

# Five Ethical Theories: bare bones for business educators

Gregory B. Sadler

President and Founder, ReasonIO

Ethics in Business

Education Project

Copyright Gregory B. Sadler, 2011

# Goals and Scope of this Workshop

- Ethics can be complicated – in reality it often is
- Important to be clear and pragmatic about workshop
- Limited goal here: designed to help Business faculty with one specific skill/knowledge area
- Presumes only most basic knowledge about Ethics
- The Key Question:

*What Do You Need to Know To Assess Students' Knowledge and Application of Ethical Theories?*

*EB  
EP*

# *What Do You Need to Know To Assess Students' Knowledge and Application?*

- You need basic *understanding* of each ethical theory
- You need to know what to look for in student responses
- You *don't* need to be in *agreement* with any of these ethical theories
- You *don't* need to know whether these theories are ultimately correct or not
- You *don't* need to be concerned with other “big picture” issues, e.g. the origin of ethics

*EB*  
*EP*

# What We Are Going To Cover

- Five Ethical (families of) Theories
- Each articulates a particular perspective on good and bad, right and wrong
- Basic Principles / Key Terminology
- Important Variations in that family
- What to look for in student responses
  - Knowledge of theory
  - Application of theory

*EB*  
*EP*

# Five Theories

- **Egoism**

- the self and its needs

- **Utilitarianism**

- overall pleasure and pain for all concerned

- **Deontology**

- duty

- **Care Ethics**

- relationships, vulnerability, and empathy

- **Virtue Ethics**

- character

*EB*  
*EP*

# Three important points

- These are not the only Ethical Theories out there
  - These are among those most frequently discussed in Business Ethics literature
  - A number of other Ethical Theories which are *not* the same as these, or *reducible to* these
- Each of these theories is a well-developed system
  - More complicated than the presentation here
  - Include their own justifications – not given here
- Other terms are sometimes used for some of these theories - this can be confusing
  - E.g. “consequentialism,” “teleological ethics” (mis)used for egoism,

*EB*  
*EP*

# Other Perspectives Students Might Be Exposed To and Use

- Contractarian / Social Contract Theories
- “Rights” / “Justice” Theories
- Natural Law Theories
- Religiously-Based Ethics (sometimes called “Divine Command Theory”)
- Non-Theories
  - Relativism
  - “Universalism”

*EB*  
*EP*

# Ethical Theory 1: Egoism

- Famous Proponents: Ayn Rand, Adam Smith
- What makes something good or bad, right or wrong, is that it satisfies one's desires, or meets one's needs
- Basic Principle: Self-interest of person doing, considering, or affected by the action
- One should chose the action which most realizes or conduces to one's own self-interest
- Important Variation: should the person look simply to self-interest, or to *enlightened* or *rational* self-interest?
- Conception of *Rational Self-Interest* is basic component of capitalist economy and business models

*EB*  
*EP*



# Ethical Theory 2: Utilitarianism

- Famous Proponents: Jeremy Bentham, J.S. Mill
- What makes something good or bad, right or wrong, is that it produces the greatest amount of pleasure (or lack of pain) for the greatest number of people
- Basic Principle: “Greatest Happiness Principle”
  - Maximizing positive outcomes for the largest number of people, negative outcomes for lowest number of people
  - One should chose the action which will lead to the greatest happiness (i.e. pleasure, lack of pain) overall
  - One’s own pleasure and pain only count *as much as* any other person’s affected
- Important Variation: Quantitative Utilitarianism vs. Qualitative Utilitarianism

*EB*  
*EP*

# Ethical Theory 3: Deontology

- Famous Proponents: Immanuel Kant, W.D. Ross
- What makes something good or bad, right or wrong, is that it conforms to some (rational) duty
- Basic Principle: Fulfilling duties towards self or other persons
- One should choose the action which best conforms to one's recognized duties
- Important Variation: are these duties discovered and understood primarily by using reason (Kantian Deontology), or by healthy common sense (Rossian Intuitionist Deontology)

*EB*  
*EP*

# Deontology: Kant and Ross

- Kant's version: Reason reveals our duty
- Categorical Imperative
  - Can the action be universalized?
  - Does the action treat people as ends, not just means?
- Ross's Version: Common sense intuition reveals our *prima facie* duties
  - Duty of non-injury has priority
  - Other duties: fidelity, reparation, gratitude, beneficence, justice, self-improvement

*EB*  
*EP*

# Ethical Theory 4: Care Ethics

- Famous Proponents: Carol Gilligan, Virginia Held, Michael Slote (developed as feminist response to other ethics –those reflective of experience of men, not women)
- What makes something good or bad, right or wrong, is that it involves caring for another, and supports relationship with other people
- Basic Principle: action which is caring towards those who are vulnerable or need support
- One should chose the action which supports or nurtures other people, particularly those who are most vulnerable (e.g. children, workers)
- Note: often viewed as supplement to other ethical theories, rather than as comprehensive theory in own right

*EB*  
*EP*

# Ethical Theory 5: Virtue ethics

- Famous Proponents: Aristotle, Confucius
- What makes something good or bad, right or wrong, is that it actually embodies or promotes traits culturally acknowledged as good or bad (e.g. courage, justice)
- These in turn lead to greater or lesser realization of potential for fully human lives (“flourishing”)
- Basic Principle: actions reflective or productive of good or bad character, embodied in developed and lasting traits or habits
- Important Variation(s): different traditions and theorists develop different lists of virtues and vices

*EB*  
*EP*

# Questions About Ethical Theories?

*EB*  
*EP*

# What should student responses have?

- Some basics for all student responses, showing that they *understand*, and *can apply* Ethical Theories
- Correctly identifying the theory they are going to briefly explain and apply
- Explaining: mentioning basic or general principles of theory
- Getting those general principles right
- Application: reasoning from those general principles to the specific case they are studying
- Getting the application to the case right

*EB*  
*EP*

# Ethical Theory 1: Egoism

- What should the student provide?
- Invoke principle of *self-interest* or something like it
  - what makes an action right is that it conforms to self-interest of person doing, considering, or affected by the action (notice: can conflict with others)
- Be able to pick out what choice (or set of likely) consequences *is* in the person's best self-interest
- This will probably entail invoking a principle of *enlightened* or *rational* self interest
- Actually indicate that theory would pick that choice as best

*EB*  
*EP*



# Ethical Theory 2: Utilitarianism

- Invoke *Greatest Happiness* principle or something like it:
  - what makes something good or bad, right or wrong, is that it produces the greatest amount of pleasure (or lack of pain) for the greatest number of people
- Another key aspect: no person's pain or pleasure counts as more or less valuable than another person's. Only quantity or intensity counts.
- Be able to pick out what choice (or set of likely) consequences *is* likely to bring about greatest happiness overall for all concerned
- This will probably entail some sort of tallying or calculation of likely pains and pleasures for stakeholders
- Actually indicate that theory would pick that choice as best

*EB*  
*EP*

# Ethical Theory 3: Deontology

- Invoke *duty* as a principle or something like it:
  - What makes something good or bad, right or wrong, is that it conforms to a duty discoverable by reason
  - Not enough to simply say that a person has a duty to do X
  - Student has to be able to identify what the duty is in general
    - For Kantian, explain which formulation of *categorical imperative*
    - For Rossian, *which prima facie duty* or duties
- Be able to explain how the particular actions would correspond to the general duty or go against it
- Notice: actions either in conformity with duty or against it.
- Actually indicate that theory would pick that choice as best

*EB*

*EP*

# Ethical Theory 4: Care Ethics

- Invoke principle of *care* or something like it: what makes an action good is that
  - It supports, maintains, or furthers existing relationships
  - It involves caring for or nurturing another
  - It is reflective of empathy, particularly towards those who are vulnerable
- Be able to explain how particular action fits one of these general emphases
- May include discussion of how consequences would affect those being cared for or not being cared for
- Actually indicate that theory would pick that choice as best

*EB*  
*EP*

# Ethical Theory 5: Virtue Ethics

- Invoke principle of *virtue* or something like it
- what makes an action right or wrong, is that it reflects or leads to virtue or vice
- Be able to identify relevant virtue(s) and vice(s)
- Be able to explain how the particular actions would reflect or lead to virtue(s) or vice(s)
- May look at consequence of action as providing model for others, how it affects the general culture or individuals
- Actually indicate that theory would pick that choice as best

*EB*  
*EP*

# Questions About Application of Ethical Theories?

*EB*  
*EP*

# An Example of Application: *Reporting Inflated Numbers Case*

- How should a student address this case using the 5 ethical theories?
  - Egoism
    - the self and its needs
  - Utilitarianism
    - overall happiness
  - Deontology
    - duty
  - Care Ethics
    - relationships, vulnerability, and empathy
  - Virtue Ethics
    - character
- **Your Task:**
  - *In each of the boxes on the worksheet, write what you would look for in student responses to the case: **Reporting Inflated Numbers***

**EB**  
**EP**

# What would an Egoist Position Be?

- **Straightforward Egoism:**
  - What is in Barbara's immediate self-interest?
  - What consequences would best match up with her interests?
  - What would contravene her interests?
  - What act would best realize her self interest?
- **Rational Self-Interest**
  - What is in Barbara's longer-term self-interest?
  - Are there longer-term good or bad consequences (coming from short term bad or good consequences) more important to her self interest?

*EB*  
*EP*

# What would a Utilitarian Position Be?

- Who are all the people possibly affected by Barbara's decisions?
- What sort of consequences result to them?
  - Positive consequences (pleasures, or things conducive to pleasure)
  - Negative consequences (pains, or things conducive to pain)
- How many people are affected positively or negatively, and how much, by each possible choice?
- Rank-ordering the possible choices
- Perhaps doing a cost-benefit analysis

*EB*  
*EP*



# What would a Deontological Position Be?

- What duties does Barbara have?
  - Duties towards other people?
  - Duties towards herself?
  - Which actions or choices will fulfill those duties, and which will go against them?
- Kantian perspective
  - Can Barbara's possible choices be universalized?
  - Will Barbara be treating other people as mere means to ends, or treating them as ends?
- Rossian Perspective
  - Do Barbara's possible choices violate or fulfill any prima facie duties?
  - Is there any conflict of duties in this situation?

*EB*  
*EP*

# What would a Care Ethics Position Be?

- What relationships (if any) are at stake in this scenario?
  - Relationships Barbara has with others?
  - Relationships of other people?
- Are there any people who she can or should care for?
- Are there any people who are particularly vulnerable to her actions?
- (does a care perspective actually contribute to ethical evaluation of this situation? If not, why not?)

*EB*  
*EP*

# What would a Virtue Ethics Position Be?

- What sort of character should Barbara have or display in her actions?
- What sort of character should she not have or display in her actions
- What good or bad character traits in particular are relevant?
- What actions or choices will reflect or produce good or bad character traits?
- Will Barbara's actions model good or bad character traits for other people?

*EB*  
*EP*

# Questions ?

- **A few resources:**

<http://faculty.uncfsu.edu/gsadler/EBEP/EBEP.htm>

- **Ethics in Business Education Project**  
partnering philosophers and business educators and professionals

*EB*  
*EP*