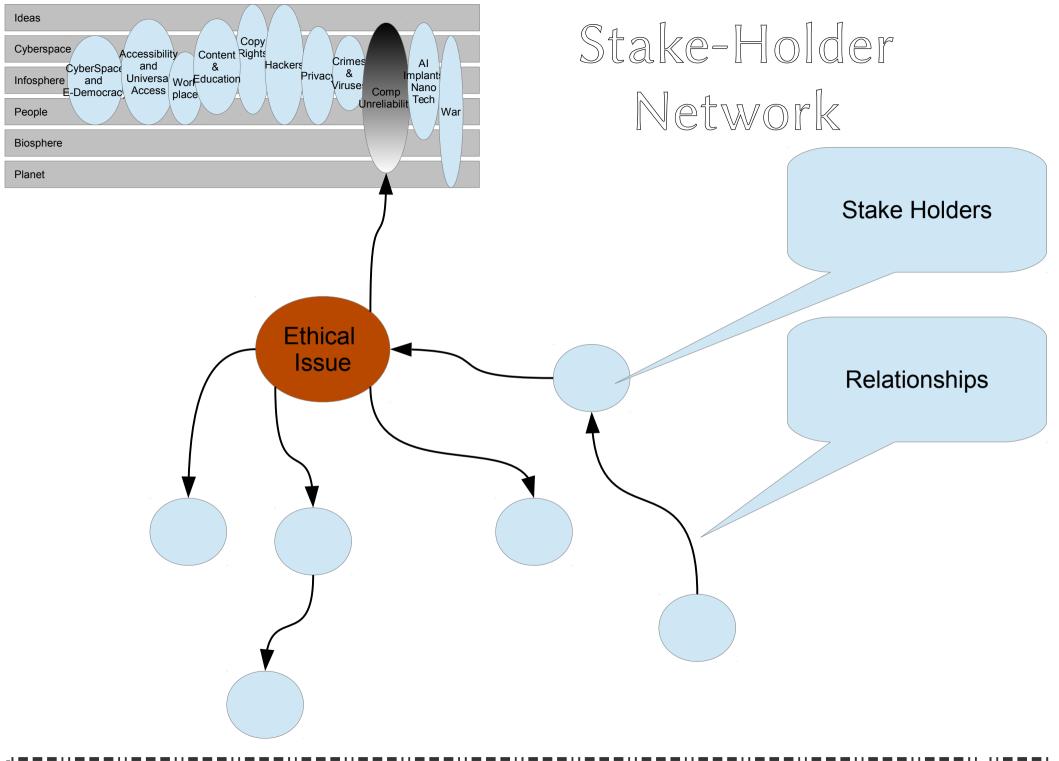
### Stakeholders

#### Primary Stake-Holders:

Individuals/Groups whose continued association with a company is necessary for company's survival (Employees, Cusotmers, Investors, Share-holders)

#### Secondary Stake-Holders:

Do not engage in company transactions, but affect its working and operations (Media, Associations, Watchdogs, Special Interest Groups, standardization organizations, competitors)



#### Case Studies

- Is Hacking a Computer Crime?
- Youth and On line Friends: Ethical Risk of Social Networks
- Cyber Censorship

# Assignment

- Describe and Analyze a Real Case
- Identify the Stake-holder Network
- Identify the Ethical Issues
- Identify and evaluate the course of Actions