

## Business Ethics

<i>Dates</i>	<i>Sessions</i>	<i>Comments</i>	<i>To Do List</i>	
<i><b>SI</b></i>	Introduction Expectations Teams		Reading Kant & Aristotle <u>Readings</u> : <b>Aristotle</b> <u>Book I</u> P 1 to 8 From 1.1 to 1.43 included. <u>Book X</u> P 284 to 298 From 13.3 to 14.43 <b>Kant</b> § 13 and 14 § 25 to 29 included § 34 to 35	
	<b>Questions On “Business Ethics”</b> <ul style="list-style-type: none"> <li>- The Corporation in Business Ethics :               <ul style="list-style-type: none"> <li>○ Are Corporations Moral Actors?                   <ul style="list-style-type: none"> <li>▪ What are the arguments in favour of considering the corporation as a “moral agent”? What are the opposed arguments?</li> <li>▪ What do you think of these two perspectives?</li> </ul> </li> <li>○ How and in whose interests ought corporations to be governed?                   <ul style="list-style-type: none"> <li>▪ How to characterize the shareholders/stakeholders controversy?</li> <li>▪ What are the arguments in favour of the stakeholder approach?</li> <li>▪ In favour of the shareholder one?</li> <li>▪ How to compare corporation theories with broader moral and political theories? What do you think of such a comparison?</li> </ul> </li> </ul> </li> </ul>			

	<ul style="list-style-type: none"> <li>- Employment Relations <ul style="list-style-type: none"> <li>▪ What does the employment “at will” theory claim? What are the main arguments in favour of this theory?</li> <li>▪ What does the “just cause” theory aim to? What are its main arguments?</li> <li>▪ What do you think of these two approaches?</li> </ul> </li> <li>- On International Business Ethics Stakes <ul style="list-style-type: none"> <li>▪ What are the issues raised on international business ethics? What are the “solutions” proposed aiming at internationally recognized ethical rules?</li> <li>▪ What are the limits of these solutions?</li> <li>▪ What are the main issues linked with relocation dynamics? What do you think of the various arguments in favour and against “sweatshops”?</li> </ul> </li> <li>- The Mainstream and Alternative Perspectives. <ul style="list-style-type: none"> <li>▪ What do you think of the micro, macro and molar levels concerning business ethics theories? Is there a level which should be considered more than another?</li> <li>▪ What is your opinion on outlined alternative approaches?</li> </ul> </li> </ul>			
<b>S2</b>	Definitions Aristotle & Kant		Reading Descartes and Machiavelli	
	<p><b>Questions</b>  <b>On Aristotle’s <i>Nicomachean Ethics</i></b></p> <p>What is the sense of ethics on Aristotle point of view?</p> <p>What is Aristotle intention in his book? What does he want?  Is there a specific methodology for ethics study on Aristotle point of view?</p> <p>Do ethics have something to do with happiness?  What does the “best life” mean according to Aristotle?</p>			

	<p>How are ethics linked with other spheres of human life?  What are the links of ethics with knowledge or sciences? With politics?  Can ethics be taught? How?  What do you think of the Aristotle approach on ethics?</p> <p>Would Aristotle have agreed with Kant's approach of morals?</p> <p><b>Questions</b>  <b>On Kant's <i>Groundwork for the Metaphysics of Morals</i></b></p> <p>What is the sense of morals on Kant point of view?</p> <p>What does Kant aim at in his book?  What are his methods to deal with the moral issue? What is at stake?</p> <p>How are morals and their principles linked with other spheres of human life?  Do morals have some links with knowledge? With action? How?  What is the sense of moral? What are the fundamental Moral Rules? How to illustrate them?</p> <p>What do you think of the Kantian perspective on morals?  How to compare it with the Aristotelian approach of ethics?</p>			
<b>S3</b>	On the notion of Perfect Rationality		Reading Nelson & Winter  Preparing a Written Presentation for a Final Team Paper	
	<p><b>Questions</b>  <b>On Machiavelli and Descartes</b></p>			

	<p>What are Descartes and Machiavelli intentions?  What do they mean in their respective texts and what do they aim at?  (for Machiavelli, have in mind the three texts are separated in <i>The Prince</i> :</p> <ul style="list-style-type: none"> <li>- the first text is at the beginning of Chapter XV,</li> <li>- the second one, middle of Chapter XVIII,</li> <li>- the third one end of Chapter XXV)</li> </ul> <p>Identify Descartes and Machiavelli common goals and differences</p> <p>What do you think of their opinions concerning Politics, Morals, and Knowledge?  What sounds ethical for each of them? What are their objectives?  On your opinion, what is at stake in their texts?</p> <p>What do you think is at stake for us?  Are their intentions relevant? Are they up to date?  Find some examples of their influences throughout the world</p> <p>What do you think of their intentions and thoughts?</p>			
<b>S4</b>	Routines and Bounded Rationalities		Preparing an Oral Presentation for the Final Team Paper	
	<p><b>Questions</b>  <b>On Nelson &amp; Winter <i>An Evolutionary Theory of Economic Change</i></b></p> <p><b>Nelson &amp; Winter, 4</b>  <i>Paragraphs 1 to 2</i></p> <p>What are “skills” on Nelson and Winter opinion?  How to outline skills main features and what is their role in organizations?  Why are skills <i>tacit</i>? What does this mean?</p>			

	<p>What is at stake when emphasizing this characteristic?  Do skills vary dependently of sectors, operations, organizations?  What kind of factors contribute to the various degrees of skills' « silence » (p 80 &amp; sq.)?</p> <p>How do the above elements facilitate people behaviour understanding in organizations?  Are people generally aware of what they do in organizations? How to differentiate people awareness and unconsciousness from each other in organizations?</p> <p style="text-align: center;">*</p> <p><b>Nelson &amp; Winter, 5</b>  <i>Paragraph 1</i></p> <p>How can « routines » be understood on the basis of the above teaching on skills?  What are their main features and roles in organizations?  How do routines change?  What role do routines play in daily operations and communication among actors?  What is at stake through « remembering by doing » (p 107)?</p> <p style="text-align: center;">*</p> <p><i>Identify some professional as well as personal skills of yours.</i>  <i>Deepen the following questions on your own routines :</i>  - “what kind of tacit routines may I identify concerning my daily life?”  - “What kind of evidences do I take for granted in my professional / personal life?”</p>			
<b>S5</b>	Teamwork on Final Papers		Reading Weick on Tenerife	
<b>S6</b>	Small and Big Decisions Theory & Practice I		Reading Weick on Bhopal	

## Questions

### *The Vulnerable System : An Analysis of the Tenerife Air Disaster*

Karl Weick analyses the reasons for the Tenerife disaster, particularly due to some specific decisions; among them, the one of a captain who starts taking off without getting the indispensable ATC clearance – a beginner error.

Studying this case should help us understanding how « normal » situations may make room to exceptionally undesirable ones, and deepening the understanding of the relations between :

- the *normative* approach of ethics, grounded on rationality, rules, commandments, principles, etc,
- ethics considered as responsibility taken *on real time* in complex environments,
- actors *daily* behaviours (cf the original meaning of *ethos* and *mores*).

#### **I. Facts:**

- Who are the *actors* concerned by the accident?
- Make clear the *chronology* of the accident
- Identify clearly some *conditions* of the accident (routines, tiredness, etc)

#### **II. On Stress**

Admitted that stress results from the discrepancy between what situations and environment demand to actors and how actors perceive their capacities to cope, answer the following questions :

- Who is under stress and why?
- Are there some usual answers actors give in stress conditions?
- What is the role played by interruptions of routines on Weick point of view grounded on Mandler perspective (p 577 and sq.) ? What is your opinion?

#### **III. Coordination Failures**

- Are there some links between the various actors on Weick opinion (cockpit, control tower, etc)?
- How is illustrated people implicit « individualism » in the KLM cockpit?
- What do you think of the various answers to the leadership and communication questions of the mentioned survey (p 581/2)?

#### **IV. Communication Stakes**

Having in mind the structural difficulty for an organization to build a *common* knowledge, and some crucial decisions to be made from time to time, consider :

	<ul style="list-style-type: none"> <li>○ The communication chronology presented p 582/3,</li> <li>○ The reasons why people do <i>not</i> listen to each other;</li> <li>- What do you think of the above problems?</li> </ul> <p><b>V. Human Systems Complexity</b>  Weick makes his analysis on the basis of Perrow work on non-linear systems, which difficulty to manage is due to sudden surprising sequences : a unique event may produce a series of simultaneous ones interacting with each other and making a situation apparently impossible to cope :  what is at stake on Weick point of view ? How can the analysis be generalised?</p> <p><b>VI. Recommendations</b></p> <ul style="list-style-type: none"> <li>- What are Weick theoretical recommendations?</li> <li>- What are his practical ones?</li> <li>- What is your opinion on these proposals?</li> </ul>			
<b>S7</b>	Small and Big Decisions Theory & Practice II		Reading Challenger <i>American Space Paralysis</i>	
	<p><b>Questions</b>  <i>Enacted Sensemaking in Crisis Situations - On the Bhopal Disaster - K. Weick</i></p> <p><b>I. A few elements are to be underscored to understand the Bhopal disaster</b></p> <ol style="list-style-type: none"> <li>1) The shared knowledge of the close knocking off of the Union Carbide plant provokes depression and lack of motivation for people still at work.</li> <li>2) Many technical devices do not work – in the control room as well as on the tank gauges – control procedure must regularly be double checked.</li> <li>3) <u>Facts</u> :  Three teams work respectively from 7 a.m. to 3 p.m. (team 1), from 3 p.m. to 11 p.m. (team 2), and from 11 p.m. to 7 a.m. (team 3).</li> </ol>			

*A) before the accident*

- Two new people work in team 2, a worker who's mission will be this day to clean the pipes for tanks 610, 611 and 619, and the team supervisor. The supervisor mission and responsibilities have been changed two weeks before the accident, simultaneously to the worker change.
- The supervisor had not been specifically trained for the pipes cleaning: he is not yet familiar with the various steps of the cleaning procedures and maintenance. Particularly important, nobody makes clear the necessity to insert metal discs at end of each pipe during the cleaning process to prevent water backup.
- During the cleaning operation, people could have noticed that water was backing up in the tank 610 because of a low pressure in the pipes – nobody pays attention to it.
- The cleaning operation is pursued until 00 :15 a.m., team 3 was asked to close the tapes end of the operation.
- Water fills the 610 tank, preparing the chemical reaction with the methyl isocyanate gas.

*B) The accident*

- 11:30 p.m., a team member says he can feel the gas smell – his colleagues tell him this is the usually employed Flytox (mosquito spray) in the plant control room.
- Midnight, people eyes scream – significant symptom of a probable preoccupying gas leak.
- meantime (11:40 p.m.), an employee mentions that the pressure in the tank 610 increased from 2 to 30 psig, the maximum tolerated being around 2 psig. The supervisor replies gauges do not work – the tea brake is continued...
- Midnight, two employees go to the 610 tank for a pressure double check. The local gauges show the same pressure as the control room ones. They as well can see the tank throbbing as when important chemical reactions occur.
- The supervisor is alerted and runs for checking the tank. He sees the first chemical reaction damages from a 6 weeks earlier shut down tank. He murmurs: "It's not true!"...

**II. Questions**

*General questions*

What is at stake in Karl Weick article? What does he want to show?

What does « sensemaking » mean? What are the occasions for sensemaking?

How to understand the notion of « enactment »? How does the notion help to understand the crisis situation?



Could the disaster have been avoided or dampened on Karl Weick point of view? What is your opinion?

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*Enactment and Commitment*

What is at stake in making « enactment » “public”? To what extent and in what kind of circumstances can commitment become a source of difficulties in organizations (p 210/11)?

What can a shared belief produce as an effect on organizations?

*Enactment and Capacities*

What is at stake distributing competences and capacities in an organization (p 311 et s.)?

What role does the sentiment of mastering the situation play in this context?

To what extent is the number of people decrease in the plant responsible for the accident?

Why is sharing knowledge and interpretation of situations structurally difficult in organizations?

*Enactment and Expectations*

How to understand the notion of expectations on the basis of the notion of routine?

What is at stake on Weick perspective in this situation?

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*Acting and Understanding in Organizations*

How does Weick understand daily relations between action and understanding in organizations?

Do people always think before acting? Would this be systematically desirable?

How to favour the best behaviours in organizations?

- What does *learning* mean in an organization?

- Under what conditions is it possible?

*Ethics, behaviour, and organizations*

How to relate responsibility and guilt with the Bhopal accident?

What do we learn on the relations between norms and behaviours on the basis of the Bhopal disaster?

<b>S8</b>	Individual and Collective Self-Consciousness in Organizations		Preparing Final oral Presentations for the Final Team Papers	
	<p><b>Questions</b>  <i>American Space Paralysis</i></p> <p><i>Taking into account the facts and the situation on real time, try to understand the actors <u>as they understood themselves while deciding the launch of Challenge</u> :</i></p> <ul style="list-style-type: none"> <li>- <i>Are there some good reasons why the launch was decided?</i></li> <li>- <i>How can we understand the various actors' points of view "on real time"?</i></li> <li>- <i>Did they know what they were doing?</i></li> </ul> <p style="text-align: center;">*</p> <p>What are the facts and the context of the accident?</p> <p>What organizations are concerned by the decision-making process?  Who are the actors involved?  What are the actors and organizations objectives?  What are their resources? Their constraints?  What are their skills?  What are the organizations' routines?</p> <p>When and how was the decision taken? By whom?  Who is responsible for the decision?  Who tried to avoid the <i>Challenger</i> launch?  Why did they not succeed?</p> <p>How can the decision making process be understood?  What about the relation between the decision dynamic and the ethics issues examined in the course?  What are the relations between management, ethics and decision?</p>			

	How does the case help the understanding of the notion of responsibility? Of vigilance?			
<i>S9 &amp; S10</i>	Final Papers Presentations			