Harvard Business School

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Ethical Frameworks for Management

This note introduces the student of management to basic ethical frameworks because such frameworks contribute to managerial practice: effective and responsible decision making is impoverished without conceptual self-awareness. The themes addressed in this note should help aspiring managers to discover some of the background assumptions in their own thinking about the ethical aspects of business. Only after such assumptions are acknowledged can they be subjected to reflective scrutiny, to be either reinforced or revised. Josiah Royce, a 19th century Harvard philosopher, remarked:

> Remain blind if you will; we have no means of preventing you. But if you want to know the whole ethical truth, you can find it only in the moral insight. All else is caprice. To get the moral insight, you must indeed have the will to get the truth as between the conflicting claims of two or more doctrines. This will being given, the moral insight is the necessary outcome even of skepticism itself.[1]

Classifying Ethical Frameworks

"Ethics" and "moral philosophy" refer to a domain of inquiry, a discipline, in which matters of right and wrong, good and evil, virtue and vice, are systematically (or at least carefully) examined. "Morality," by contrast, is most often used to refer not to a discipline, but to a pattern of thought and action "in place" in an individual or a group or a whole society. In this sense, morality is what the discipline of ethics is *about*. Thus business morality is what business ethics is about.

Philosophical ethics can be approached historically or conceptually. The first approach affords a richer understanding of the circumstances surrounding the development of various ethical frameworks as well as a better perspective on their connections to other ideas in politics, religion, science, and art. The second, while it lacks this contextual richness, nevertheless permits a more structured understanding of the logical alternatives open to one in search of a defensible decisionmaking framework. It is this conceptual strategy that will be followed here. Where historical asides seem helpful, however, they will be included.

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[1] Josiah Royce, *The Religious Aspect of Philosophy* (Gloucester, MA: Peter Smith, 1965). First published by Harper & Row, 1885.

This note was prepared by Associate Professor Kenneth E. Goodpaster as a basis for class discussion.

Three Ways of Thinking About Morality

There are three primary ways in which we might take an interest in the thoughts, feelings, and actions that go under the heading of "morality" in ordinary human affairs. One is simply to try to understand the facts, that is, to *describe* or *explain* the actual moral beliefs and convictions of an individual or group, making no assumptions whatsoever about the validity of those beliefs and convictions. Of course, we do informally describe and explain such "moral data" every day in our conversational, nonscientific observations about those around us. The main point is that we are describing, not prescribing. This way of thinking about morality, therefore, is called *descriptive ethics.*

Another kind of interest in morality is what philosophers call *analytical.* Here the concern is not with describing moral beliefs and convictions, but with achieving a deeper understanding of their meaning and justification. For example, how is it possible, if it is possible, to defend or provide a rationale for the moral beliefs that we have? Are matters of ethics interpersonally or interculturally relative, or is there a measure of objective truth to be sought in this domain? How do moral judgments about right and wrong differ, if they do, from those about "values"? What is the connection between general moral principles and specific, practical, everyday judgments about people and their conduct? Another name for this analytical inquiry is *metaethics.*

The third kind of interest in morality is *normative.* Quite apart from descriptions of moral beliefs and discussions of their meaning and warrant, there is no easy escape from questions as to what general or specific convictions about right and wrong, good and bad, virtue and vice we really do hold (or reject). The answers to such questions are neither descriptively neutral nor analytical. They are prescriptive and presumably have some significant relationship to the practical decisions we make in our personal and professional lives. This approach to morality, *normative ethics,* is the principal focus of this note.

It is important to clarify these three approaches to morality not just to maintain precise terminology, but because discussions that ignore their differences create confusion. A comment like "For Americans, bribery is wrong, but for others not so," illustrates the risk of confusion. If the intention is descriptive, the speaker would (correctly or not) be claiming that there are differences in moral beliefs across societies. If the intention is analytical, the speaker would (again, correctly or not) be saying something about the lack of an objective or cross-cultural ethical standard. Finally, if the intention is normative, the speaker would be expressing a conviction about the moral unacceptability of bribery, at least for Americans. Any agreement or disagreement that we might have with the speaker, then, depends a great deal on how we understand the comment.

The frameworks presented in this note are major alternatives in normative ethics. By subjecting them to critical scrutiny, however, we will ourselves be thinking not only normatively about morality, but also descriptively and analytically.

Persons, Organizations, and Systems

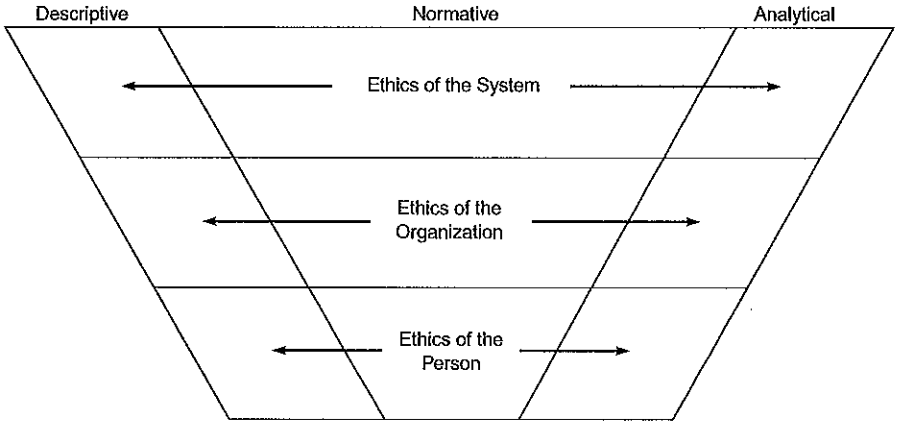
We have seen that morality can be examined descriptively, normatively, or analytically. Another triad now merits our attention: three levels of *attribution* or *application.*

If attributes like "good" and "bad" are applicable on different levels, then it becomes necessary to take this into account when we consider frameworks for managerial ethics. Three salient levels are the *personal,* the *organizational,* and the *systemic.* Doubtless there are important connections among these levels: ethical attributes on one level will tend to support (though probably not entail) similar attributes on adjacent levels. But for both theoretical and practical clarity, we shall distinguish the levels and set aside questions about the relationships among them. Capitalism as a system may or may not confer virtues or vices on the organizations that comprise it. And the organizations that comprise it may or may not confer virtues or vices on the persons that work for those organizations.

Similar remarks apply in the reverse direction (from persons, through organizations, to the system itself).

The frameworks that will be discussed cut across the three levels of attribution in the sense that they can be used to guide or change not only the personal lives of individuals, but also the direction of organizations and entire socio-economic systems. *Figure 1* illustrates the two triadic distinctions so far mentioned.

Figure 1 Classifying Ethical Frameworks



Connecting Ethics to Decision Making

Regardless of whether our interest in morality is descriptive, normative, or analytical, and regardless of the level of attribution involved, a question still confronts us when we seek to relate ethical thought to practical decision making. How are "moral conclusions" to be arrived at?

One view is tough-mindedly situational. It holds that our consciences operate with immediacy, much like our faculties of perception (sight, hearing, touch, etc.) in specific circumstances requiring decision. Most general ethical questions, on this view, must be answered by "It all depends." If a corporate officer is faced with a question about the propriety of a certain employee discharge, he or she should seek out the facts of the case and rely upon "gut feeling" or "inspiration" as the test of right or wrong.

A second view, skeptical about the reliability of both "gut feelings" and "inspiration," holds that the test of right and wrong should come from some sort of community consensus. There are, according to this view, certain ethical generalizations—stemming from something like convention or received wisdom—that can be arrived at inductively by studying not only case examples but also serious social commentaries. It is these generalizations to which we must turn for guidance once the facts of a situation are clear. The corporate officer concerned about the ethics of discharging an employee should consider such things as the "employment-at-will doctrine" or generally accepted rules of "fair play" in business before reaching a decision.

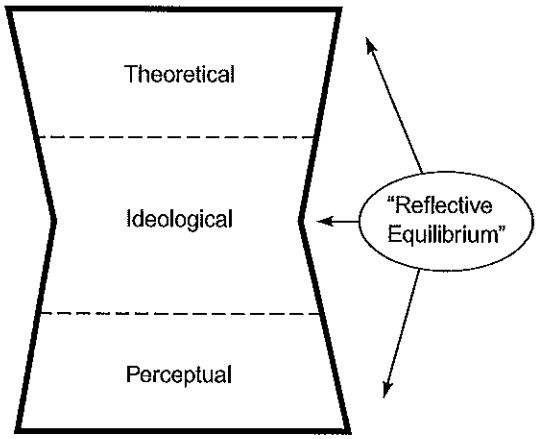
A third view rejects both perception and convention as tests of right and wrong. Instead, it is held, there are certain basic frameworks or principles from which these other tests derive their validity when and if they have any validity at all. It is these frameworks or principles that we must define and then apply in specific circumstances. Perception is unstable and convention is no more than cultural bias. Our corporate officer needs to be more critical than either "gut feelings" or "accepted norms" permit. What is needed is a set of "steering principles" to help decide when feelings and norms are themselves to be challenged. The current perplexity created in many

organizations by "whistleblowers" indicates how such principles might be essential: Are they traitors or patriots?

This third view will be the thrust of the following discussion; however, it is important to note that the other two ways of relating ethics to decision making can be viewed as complementary rather than competitive. In the spirit of Harvard philosopher John Rawls, who calls this complementarity "reflective equilibrium," we might draw an analogy to the executive, legislative, and judicial branches of government. A similar system of checks and balances may operate in our moral reasoning as we allow *perceptual, ideological,* and *theoretical* considerations to guide us.[2]

Sustaining this complementarity implies a dynamic relationship between general principles and particular situations. Sometimes decisionmakers trust their feelings about a situation more than higher level principles. At other times, principles are essential for clarity, especially when feelings—either within us or between us—conflict. At such times, common sense is either not common or not really a single sense. *Figure* 2 illustrates these views of the connection between ethics and decision making, along with the suggestion that they might be complementary, in a kind of equilibrium.

Figure 2 Relating General Principles to Particular Situations



Normative ethical theory, as we have seen, is an inquiry into the basic principles that underlie our personal and conventional moral reasoning. This inquiry is carried out not simply with a view to describing or analyzing underlying unities, but with the hope of uncovering sound ethical premises that have prescriptive force. As in science, art, law, and religion (not to mention business administration), such premises may be elusive. Some have thought that a single formula could capture the "moral point of view." Others have thought that this is impossible and that the moral point of view, like the viewpoints underlying the other human quests mentioned, resist formulation except by a kind of approximation. Aristotle was the first, but certainly not the last, to observe that in matters of practical wisdom, one must be satisfied with the level of precision that the subject matter allows.[3]

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[2] Professor George C. Lodge in "The Connection Between Ethics and Ideology," *Journal of Business* Ethics (May 1982), has called the middle region between theory and perception "ideology" in a nonpejorative sense. The patterns of thought in this region, according to Lodge, are used by a community

> to define values and to make them explicit. Ideology is the source of legitimacy of institutions, and the justification for the authority of those who manage them. Ideology can be conveniently seen as a bridge which a community uses to get from timeless, universal noncontroversial notions such as survival, justice, economy, self-fulfillment and self-respect to the application of these notions in the real world.

[3] Aristotle, *Nicomachean Ethics,* Book II, 1094b.

Teleological Frameworks

This part examines two paradigm frameworks that presuppose not only that a single formula can capture the moral point of view but that the formula in question has to do exclusively with the beneficial or harmful results of conduct. For this reason they are called *teleological* frameworks (telos: aim, end). We shall also briefly discuss a third framework that seeks to combine the two paradigms.

Ethical Egoism

Ethical egoism is associated with the writings of the 17th century philosopher Thomas Hobbes, though many would say that it was first defended much earlier by Plato and by the Epicureans. It is an action-guide that springs from a single basic imperative: a person ought to act only to promote for himself or herself the greatest balance of good over bad results. Ethical egoists may differ over what they hold as objective standards of goodness or badness and therefore over the specific practical implications of their basic principle. Some, for example, have held that goodness and pleasure are identical (hedonism), while others have argued for much richer, less "materialistic" views about the good life. The essential point is that for egoists, self-interest provides the sole touchstone for thinking about right and wrong. Thus someone who held that each person should pursue self-interest *in order that* the common good be served would not be an egoist, but someone who held that each person should, *only* for the sake of self-interest, care about others would be an egoist.

Philosophical arguments for and against ethical egoism have been spirited. Proponents insist that it is the only normative ethical framework that does justice to the realities of human motivation. Opponents point out that this implies two questionable propositions: (1) that the realities of human *motivation* are decisive for understanding the realities of human *obligation,* and (2) that the realities of human motivation are, as the egoist asserts, purely selfish.

The plausibility of proposition (1) depends heavily on our view of the relationship between facts and values, specifically the facts of psychology and the values to which those facts seem to point. Extreme views on this subject range from the contention that any inference to values from facts is fallacious to the contention that the desirable and the desired are one and the same. More moderate views affirm the importance of grounding ethics in an account of human nature but deny that contemporary biology and/or psychology have provided the data.

The term *psychological egoism* refers to the generalization expressed in proposition (2) in order to disentangle it from the *normative* principle of the ethical egoist. Few scientific observers of human behavior today would subscribe to psychological egoism, though most would acknowledge the *importance* of self-interest in our motivational repertoire. The burden of proof seems to rest on the egoist then, to show (for individuals, organizations, or larger systems) that the influence of self-interest predominates.

There are other difficulties with ethical egoism. How, it has been asked, can such a framework ever achieve anything like real-life currency if its practitioners are candid? Could egoism ever be taught or taken seriously by someone in search of moral advice? Though not conclusive, these challenges produce an atmosphere of paradox around ethical egoism that permits and even invites the exploration of alternative frameworks.

Utilitarianism

Utilitarianism in the modern period was developed in the 18th and 19th centuries in England, where its best-known proponents were Jeremy Bentham and John Stuart Mill. In the 20th century, it has been defended by many sophisticated philosophers and economists. Although different

formulations with subtle differences abound, the basic "principle of utility" can be stated: persons (or organizations or systems) ought to act only to promote the maximum net expectable utility for the widest community affected by their actions. Or, popularly: "seek the greatest good for the greatest number."

Proponents of utilitarianism argue that it is the most accurate and realistic expression of the fundamental sentiment behind the moral point of view: benevolence. They are quick to point out that there is room in the framework for our conventional moral rules (e.g., against lying, stealing, promise breaking, etc.), but add that these rules get their authority only from their tendency to maximize utility over the long term. Departures from them are justified accordingly.

Opponents have offered both internal and external criticisms. Internally, they cite serious difficulties with the definition and measurement of essential concepts like "utility," "alternatives," and "results." They also question whether utilitarianism, if really practiced, would lead to the maximum utility that its basic principle demands.

Externally, critics have focused on what they believe are counterintuitive *moral* implications of the utilitarian framework. Examples, actual or hypothetical, are put forward to show that our deepest moral convictions and utilitarianism lead in opposite directions. The most forceful of such examples involve situations in which the greatest good for some majority seems to dictate the unjust treatment of an innocent victim or minority.

Replies to these critics typically either deny the accuracy of their assumptions or refine the utility principle to meet specific objections. A different kind of reply challenges the critics to do better than or to do without some version of the utility principle in their own normative frameworks. Any ethical framework that takes benevolence seriously, it is argued, and that also seeks to be operational, must in the end incorporate a form of utilitarianism.

Sidgwick's Dualism

Ethical egoism and utilitarianism have in common what might be called a "cost-benefit" orientation and a commitment to a single basic formula for testing rules and decisions. But they differ over their conception of the primary beneficiary: self or others. One could easily imagine, and there have historically been, frameworks that fall between these two in the sense that the primary beneficiary is taken to be some limited group larger than self but smaller than all those affected. Various forms of nationalism and racism seem to have or have had such a character. Nevertheless, most reflective persons have found something deeply unsatisfying—both theoretically and morally—about such limited frameworks.

The attractions of egoism and utilitarianism, however, have always been strong, as if they represented the only two stable points on a continuum of moral possibilities. And nowhere has this been more powerfully demonstrated than in the work of the late 19th century philosopher, Henry Sidgwick. Sidgwick was convinced that utilitarianism was an essential pillar in any adequate moral framework. But he also became convinced that any adequate moral framework had to include the principle of ethical egoism! Referring to the basic principles of these frameworks as Rational Benevolence and Prudence, respectively, Sidgwick wrote:

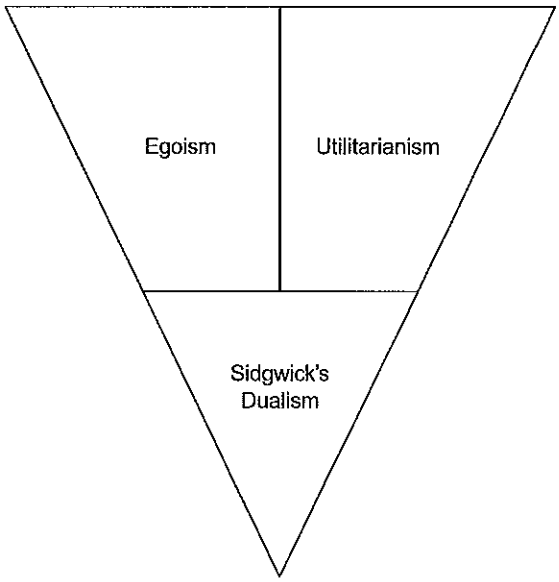
> Even if a man admits the self-evidence of the principle of Rational Benevolence, he may still hold that his own happiness is an end which it is irrational for him to sacrifice to any other; and that therefore a harmony between the maxim of Prudence

and the maxim of Rational Benevolence must be somehow demonstrated, if morality is to be made completely rational.[4]

For Sidgwick, conflict between the two principles was a threat to the viability of reason in ethics. The task of moral reflection was the task of discerning how consideration of others and consideration of self were in the end reconcilable. That they somehow "had to be" was a conviction he held throughout his life.

Figure 3 below illustrates the teleological frameworks we have been discussing, with Sidgwick's dualism representing an attempt to join the main alternatives.

Figure 3 Teleological Frameworks



Teleological Frameworks in Business

In the context of general management, teleological frameworks manifest themselves in various ideological camps, including those associated with the "left" and the "right." Proponents of a strong government hand in the regulation of the private sector, for example, often argue along utilitarian lines. Competitive pressures, they claim, force corporations to ignore significant social and ecological externalities in a way that does not maximize utility for those affected.

Those who demand less government regulation also invoke teleological frameworks. Beyond commitments to profit maximization and competitive advantage (ethical egoism), they defend the social virtues of the market system (utilitarianism) and the "invisible hand" that they believe will reconcile the two (Sidgwick's dualism). Nobel laureate Milton Friedman is perhaps the best known advocate of this latter view.[5]

This ongoing debate can be considered a disagreement between two historically powerful strategies for *combining* self-interest with social utility. One emphasizes a managed economy and a "top-down" path toward utility maximization, while the other emphasizes competitive markets and a

[4] Henry Sidgwick, *The Methods of Ethics,* Seventh Edition, 1907 (New York: Dover Publications, 1966).

[5] Milton Friedman, "The Social Responsibility of Business Is to Increase Its Profits," *New York Times Magazine,* September 13, 1970.

"bottom-up" path. Many "public vs. private sector" debates revolve around mixtures and alternatives between these two broad strategies.

There is, however, another group of normative frameworks that represents a radical departure from the teleological approaches discussed above.

Deontological Frameworks

This part examines ethical frameworks that reject the fundamental premise of teleological theories, namely, that "the good is prior to the right" in ethics, i.e., that beneficial results determine our moral duty. These frameworks reverse the priority, making rightness or duty the direct target. For this reason they are called *deontological* (deon: duty, obligation). As with the first two teleological frameworks discussed earlier, the first two deontological frameworks share the assumption that the moral point of view can be captured in a single (or at least unified) imperative.

Existentialism

The normative framework called existentialism, following its most well known modern proponent, Jean Paul Sartre, has deep roots in the history of ethics. The essence of the framework is straightforward: seek personal virtue through *authenticity*. This brave doctrine has been held since the classical Greek period, but 19th century philosophers Friedrich Nietzsche and (more mildly) F. H. Bradley set the stage for its 20th century revival.

Though some philosophers use different terms like "freedom," "self-realization," "sincerity," "integrity," etc., the main idea is that the final arbiter of right and wrong is the free will of the decision maker involved. This challenges the teleological approach, for it is not the beneficial or harmful *results* of actions that are the key to their morality but rather the purity of their *motives*.

For the existentialist, the self is the key to ethics, but not, as with the ethical egoist, by way of "self-interest." The self is seen by the existentialist as a kind of "legislator" of moral values whose content is less crucial than their source. In the words of Sartre:

> No rule of general morality can show you what you ought to do: no signs are vouchsafed in this world. Those who hide from total freedom, in a guise of solemnity or with deterministic excuses, I shall call cowards. Others, who try to show that their existence is necessary, when it is merely an accident of the appearance of the human race on earth—I shall call scum. But neither cowards nor scum can be identified except on the plane of strict authenticity. Thus, although the content of morality is variable, a certain form of this morality is universal.[6]

Critics of existentialism point out that even if the framework encourages something like "universal principles," there is no guarantee that the "authentic" decision maker will be anything other than fanatical in his or her choice of such principles. And even if the choice is unselfish in important ways, it is anchored ultimately and only in the will of the person using the framework. For most of us, the critics add, such a doctrine provides neither guidance nor anchor. It simply says, "to thine own self be true."

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[6] Jean Paul Sartre, "Existentialism Is a Humanism," *in Existentialism from Dostoevsky to Sartre*, edited by Walter Kaufmann (New York: World Publishing Company, 1956), p. 298 and p. 308.

Contractarianism

Contractarianism has its roots in the social thought of Locke, Rousseau, and Kant. It is the 20th century enrichment of this framework by Harvard philosopher John Rawls, however, that will be discussed below.

We saw earlier that in utilitarianism benevolence was the central moral idea and all essential aspects of ethics were formalized and related to this core. Ethical egoism did something similar with self-interest, and existentialism centered on authenticity. The intuitive idea behind the contractarian framework is *fairness,* by which John Rawls means decision making guided by principles anyone and everyone would agree with. To ascertain what these principles are, Rawls imagines an "original position" in which, ignorant of our future places in the scheme of things, we contract freely for the political and economic arrangements that will govern our lives.

Using this hypothetical contract as his basic conceptual tool, Rawls argues that persons in such an initial situation

> would choose two rather different principles: the first requires equality in the assignment of basic rights and duties, while the second holds that social and economic inequalities, for example inequalities of wealth and authority, are just only if they result in compensating benefits for everyone, and in particular for the least advantaged members of society.[7]

He adds, with utilitarianism in mind, that these principles "rule out justifying institutions on the grounds that the hardships of some are offset by a greater good in the aggregate." It is the fairness of society's norms, not their tendency to maximize utility, that gives them ethical force.

Opponents of contractarianism have attacked, predictably, at each of the two basic pressure points mentioned in the quoted passage. Some, Marxists among them, have challenged both the content and the priority of the principle of equality as Rawls interprets it. They claim that it is hostage to a narrow, even "bourgeois," kind of individualism. Others, including both libertarians and utilitarians, have challenged the principle of compensating inequalities either as itself unfair or as inefficient. Rawls and his defenders have made elaborate replies, confident that such vigorous opposition from left and right is, in the end, an encouraging sign!

Kant's Ethics—Another Dualism

There is probably no one in the modern period whose views have influenced ethical reflection more than those of 18th century philosopher Immanuel Kant. At the center of Kant's framework are two concepts: the *free will* of the rational decision maker and the need for *universalizing* that will. Both the existentialists and the contractarians point to Kant as a source of inspiration, although the former point to Kant's idea of the will and the latter point to his idea of a community to which the will is in some sense subject. For this reason, we can understand Kant's framework as a kind of dualism, linking the two main deontological principles in much the way that Sidgwick's framework sought to link the two main teleological principles.

Kant formulates his "supreme principle" in a number of different ways, all of which he claims to be equivalent.[8] The two best-known formulations are:

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[7] John Rawls, *A Theory of Justice* (Cambridge, MA: Harvard University Press, 1971).

[8] Immanuel Kant, *Foundations of the Metaphysics of Morals* (1785), trans. Lewis White Beck (Indianapolis, IN: Library of Liberal Arts, Bobbs-Merrill Company, 1959).

(a) Act only according to that maxim by which you can at the same time will that it should become a universal law, and

(b) Act so that you treat humanity, whether in your own person or in that of another, always as an end and never as a means only.

Motives behind rules or policies that satisfy such criteria are said by Kant to be *categorical* in their force. "Gut feelings" of any sort, as well as rules or policies based on accepted practice, are unreliable and unacceptable indicators of right and wrong. They are at best provisional, i.e., they tell us what to do only *subject to* the vindication of the motives that underlie them.

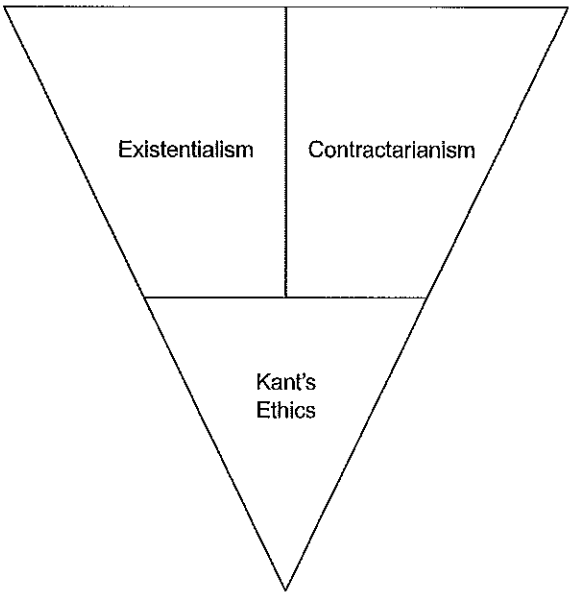
A manager who refused to dump toxic wastes outside his plant out of fear of being fined or even out of a desire to promote good community relations, would not be acting out of a true sense of duty. He might "do the right thing" in terms of results, of course, but this would be (ethically) beside the point, according to Kant. What would be (ethically) to the point would be for the manager to ask himself (a) whether he could support such dumping as a universal practice, or (b) whether in using the local community as a "sink," he was treating its citizens as mere means. Only if an action or a policy survives this kind of scrutiny can its motive claim to be morally adequate.

Kant thought it was possible to discern in any proposed action or policy an implicit orientation which, when universalized, would show itself to be either permissible or self-defeating. He believed that somehow there was a basic harmony between the idea of personal authenticity and communal fairness. In his words, "the dignity of humanity consists just in this capacity of being universally legislative, though with the condition that it is itself subject to this same legislation."

Critics of Kant have objected that his basic principles, even if consistent, rule out both too much and too little. They have suggested that actions most people think permissible (such as lying to protect an innocent victim) might fail Kant's test, while actions most people think questionable (such as refusing to help the poor) might pass the test. Defenders of Kant have denied these implications.

Figure 4 below illustrates the deontological frameworks we have been discussing, with Kant's ethics as a conjunction of the two main alternatives.

Figure 4 Deontological Frameworks



Deontological Frameworks in Business

We saw earlier how the teleological thinker found tension (and sought harmony) between self-interest and aggregate utility. The deontological thinker, we can now see, struggles with a similar problem, finding tension and seeking harmony between duty as a form of personal autonomy (existentialism) and duty as a form of communal agreement (contractarianism).

In the context of general management, deontological thinking also cuts across ideological camps. Proponents of a strong and "visible" hand in government policy toward business often appeal to contractarian conceptions of social justice. Such appeals become evident in arguments over redistributive taxation proposals and affirmative action proposals, for example.

Defenders of the "invisible" hand also invoke fairness arguments, as well as the core deontological ideas of freedom and individual rights. For many managers, free product markets and free labor markets are ultimately justified by reference to the "respect for persons" that such arrangements imply.

Mixed Frameworks

This part introduces some widely held approaches to normative ethics that try to unite the main kinds of frameworks that have been examined thus far. In each case the issue is finding a more basic touchstone than either results or motives to ground our judgments of right and wrong. In each case also, the "theoretical economy" of one or two basic normative principles (from which all others follow) is sacrificed in favor of a foundation that better fits our conventional moral norms and individual perceptions.

Intuitionism and Love

The historical roots of intuitionism extend back at least to the 18th century and perhaps even further if certain "natural law" theories are included. In the 20th century, British philosopher W. D. Ross is considered the most articulate proponent of this framework. Essentially, Ross's view consists of a set of principles of *"prima facie* obligation" where the technical modifier is intended to mark an important distinction. As Ross explains it:

> It is necessary to say something by way of clearing up the relation between *prima facie* duties and the actual or absolute duty to do one particular act in particular circumstances. If, as almost all moralists except Kant are agreed, and as most plain men think, it is sometimes right to tell a lie or break a promise, it must be maintained that there is a difference between *prima facie* duty and actual or absolute duty. When we think ourselves justified in breaking, and indeed morally obliged to break, a promise in order to relieve someone's distress, we do not for a moment cease to recognize a *prima facie* duty to keep our promise, and this leads us to feel, not indeed shame or repentance, but certainly compunction, for behaving as we do; we recognize, further, that it is our duty to make up somehow to the promisee for the breaking of the promise. We have to distinguish from the characteristic of being our duty that of tending to be our duty.[9]

[9] W. D. Ross, *The Right and the Good* (Oxford: Oxford University Press, 1930).

The characteristic of "tending to be our duty" is marked by the phrase *"prima facie"* in the ethical framework of Ross (and others). He is drawing attention to the possibility of conflict among basic duties and obligations in particular situations and the consequent need to determine which one (or more) should *override* and determine our "actual" duty. Ross's list of basic principles includes seven items:

(1) One ought to keep explicit and implicit promises (understood to include truth-telling as an implicit promise made in entering into communication with someone).

(2) One ought to make reparation for previous wrongful acts.

(3) One ought to show gratitude for services done for one by others.

(4) One ought to see to the just distribution of goods.

(5) One ought to do what one can to improve the lot of others.

(6) One ought to improve one's own condition in respect of virtue and intelligence.

(7) One ought not injure other people.

Under these seven principles (fidelity, reparation, gratitude, justice, beneficence, self-improvement, and noninjury), Ross organizes more specific obligations, but these are his basic axioms of right and wrong conduct.

If we interpret these principles somewhat loosely, it is not difficult to see in them traces of the frameworks described earlier in this note: ethical egoism in (6), utilitarianism in (5) and (7), existentialism in (1) and (6), and contractarianism in (1) and (4). Only (2) and (3) add new dimensions. What we must keep in mind is that Ross is offering his seven principles as the deliverances of an intellectual faculty (called *intuition*) and that their status is that of *prima facie,* not actual, duties.

Critics of intuitionism, and of Ross's view in particular, have objected that the framework is incomplete at two levels, which undermines its plausibility. At the first level, the complaint is that no rationale is provided for the length of the list of principles, i.e., Why are there just these seven and not five or nine? Is each of the seven just as "basic" as the others? Are there any principles missing, e.g., the obligation of parents to care for their children? At the second level, critics lament the absence of any mechanism for determining actual duty in situations where *prima facie* duties conflict.

Ross's defenders reply that with respect both to the alleged arbitrariness of the list of principles and to conflicts of *prima facie* duty, intuition must be our guide. No argument for the completeness of the seven duties is available beyond their seeming to belong on the list (together, perhaps, with the fact that they incorporate many or most of the teleological and deontological options). And there are no *general* rules for "weighing" *prima facie* duties in conflict situations. Somehow such matters are just *evident.* What the theory lacks in these areas, it is claimed, it makes up in being more in keeping with our moral common sense than any of the more unified frameworks of the critics.

One contemporary philosopher, William K. Frankena, has attempted to disarm the first level of criticism mentioned above, while retaining a similar answer to the second. Frankena holds that Ross's list of *prima facie* duties can be reduced to just two: the principle of utility and some version of a contractarian principle of justice. All the others can, he thinks, be derivative. If utility and justice conflict, however, appeal is made to something like intuition or perception.

For our present purposes, we can treat another approach to a mixed normative framework as a variation on intuitionism, even though some would argue that it deserves separate treatment. This framework is sometimes called the "love ethic" or, more technically, *agapism* (agape: love). Both classical and contemporary, religious and secular, this framework centers on the imperative "Love thy neighbor as thyself" or perhaps "Be humanistic." The ethics of love resembles intuitionism because it has been held to incorporate any number of *prima facie* duties, most of which have been mentioned above. Its main difference from intuitionism lies in its appeal to an *affective,* as opposed to an *intellectual,* foundation for both the inventory of duties and the conflict resolution that may be needed among them.

The aspiration of intuitionism and its more affective variant, agapism, is to unite the fundamental impulses of both teleology and deontology under a single human "faculty"—either rational or emotional. The remaining framework that we shall discuss shares part of that aspiration (unification), but seeks it beyond the realm of the human.

Duty as God's Will

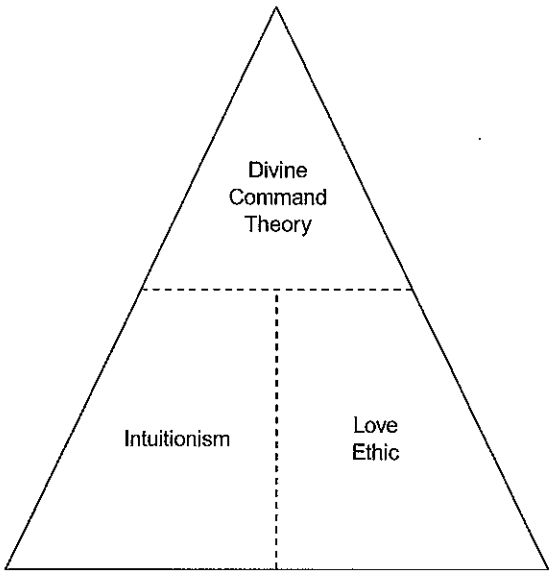
When the moral point of view is pursued in religious studies or theology, the *divine command* theory is central and represents a significant portion of the Judeo-Christian as well as Islamic heritage. For this framework, the criterion or test of right and wrong is the will of God, expressed either through nature or through revelation. It is a mixed framework because the duties or commandments associated with it are almost universally held to include elements of both teleological and deontological thinking. Often this mixture is expressed by pointing to such attributes of God's nature as benevolence, justice, and mercy.

It is essential to distinguish the divine command theory from two views it is sometimes confused with. First, those who hold that decision makers ought to obey God's will (however ascertained) simply because these commands are sanctioned by eternal rewards and punishments are really embracing a version of egoism, not the divine command theory. Second, those who hold that ethical decisions are willed by God because they are right, rather than right because they are willed by God, are implicitly importing some independent framework as more basic. The divine command theory implies that actions and norms get their legitimacy from being in accord with God's will and from no other source.

Apart from opposition to this framework rooted in denial of God's existence, challenges have been mounted by those (among them some religious believers) who ask: "If God commanded dishonesty, injustice, and cruelty, would these things become right simply because of that fact?" The implication is that even if God would not will such things, the theory fails to protect against the possibility. Proponents of the divine command theory respond that the paradox here—if paradox there be—afflicts *any* framework that grants supreme status to a unifying principle, including all of those so far discussed.

The main contrast between this framework and the other two mixed frameworks, then, is that intuitionism and agapism rely upon "natural" intellectual and emotional faculties for identifying and weighing moral considerations, while the divine command framework seeks this wisdom from a spiritual source. These three mixed approaches to ethics are illustrated in *Figure 5* below.

Figure 5 Mixed Frameworks



Mixed Frameworks and Discipline

There are two main ways by which philosophers have tried to avoid arbitrariness in moral reasoning. The first is through the *content* of a single principle or set of principles explicitly defining an ethical framework. Examples from our preceding discussion are the principle of utility and the contractarian principles of justice. Even though the criteria for applying such principles may not be completely objective or free from controversy, they offer a touchstone for consistency.

A second way to avoid arbitrariness in moral reasoning is through the *process* of weighing "provisional" principles that may concurrently apply to a given decision-making situation. Because feelings and sentiments can differ widely, not only between persons but also from one time to another in the life of a single person, this approach involves setting out not a formula or a principle but a *discipline* for achieving sound ethical judgments.[10]

This second approach appears to be essential in connection with the mixed frameworks described above, since each relies upon some form of weighing process (intellectual, emotional, or spiritual) and each at the same time claims some measure of objectivity or interpersonal validity.

While it would be misleading to say that there is agreement over the precise *kind* of discipline needed to confer validity on ethical judgment, certain *generic* characteristics of discipline reappear enough in the literature of the humanities and psychology to deserve mention. The following four ingredients are representative of a broad spectrum of traditional and contemporary views of discipline:[11]

(a) delayed gratification or repression: not acting on impulse;

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[10] Roderick Firth, "Ethical Absolutism and the Ideal Observer," *Philosophy and Phenomenological Research,* 12 (1952) is a classic formulation of such a view.

[11] For two contemporary discussions of discipline, one emphasizing persons and the other organizations, see M. Scott Peck, *The Road Less Traveled* (New York: Simon and Schuster, 1978), Section I, and Christopher D. Stone, *Where the Law Ends* (New York: Harper & Row, 1975), Chapter XII.

(b) acceptance of responsibility or freedom: not denying one's options;

(c) loyalty to evidence and truth: conforming one's beliefs to facts;

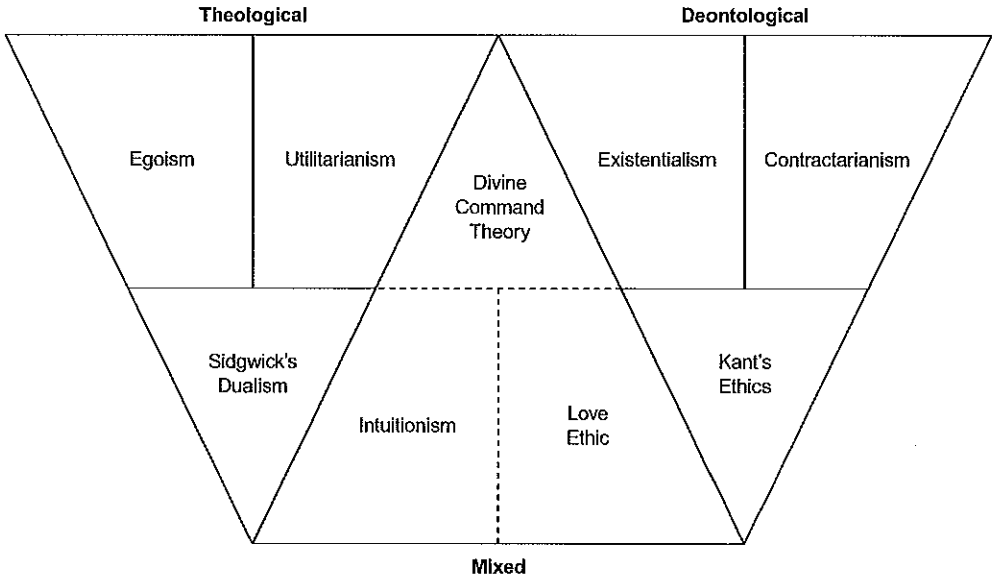
(d) balance or flexibility: willingness to avoid excessive rigidity to discipline discipline itself.

Few philosophers would claim that these characteristics of discipline are sufficient to insure responsible moral judgment, although many would regard them as important prerequisites. What more might be necessary for taking the moral point of view and acting on it will be discussed in what follows.

From Thought to Action

This concluding part describes what the preceding survey of normative frameworks may imply for management practice. It will help to begin with a graphic summary of the diversity and the unity of the frameworks, which can be accomplished by "assembling" the previous three triangular figures into the trapezoid of *Figure 6* below.

Figure 6 Summary of Normative Frameworks



Multiplicity and the Moral Point of View

Despite the multiplicity of normative frameworks discussed, and depicted in *Figure 6*, philosophical attempts to "capture" the moral point of view do display a general pattern. Certain tensions and polarities seem to recur. It is as if the flags or gates for a slalom skier have been put into place on a slope. Negotiation of the slope, rather than frustration, may be the most appropriate response.

The dominant polarity is that between teleological and deontological styles of thinking about morality. One seems driven by a kind of impersonal, spectatorial way of looking at right and wrong: take measure of the goods (utilities) and maximize. The other seems to involve a more personal,

participative vision: be true to freedom and dignity. This polarity has been noted by a number of contemporary thinkers, among them Princeton philosopher Thomas Nagel:

> There are familiar disputes about whether utilitarianism really does have the consequences attributed to it by [deontological] critics. Likewise there are disputes about the formulation of alternative views: how absolutist they are, whether they should be stated in terms of individual rights, or liberty, or selfrealization, or interpersonal commitment. But the essence of the conflict is clearer than the exact nature of the alternatives. The issue is how the individual position of the agent should enter into a decision about what he should or may do.[12]

Nagel adds that the tension between looking at the world by asking "Which of the acts within my power would do the most good, considering matters from out here, impersonally?" and looking at it in terms of personal duties and aspirations "lived from in here" leads to a stalemate, each perspective claiming priority relative to the other. The difficulty is that we are tempted to think that one or other of these two perspectives "must be what there *really is.*" This is such a powerful idea, he argues, "that to deny it is in a sense to deny that there is a single world."

Harvard philosopher Robert Nozick has suggested that we might be able to "transcend" the distinction between teleological and deontological, understanding each:

> as saying something correct about the ethics of a partially developed person, whereas a fully developed person would face no conflict between these modes, perhaps because a truly good teleological aim (of the sort he would have) simply could not be achieved by any deontologically impermissible means.[13]

Nozick's suggestion may seem idealistic, but it may also be a healthy counterpoint to skepticism about the foundations of ethical reasoning.

Several less dominant polarities also emerge from our survey: between individual and social (the dualisms of Sidgwick and Kant); intellectual and emotional (intuition vs. love); and natural and transcendent (divine command theory). The challenge of creatively resolving these tensions enlarges the agenda of the moral point of view, defining the slope more clearly even though making it more difficult to keep one's balance.

Before we turn our attention toward action, however, let us take note of a powerful idea in the literature of business administration that is strikingly parallel to what we have described as the moral point of view.

The Administrative Point of View

Perhaps the most central (and elusive) notion in the recent history of business thought is that of the *administrative point of* view. In an account of his work at the Harvard Business School, F. J. Roethlisberger described the "headache" that this concept presented to both him and his colleagues:

> It is the headache of any person in a position of responsibility for the performance of others who is trying to effect a change in the system of which he is an involved member and who will be affected by the changes he is trying to introduce. Taking action from this position and in this context constitutes for me the administrative point of view, and it involves—not just sometimes but always—persons and their

[12] Thomas Nagel, "Subjective and Objective," in Mortal *Questions* (Cambridge University Press, 1979).

[13] F. J. Roethlisberger, *The Elusive Phenomena* (Harvard University Press, 1977).

> relations to one another. So for me this headache is not just the *human* problem of administration; it is *the problem of administration.* Period!

Roethlisberger later characterized the administrative point of view as the challenge of relating two powerful but seemingly inconsistent ways of thinking about organizations: one "abstract," objective, and purposive; the other "concrete," subjective, and relational. His response to the challenge was what he called a principle of complementarity:

> I realize that when I assert a principle of complementarity and say that sometimes it is useful to think of organizations as concrete systems and sometimes as abstracted systems, I cannot restrict what I mean by "useful" to usefulness for knowledge makers in the social sciences. I have also to consider knowledge utilizers such as administrators, even though knowledge makers may not have had them in mind when they created their theories.[14]

The similarities between Roethlisberger's reflections on the nature of the administrative point of view and the thoughts of Nagel and Nozick on the moral point of view are too dramatic to be ignored. The implication is not that the two points of view are the *same,* but that they are what we might call *congruent.* In the search for linkage between moral philosophy and business, however, this congruence may be significant. At the foundations of our understanding of the role of the manager we may find concepts and challenges resembling those that lie at the core of ethical thought. Negotiating the slopes of administration may involve many of the virtues needed to negotiate the slopes of moral responsibility.

Through careful attention to the main ethical and administrative polarities, not only persons, but organizations and even whole socio-economic systems might be guided in more humane and more productive directions.

Toward Action

To both the practicing manager and the student of management the above reflections, while they do not offer anything like a mechanical decision procedure for solving ethical problems, do point in a practical direction. For they suggest certain steps that might be taken in addressing the ethical aspects of decision-making, applicable not only at the personal level of attribution, but at the organizational and systemic levels as well:

> The first step, not surprisingly, is to *understand the facts* surrounding the decision at hand. What has led up to the decision and what are the main options and their likely consequences? Who are the stakeholders and what is my (my organization's) relationship to each?
>
> The second step is to *identify the moral issues* using the normative frameworks that apply, paying special attention to the dominant polarity between teleological and deontological thinking. What are the costs and benefits to the stakeholders for each option available? What are the implications as far as freedom and fairness are concerned? Am I (is my organization) letting the "end justify the means" in this situation?
>
> The third step is to *reach for synthesis* both within the dominant poles (e.g., between self and others) and between them (e.g., looking at the mixed frameworks). Is there a

[14] Robert Nozick, *Philosophical Explanations* (Harvard University Press, 1981).

coherent option that incorporates the several moral interpretations of my (my organization's) responsibility?

The fourth step is to *weigh conflicting moral considerations* that may remain, attending to the importance of discipline in the weighing process. Am I (is my organization) sufficiently dispassionate, accepting of responsibility, honest about the evidence, and willing to "let go" of whatever might hinder a truly balanced perspective?

Finally, the fifth step is to *be open to insight* about ourselves, our organizations, and the nature of the issue before us. Ethical conflicts in business, as in other arenas, are typically more than problems to be solved; they are also, and as importantly, opportunities for growth.

These steps offer some hope of enriching, not supplanting, mature judgment. They add value by drawing attention to salient features of our ethical understanding—features that might otherwise be lost in the economic complexity of management decision making. The manager who is "ethically attentive" in facing such complexity stands a better chance of coordinating the administrative and the moral points of view.