

Semester 4

BUSINESS ETHICS

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INTRODUCTION

LECTURE 2

1. Attributes of Ethics

An attempt has been made to unearth the structural factors which influence individual ethical issues and help to resolve their ethical dilemmas. In order to measure ethical performance of an individual with an objective scale, Lawrence Kohlberg has developed Cognitive Moral Development model to gauge individuals' moral maturity based on 6 dilemmas faced while taking decision. Limitations of Kohlberg's model were addressed in Gilligan's model on moral maturity. Both these models provided that compliance with ethical code doesn't imply moral maturity and enlightened the attributes of individual ethical performance. These attributes are categorized under following three groups:

1. Individual Attributes
2. Contextual Attributes
3. Issue Attributes

These aforesaid attributes are now discussed one by one.

Individual Attributes

The individual attributes refer to personal characteristics of the individual which have a bearing on the ethical decision making. There are 4 individual attributes. They are –

- *Moral maturity*: Persons ability to resolve their ethical dilemmas forms an important attribute.
- *Age*: Person's age has a direct bearing over their ethical decision making. Researchers have found that individual belonging to younger age groups can be easily nurtured on ethics in contrast to the older groups.
- *Gender*: According to many researchers women are more ethical than men. But contradictory researches also show that gender diversity has no impact on ethical decision. In some studies this biological gender diversity has been replaced with traits. An individual with more masculine traits is more likely to exercise their dominating attitude and less likely to behave ethically.
- *Nationality*: The country where the person belongs also has a bearing on ethical decision making.

Contextual Attributes

In order to understand individual ethical performance in a better fashion, the contextual environment under which the individual has to work and their socio-economic relationship

with them has to be understood. For this reason, contextual attributes of ethics is very important. It can be grouped into following categories:

- *National Culture*: According to some researchers it has little impact over individuals' moral reasoning. But according to many others, national values have a considerable impact on formation of ethical codes. Any guideline on ethics accepted internationally may be proved to be ineffective in any particular country based on its value system.
- *Organizational culture*: Organizational culture is one influencing factor for organizations' growth. Personal values and emotions which are used to resolve individual ethical dilemmas find no place under an organizational set up. Here ethical decisions are made according to organizational ethics.
- *Group and role*: Inclusion of an individual under a formal grouping has a direct impact on individuals' ethical role. Characteristics and dynamics of a group frames individuals' ability to encounter and resolve ethical dilemma. Position of an individual in organizational hierarchy, strive to attain a superior position, conflicting social influence between different hierarchical groups often frame individuals' ethical thinking. According to cognitive psychology, human being stores the memory sequence of individual actions in different life domains and act accordingly. This frames his values and norms for performance in work or non-work related groups.
- *Linguistic framing*: Words are issued to frame ethical issues for each particular situation. This is called linguistic framing. It provides a framework for taking ethical decision in different situation.
- *Place*: Place has an important impact on ethical decision making. If individuals are placed with close proximity to the place which would have some impact on their human emotion ethical decision can be expected.

Issue Attributes

As of now, personal traits and contextual environment which have a direct bearing on ethical decision making of an individual have been discussed. But how, an individual resolve his ethical dilemmas within these two attribute is a matter of concern under situational ethics. Situational ethics identify some of factors which are construed while dealing with ethical issues. These issues are discussed as follows:

- *The nature of the consequences*: it relates to the magnitude of one's action.
- *The social consensus*: it relates to social attitude of the individual.
- *The possibility of effect*: it relates to possibility of happening of a particular consequence due to a particular action.
- *Temporal immediacy*: it relates to the speed with which the consequences can take place.
- *Proximity*: it relates to the nearness of the person who is most affected by a particular action.
- *The concentration of effect*: it relates to the number of persons affected by a particular decision.

Ethical decision and resolving ethical dilemmas is only possible if individuals give lesser prominence to rules and procedure and give some priority to emotions and moral virtues.