

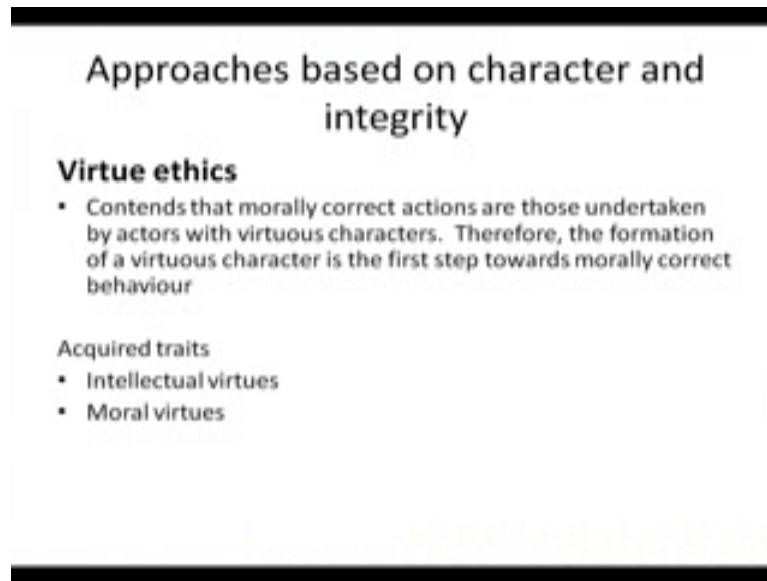
**Business Ethics**  
**Prof. Susmita Mukhopadhyay**  
**Vinod Gupta School of Management**  
**Indian Institute of Technology, Kharagpur**

**Lecture - 12**  
**Alternate perspective on ethical theories**

Now, we will be discussing the contemporary theories of business ethics which are also called alternative perspectives of business ethics. Now how this contemporary theories are different from the traditional theories that we have discussed in terms of utilitarianism theory, the duties theory, or the rights and justice theory. We find that there are too much rational in nature or creative much objective in nature, where they are not taking into consideration the practical situations like where business decisions are taken in a web of relationships that the people, the decision makers are embedded into in terms of like being connected with a different stakeholders; or they are find because of this networking out the stakeholders with each other or other environmental pressures from the macro and the micro environment of doing business they have to take decisions under various complexities.

And it is to deal with these complexities at to take care of these relationship they are embedded in that we cannot deny that and the decision has to be taken within that and we need that framework it has to be decided which is the best possible decision which provides more benefit and or does less harm to the parties involved in it.

(Refer Slide Time: 02:51)



The contemporary theories of ethics is taking care of all these issues contemporary theories of ethics is taking care of these issue let us see what are the different contemporary theories of ethics. So, these are approaches which are based on character and integrity one such approach is called that it is virtue ethics what you understand by virtue is the morally correct actions are taken by people who have a virtuous character.

So, the formation of personal values, virtues are very important to take a morally correct the decision because we understand at the end of the day it is the person and guided by his own value system who is taking a decision about the organization business processes what is right and what is wrong. So, it is very important to have a virtuous character and development of a virtuous character which talks of like a guided value based leadership where the person moves forward with certain values which are moral virtues which help him or her to take decisions for the organization.

Here we can mention, this is where the spirituality helps a person to take to develop a virtuous character which helps them to take a positive decision about the organization and decisions about organization and this may be is also about the moral right and wrong whenever we are talking of spirituality a word of caution over here is that spirituality is not something which we understand by religiosity spirituality focuses towards some

guiding principles values nurtured by people based on his or her own realizations and guidance from some guiding principles which or maybe here comes again the question of universalism universally acceptable truth it is a sort of you search for eternal truth.

And there comes the question of a reference of absolutism whatever different religion it may be, but at the end of it at the end of part of it what we find all of them are speaking out the same eternal truth which is a certain virtues to be nurtured by people religiosities are the different pathways which guides as in search of that eternal truth universal truths. When we are guided by these virtues truths this helps us to take a holistic the decision which is because of this holistic decision comes from inside comes from within and it is because we been ourselves through our experiences through our realizations of what is good positive for people in situations in different contexts this helps us to take a positive perspective of the thing, and caring perspective for things and take a proper decision. So, a person who is virtuous takes a holistic view of the situations guided by his or her own values and virtues take a decision which encompasses everything like utilitarianism rights and duties and justice also.

Moral virtues which are accurate traits to my own values, beliefs help us to reach this help in getting these moral virtues.

(Refer Slide Time: 08:34)

---

## Approaches based on ethics and responsibility

### Feminist ethics

- An approach that prioritizes empathy, harmonious and healthy social relationships, care for one another, and avoidance of harm above abstract principles

### Key elements

- Relationships
  - Decisions taken in context of personal human interrelations
- Responsibility
  - Active 'taking' of responsibility, rather than merely 'having' it
- Experience
  - Learn and develop from experience



---

Second approaches which are based on ethics and responsibility these are we are calling feminist ethics, why we were calling this as feminist ethics is if we look into the feminist way of self identity, self image feminist way of looking how a women defines oneself, it is always in a beam of relationship, the self identity is based on the relationship that the person is having with other important beings human beings connected to that women that person.

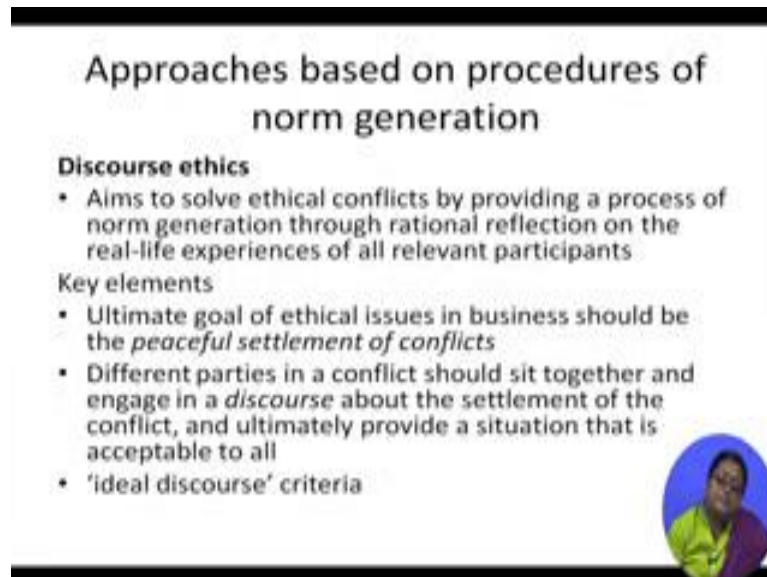
So, when you are talking of a feminist way of looking at ethics we look into approach that prioritizes empathy harmonious and healthy social relationships care for one another and avoidance of her about abstract principles. So, this is what like I respect the relationships that we are in we take we understand of taking care of each other and we will not do something which is going to her I am trying to avoid harm. So, that we can do justice to we can be in harmonious relationship with the most of the people that we are connected to.

The key elements of these type of decision making is first is when you talk, you have relationships decisions are taken in context of personal human interrelationships. So, for all organizations every as we discussed on the network model of stakeholders, stakeholders are connected to each other. So, and we understand this from the feminist perspective, we have to take a decision which is equally acceptable to mostly all. So, that we are in the process of deciding on less of firm are avoiding harm to most of the people of the relations that we connected to. So, that is relationships, second is responsibility active in taking responsibility rather than merely having it. So, you have responsibility of deciding certainly, but you are not proactive enough in acting on it or deciding on it. So, that responsibility does not generate your accountability.

When you are talking of taking responsibility it shows you pro activeness in working on the responsibility that you have responsibility of maintaining the relationship the harmony in the relationship the wave of relationship that the firm is in and of course, you learn from your it is an experiential learning where you do not treat situations discrete from each other to tell you this is this situation this is that situation, but we try to learn from experience is also that we have gained in previous context in previous situations try to apply the learning from those situations to the present situations based on their

similarity and differences and then take a decision about it. So, when you working on all these things this is called the feminist way of looking at ethics approaches which are based on procedures of non generation.

(Refer Slide Time: 13:20)




**Approaches based on procedures of norm generation**

**Discourse ethics**

- Aims to solve ethical conflicts by providing a process of norm generation through rational reflection on the real-life experiences of all relevant participants

**Key elements**

- Ultimate goal of ethical issues in business should be the *peaceful settlement of conflicts*
- Different parties in a conflict should sit together and engage in a *discourse* about the settlement of the conflict, and ultimately provide a situation that is acceptable to all
- 'ideal discourse' criteria



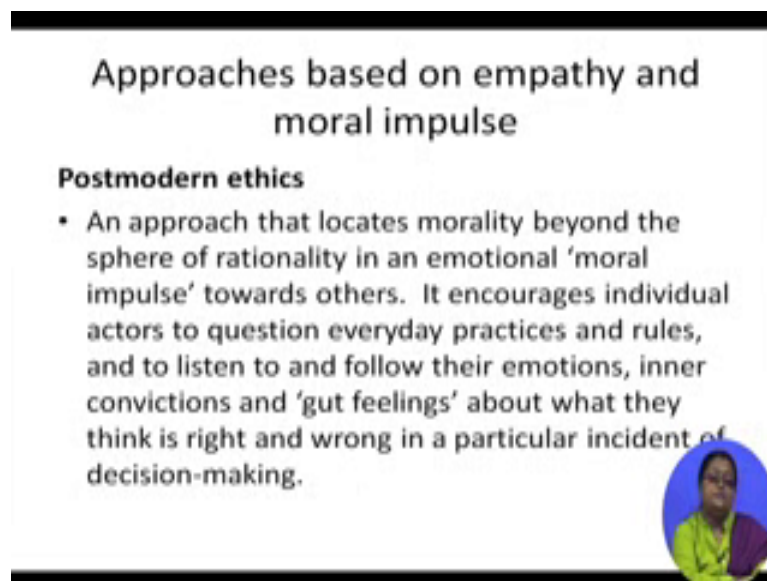
Some alternative approaches contemporary approaches which are based on processes or procedures of non generation, here one example is discourse ethics. What is this discourse ethics? It tries to arrive at a norm at a process of norm which aim of which is to solve ethical conflicts between the involved parties or parties by providing a process of non generation so through rational reflection of the real experiences of all the relevant parties. So, the question of all relevant participants is very important, this line and real life experiences; how they have faced different situations and what are their views on this, this needs to be taken into consideration when we are trying to solve some ethical conflicts the key elements were here is the main purpose of deciding on what is right and what is wrong is to solve some conflicts happening in the organization and to solve the settlement or to like settlement of conflicts.

But we understand what is wrong and what is right this is the subjective variable based on the perceptions of the relevant party. So, what is right and wrong to you may not be right and wrong to me. So, if you try to impose your perspective on me in the process of

non generation and deciding solely this is right that is wrong for the organized as followed in the organization. This may not be acceptable for me because you have not considered my viewpoint you have not tried to ask me whether I also feel this is right or wrong, I could have or I may have a totally different view point or an additional view point to what you understand by right or wrong if both you and me are two conflicting parties that discourse ethics tells guides like this course. And discussion should be starting between the conflicting parties to arrive at a decision what is right and wrong with respect to the issue at hand and ultimately provide some guidelines regarding the right and wrong which becomes acceptable to all this is called ideal discuss criteria.

Jointly we decide this is the acceptable right and wrong with respect to a particular issue as given in a particular situation and both of us agree to follow that process of right and wrong and that solves the conflict.

(Refer Slide Time: 17:28)



**Approaches based on empathy and moral impulse**

**Postmodern ethics**

- An approach that locates morality beyond the sphere of rationality in an emotional 'moral impulse' towards others. It encourages individual actors to question everyday practices and rules, and to listen to and follow their emotions, inner convictions and 'gut feelings' about what they think is right and wrong in a particular incident of decision-making.

Approaches feature based on empathy and moral impulse; these are called post modern ethics this postmodern ethics tries to locate morality beyond if fear of rationality into an emotional like moral impulse towards the others, like it helps, it guides individuals to question everyday practices rules and to follow what their emotions inner convictions

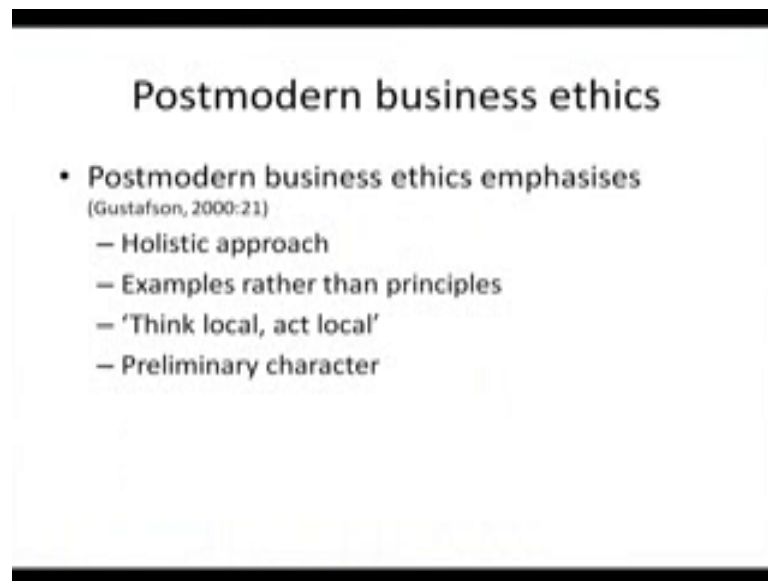
and gut feeling is trying to tell them in a particular situation or incident of decision making.

We have to understand that this that feeling experiences like I am feeling like this way, but I am not able to explain why I am thinking in this way, but I feel like this is right in this type of situation this thing this way of explaining you are not able to justify why you are thinking in this way the ethical theories the normative traditional ethical theories and also the contemporary virtue discourse and the feminist ethical theories will help you in explaining why you are thinking in that way also this talking from the gut feeling will come in the true sense of the term when all the ethical theories ways of decision making the traditional and contemporary is actually have got ingrained in yourself and it has formed a holistic learning with you.

So that it is reached search state of synergy where you cannot tell differentiate I am thinking from utilitarianism perspective and I am a virtuous feminist person trying to think from utilitarian perspective or I am thinking from a right and justice perspective on it is perspective here all knowledge have mingle together in a beautiful whole part where they have lost their boundaries of differentiating and with that holistic knowledge that experience that you gain then maybe if you are visualizing was studying a particular issue happening your gut feeling tells you this is right or wrong in a particular situation.

But of course, at the back end of your mind what the processing that is going on it is checking on the applications of the theories together or single or together one theory or two theory or a combination of different theories and trying to arrive at a proper answer which you feel like becomes the best possible answer with respect to that particular situation. So, this is called the postmodern ethics.

(Refer Slide Time: 21:42)



Post modern business ethics; its focuses on holistic approach it focuses on examples rather than principles because principles have already got ingrained with anyone to a holistic system and now you are drawing examples trying to speak with examples which will have a which are making you to express those principles in a better way it is think global act local like you are applying your knowledge to that specific situation that you are facing now and it is a; if it is a preliminary character. So, it tries to explain things based on the person also who is making the decision. So, these are the four major characteristics of a postmodern business ethics.



(Refer Slide Time: 22:57)


## Pluralism?

Crane and Matten (2010) argue that for the practical purpose of making effective decisions in business:

- Not suggest one theory or one approach as the best or true view of a moral dilemma
- Suggest that all these theoretical approaches throw light from different angles on one and same problem
- Complementary rather than mutually exclusive

**Advocate position of *pluralism***

- Middle ground between absolutism and relativism



What we are trying to discuss over here is after we have discussed about what is the theories? What are the absolute nature of the theories and we have which we have tried to focus through the traditional theories what is the relative nature of the theories where we have tried to focused on the contemporary theories which takes care of the situations and ethical decision with respect to a particular situations. And the relationship that people are in and the ways that things get decided in real situation based on the complexities of the situations and the relationships that we are in. So, here we have taken care of the relative aspect of the ethical theories also and here we try to move forward with the few like it is ethical actually pluralism which is middle ground between absolutism and relativism.

(Refer Slide Time: 24:28)

Considerations in making ethical decisions: summary of key insights from ethical theories

Consideration	Typical question you might ask yourself	Theory
One's own interests	Is this really in me, or my organization's, best long-term interests? Would it be acceptable and expected for me to think only of the consequences to myself in this situation?	Egoism
Social consequences	If I consider all of the possible consequences of my actions, for everyone that is affected, will we be better or worse off overall? How likely are these consequences and how significant are they?	Utilitarianism
Duties to others	Who do I have obligations to in this situation? What would happen if everybody acted in the same way as me? Am I treating people only to get what I want for myself (or my organization) or am I thinking also of what they might want too?	Ethics of duty
Entitlements of others	Whose rights do I need to consider here? Am I respecting fundamental human rights and freedoms here?	Ethics of rights
Fairness	Am I treating everyone fairly here? Have processes been set up to allow everyone an equal chance? Are there major disparities between the "winners" and "losers" that could be avoided?	Theories of justice
Moral character	Am I acting with integrity here? What would a decent, honest person do in the same situation?	Virtue ethics
Care for others and relationships	How do (or would) the other affected parties feel in this situation? Can I avoid doing harm to others? Which solution is most likely to promote healthy and harmonious relationships among those involved?	Feminist ethics
Process of resolving conflicts	What norms can we work out together to provide a mutually acceptable solution to this problem? How can we achieve a peaceful settlement of the conflict that avoids "winning" by the most powerful player?	Decision-making
Moral impulse and emotions	Am I just simply going along with the usual practice here, or consciously following the organization's code, without questioning whether it really feels right to me? How can I get closer to those likely to be affected by the decision? What do my emotions or gut feelings tell me now I'm out of the office?	Pragmatism

Here maybe we will take a quick look into the ethical matrix that we have is if the consideration is one's own interest where is well ask questions like is in this really in my or my own organizations best term long term interest. So, will it be acceptable to me only in consequences which are acceptable to me good positive consequences for me or my organization the lens that you are taking is that of egoism if you are thinking of social consequences where have you considered all possible can like consequences of your actions for everyone that is getting affected. So, that at everyone will be worse off a better off. So, these you are talking in terms of utilitarianism if you are having questions consideration is duties to others.

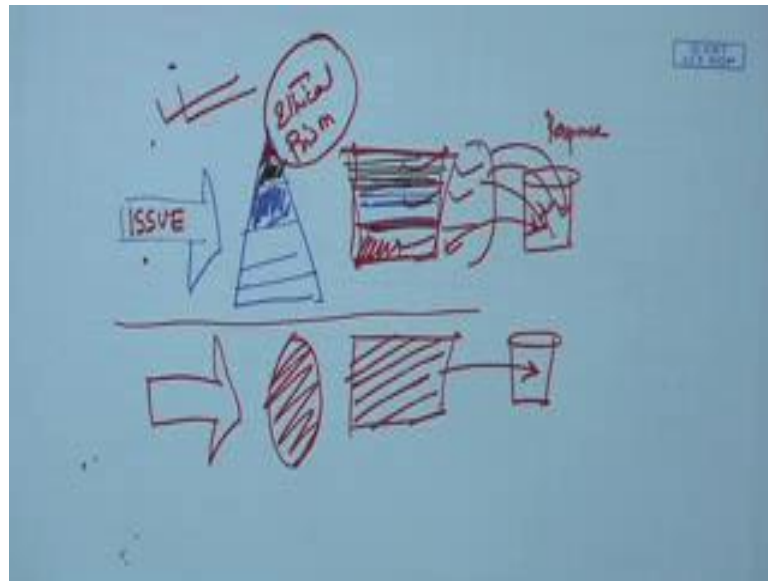
Then you ask questions to yourself is what are my obligations in this type of situations what to have happened if everybody acted in the same way. So, if I am acting in this way because I want to give something for myself only these are questions which important questions for ethics of duty when you are talking of entitlements of others you are talking of, what rights of others do I need to respect to? So, I am respecting fundamental rights are human beings you are talking in terms of ethics of rights fairness if that is your consideration I am I treating everybody fairly here have processes been set up to allow people to have an equal chance. So, how is a discrepancy between winners and losers at

the earth created? How does disparities; how to take care of those these are questions relevant to theories of justice.

If you are looking into questions like if I am deciding acting with integrity here, how would an honest person acted in this situations in your focusing towards the character virtues of the decision maker you are talking in terms of virtue ethics when you are talking of care of others and relationship you are talking in terms of your questions are how do the other gets affected parties feel in this type of situations can I do something to avoid doing harm to others what solution is most likely to preserve a healthy relationship. So, this is a feminist way of looking into the problem like process of resolving conflict if it is the discourse ethics we try to find out what non steady workout together to provide a mutually acceptable solution focuses on working together to arrive at a mutually acceptable solution how can we go for a peaceful settlement of conflict. So, these are the two main of discourse ethics.

If it is you are moving by moral impulse and emotions like you have to if you are putting questions to yourself is it that I am blindly following the rules and regulations using practices usual practices over here can I do something differently what I am doing does it really feel right to me or my inner self is telling no, I can do something differently in a better way which is a positive result for the parties involved in it. So, how can I try to get closer how can I it how can I know how my decisions that affecting people who about who I am taking my decisions if these questions are there in your mind then you are talking in terms of postmodern ethics.

(Refer Slide Time: 29:27)



What we will be trying to do over here is like after we have known all these ways of decision making when you are talking of pluralism, there is like we are looking through the like this is the prism of different theories and here looking through like if this is a particular issue which is coming in, we are putting it through like suppose this is one color, one theory, this is another theory this could be another theory which is coming in to explain the facts that is there.

We are putting things through that this could be various colors involved we are putting them through the different prisms of lenses of decision making and then ultimately what we get also a range of solution which is the outcome given by differ like you are getting here like a different like range of solutions through these different prism and then it broadens your scope of decision making. So, this is called having a pluralistic lens to an issue in compared to if you have only a single lens suppose you are taking utilitarian perspective only the outcome that you get is only colored in that way and you are not getting this variety of ways of responding to choose from.

What we try to say is to take this pluralistic lens where you try to deal with the ethical issue, try to explain it through all the different lenses of ethical decision making the theories of egoism utilitarianism ethics rights justice virtue feminism discourse and

postmodern whatever you have learnt over here we have discussed over here these are actually complementary to each other. So, if you are using this simultaneously together in order to explain your the issue happening then you get variety of options you choose from and you may pick and choose from this basket to develop your own basket of actions that you take to you can choose pick and choose from these lenses to how you these are you then you get your responses.

How you pick and choose your responses from this basket to address the particular issue, but if you are looking from one lens only your choice is restricted to that lens and you do not get this variety. So, usage of these pluralistic lens prism this we call ethical prism this is very important that you use like side by side all the ethical ways of judging together before you arrive at a particular solution about the problem that is there at hand.

In the subsequent lectures or in the subsequent sessions, what will be doing is we will be giving discussing about a small issue; a small situation and we will try to analyze it through different lenses to see what are the options getting generated because different lenses give you different colors and give a different options to deal with the particular situation and then it is your choice like which want to follow which 2-3 to follow and how to fill up your basket of responses to answer the issue.

We will be utilizing these theories and we are taking the different lenses to solve particular ethical issues, ethical dilemmas. The issues are called the dilemmas that we have and how you respond to it through this ethical prism to arrive at particular responses. Next we will move forward in discussing about models of ethical decision making.

Thank you.