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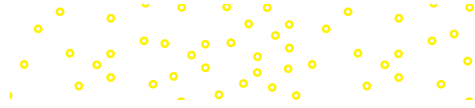
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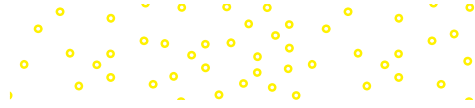
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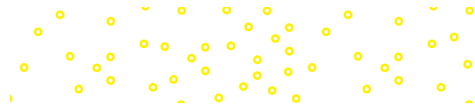




Business Ethics Now

Andrew W. Ghillyer, Ph.D.

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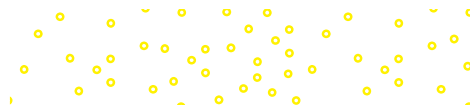
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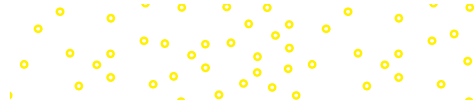
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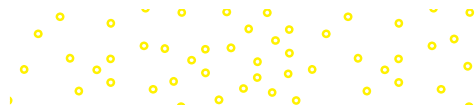


Dedication

To Princess Megan



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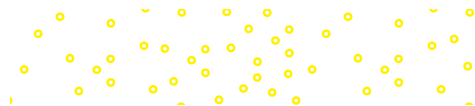


[About the AUTHOR]

Dr. Andrew W. Ghillyer is the former vice president of academic affairs for Argosy University in Tampa, Florida, and is an adjunct instructor in all aspects of business ethics, management, and leadership. His operational management experience spans more than 30 years across a wide range of industries, including chief operating officer of a civil engineering software company and director of international business relations for a global training organization. Dr. Ghillyer also served on the Board of Examiners for the Malcolm Baldrige National Quality Award for the 2007 award year. He received his doctorate in management studies from the University of Surrey in the United Kingdom.



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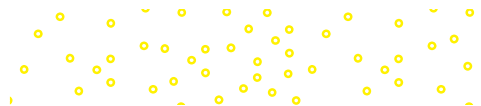




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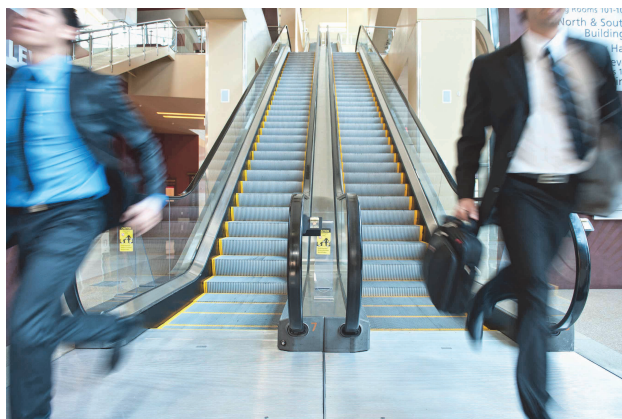
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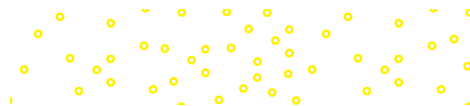
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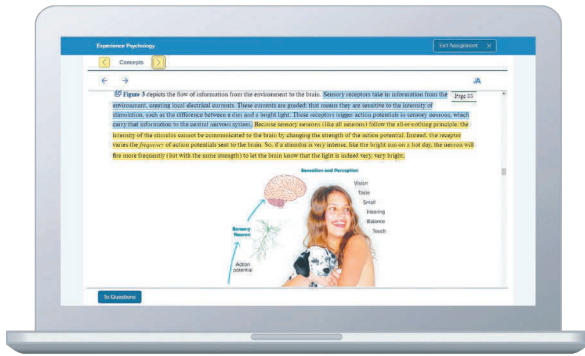
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Instructor's Resources

Specially prepared Instructor's Manual, Test Bank, and PowerPoint slide presentations provide an easy transition for instructors teaching with the book the first time.

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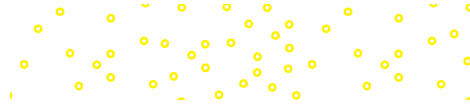
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Business Ethics Now



PART 1

DEFINING BUSINESS ETHICS

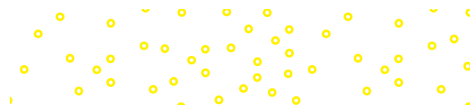


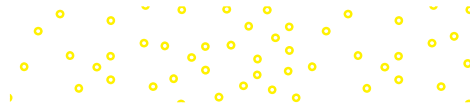
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- 1 Understanding Ethics
- 2 Defining Business Ethics

In **Chapter 1**, we begin by exploring how people live their lives according to a standard of “right” or “wrong” behavior. Where do people look for guidance in deciding what is right or wrong or good or bad? Once they have developed a personal set of moral standards or ethical principles, how do people then interact with other members of their community or society as a whole who may or may not share the same ethical principles?

In **Chapter 2**, with a basic understanding of ethics, we can then examine the concept of business ethics, where employees face the dilemma of balancing their own moral standards with those of the company they work for and the supervisor or manager to whom they report on a daily basis. We examine the question of whether the business world should be viewed as an artificial environment where the rules by which you choose to live your own life don’t necessarily apply.





CHAPTER 1

UNDERSTANDING ETHICS



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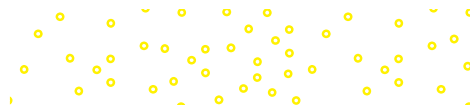
Ethics is about how we meet the challenge of doing the right thing when that will cost more than we want to pay.

The Josephson Institute of Ethics

LEARNING OUTCOMES

After studying this chapter, you should be able to:

- 1-1** Define *ethics*.
 - 1-2** Explain the role of values in ethical decision making.
 - 1-3** Understand opposing ethical theories and their limitations.
 - 1-4** Discuss ethical relativism.
 - 1-5** Explain an ethical dilemma, and apply a process to resolve it.
-



FRONTLINE FOCUS

Doing the Right Thing

Megan is a rental agent for the Oxford Lake apartment complex. The work is fairly boring, but she's going to school in the evening, so the quiet periods give her time to catch up on her studies, plus the discounted rent is a great help to her budget. Business has been slow since two other apartment complexes opened, and Oxford Lake's vacancies are starting to run a little high.

The company recently appointed a new regional director to "inject some energy and creativity" into its local campaigns and generate new rental leases. Her name is Kate Jones, and based on first impressions, Megan thinks Kate would rent her grandmother an apartment as long as she could raise the rent first.

Kate's first event is an open house, complete with free hot dogs and colas and a clown making balloon animals for the kids. Ads run in the paper and on the radio attract a good crowd.

The first applicants are Michael and Tania Wilson, an African-American couple with one young son, Tyler. Megan takes their application. They're a nice couple with a stable work history, more than enough income to cover the rent, and good references from their previous landlord. Megan advises them that they will do a background check as a standard procedure and that things "look very good" for their application.

After they leave, Kate stops by the rental office and asks, "How did that couple look? Any issues with their application?"

"None at all," answers Megan. "I think they'll be a perfect addition to our community."

"Don't rush their application through too quickly," replies Kate. "We have time to find some more applicants, and, in my experience, those people usually end up breaking their lease or skipping town with unpaid rent."

QUESTIONS

1. What would be "the right thing" to do here? How would the **Golden Rule** relate to Megan's decision?
2. How would you resolve this ethical dilemma? Review the three-step process in "**Resolving Ethical Dilemmas**" for more details.
3. What should Megan do now?

>> What Is Ethics?

The field of **ethics** is the study of how we try to live our lives according to a standard of "right" or "wrong" behavior—in both how we think and behave toward others and how we would like them to think and behave toward us. For some, it is a conscious choice to follow a set of moral standards or ethical principles that provide guidance on how they should conduct themselves in their daily lives. For others, where the choice is not so clear, they look to the behavior of others to determine what is an acceptable standard of right and wrong or good and bad behavior. How they arrive at the definition of what's right or wrong is a result of many factors, including how they were raised, their religion, and the traditions and beliefs of their **society**.

Ethics The manner by which we try to live our lives according to a standard of "right" or "wrong" behavior—in both how we think and behave toward others and how we would like them to think and behave toward us.

Society A structured community of people bound together by similar traditions and customs.

>> Understanding Right and Wrong

Moral standards are principles based on religious, **cultural**, or philosophical beliefs by which judgments are made about good or bad behavior. These beliefs can come from many different sources:

- Friends.
- Family.
- Ethnic background.

- Religion.
- School.
- The media—television, radio, newspapers, magazines, the Internet.
- Personal role models and mentors.

Your personal set of morals—your *morality*—represents a collection of all these influences as they are built up over your lifetime. A strict family upbringing or religious education would obviously have a direct impact on your personal moral standards. These standards would then provide a moral compass (a sense of personal direction) to guide you in the choices you make in your life.

Culture A particular set of attitudes, beliefs, and practices that characterize a group of individuals.

HOW SHOULD I LIVE?

You do not acquire your personal moral standards in the same way that you learn the alphabet. Standards of ethical behavior are absorbed by osmosis as you observe the examples (both positive and negative) set by everyone around you—parents, family members, friends, peers, and neighbors. Your adoption of those standards is ultimately unique to you as an individual. For example, you may be influenced by the teachings of your family’s religious beliefs and grow to believe that behaving ethically toward others represents a demonstration of religious devotion. However, that devotion may just as easily be motivated by either fear of a divine punishment in the afterlife or anticipation of a reward for living a virtuous life.

Alternatively, you may choose to reject religious morality and instead base your ethical behavior on your experience of human existence rather than any abstract concepts of right and wrong as determined by a religious doctrine.

When individuals share similar standards in a community, we can use the terms *values* and *value system*. The terms *morals* and *values* are often used to mean the same thing—a set of personal principles by which you aim to live your life. When you try to formalize those principles into a code of behavior, then you are seen to be adopting a **value system**.

Value System A set of personal principles formalized into a code of behavior.

THE VALUE OF A VALUE

Just as the word *value* is used to denote the worth of an item, a person’s values can be said to have a specific “worth” for them. That worth can be expressed in two ways:

1. An **intrinsic value**—by which a value is a good thing in itself and is pursued for its own sake, whether anything good comes from that pursuit or not. For example, happiness, health, and self-respect can all be said to have intrinsic value.
2. An **instrumental value**—by which the pursuit of one value is a good way to reach another value. For example, money is valued for what it can buy rather than for itself.

Intrinsic Value The quality by which a value is a good thing in itself and is pursued for its own sake, whether anything comes from that pursuit or not.

Instrumental Value The quality by which the pursuit of one value is a good way to reach another value. For example, money is valued for what it can buy rather than for itself.