Business Ethics

Ayman El Tarabishy

The George Washington University

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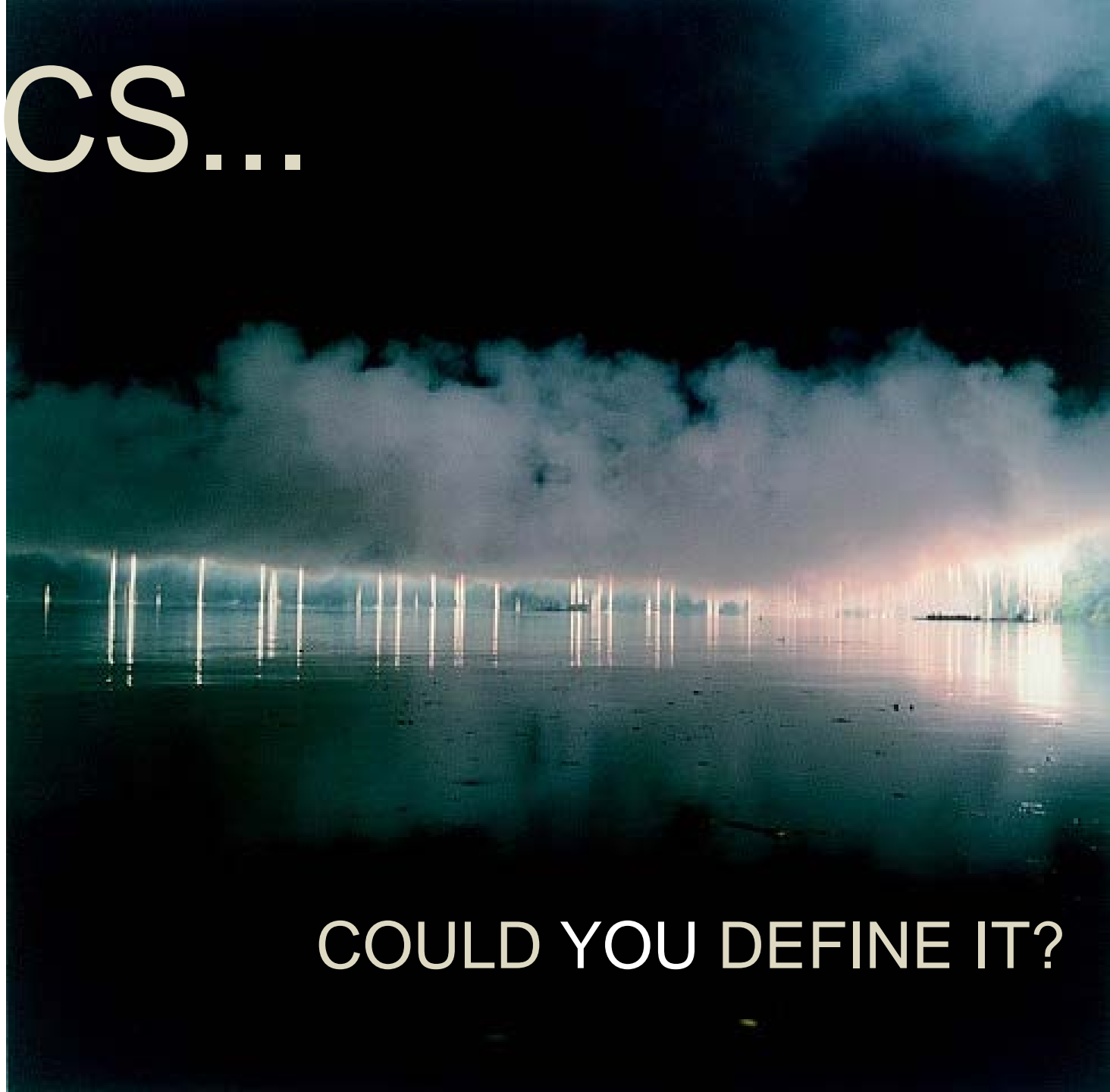
Thank you for joining us today. We will begin shortly.

Who are Entrepreneurs?

ETHICS...

COULD YOU DEFINE IT?

Example: Honesty

- If a man is honest, then commonly thought to be ethical,

- but if a man chooses inaccuracy of speech during his being interrogated by an enemy during a time of war, then the man's dishonesty - with the purpose of saving his comrade's lives - can also be interpreted as ethical.

- Regardless of whether the man's act of honesty or dishonesty might be classified under the title of ethics, the important thing to recognize is that honesty is a created thing, and never can the created thing become the rule, law, or standard of that which created the thing, and thus, never can Normative Ethics' manner of inquiry accurately conclude what might be right or wrong in a man's behavior.

- *The difficulty of discovering the meaning of ethics*

ETHICS

- Sometimes known as **philosophical ethics**, **ethical theory**, **moral theory**, and **moral philosophy**

- Branch of philosophy that involves systematizing, defending and recommending concepts of right and wrong conduct, often addressing disputes of moral diversity.

- The term comes from the Greek word ἠθικός *ethikos* from ἦθος *ethos*, which means "custom, habit".

- Philosophical ethics investigates what is the best way for humans to live, and what kinds of actions are right or wrong in particular circumstances.

Categories

- Descriptive ethics

- Relational ethics

- Normative ethics
  - Virtue ethics
  - Situation ethics
  - Role ethics

- Applied ethics

- Meta ethics

- ……

Ethics

"Is this posturing or lying?"

Allows you to experience the complexities and "shades of gray" that entrepreneurs face daily in making decisions, and it forces you to confront your and others' differences of opinions regarding these complexities.

Ethics

- The concept/point is about whether certain common practices in entrepreneurial settings are considered lying to the customer versus doing business as usual or posturing, and why this distinction should matter.

Situation #1

- Take the following true scenario, told by a now successful entrepreneur speaking at a venture association luncheon about her uncertain startup days: "You are the founding entrepreneur of a new, small company who has the opportunity to pitch your business' service to a potentially large account.

- While you know your company can successfully compete for the business on your capabilities, you are concerned that "looking less established" might hurt your chances for the account.

- Consequently, you rent a large furnished office for the day and hire temps to fill it with activity, then walk the potential client through your "busy office" for your initial meeting."

Your Opinion Matters!

- **Was this a form of lying to the prospective client,**

- **or was this just business as usual,**

- **simple posturing?**

  - **And why should it matter?**

SO?

- "Is ethical knowledge possible?"

- Today most major corporations promote their commitment to non-economic values under headings such as ethics codes and social responsibility charters.

Which one?

- Look at results?

- Look at Motivation?

- Transparency is valuable because it assures ethical outcomes