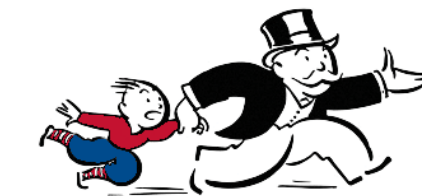


Business, Society & Ethics

19 February, 2019 | Lecture #14



Disentangling *Purpose* from *Motive*

Unit #2 Knowledge Festival

The unit #2 exam is one week from today, on Tuesday, 26 February.

You will have the full 50 minutes to complete the 50 multiple-choice questions on the exam.

The exam is open book and open notes, but closed technology.

It will only cover material from unit #2 of the course.

THANK YOU
GOOGLE, WIKIPEDIA,
CUT-AND-PASTE,
THE BABY JESUS, AND MOM

ACADEMIC INTEGRITY

THE PURPOSE- BASED APPROACH TO BUSINESS

**HOW DO WE ENCOURAGE
GOOD BUSINESS?**

WHAT IS GOOD BUSINESS?

WHAT IS THE PURPOSE OF BUSINESS?

THE DOMINANT CONCEPTION OF BUSINESS

PHILANTHROPIC OBLIGATIONS

ETHICAL OBLIGATIONS

LEGAL OBLIGATIONS

ECONOMIC OBLIGATIONS

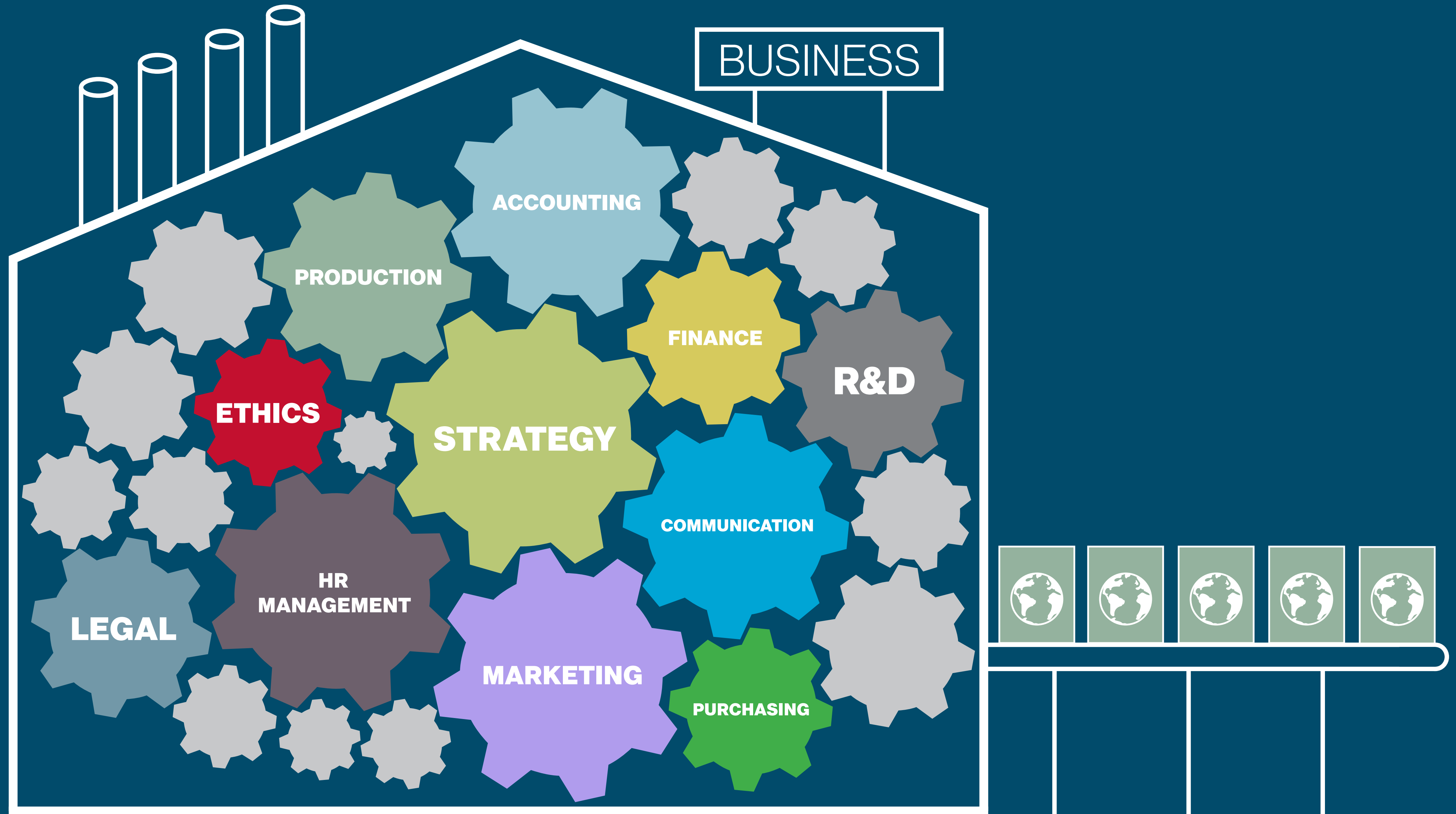
Is ethics *externally*
imposed on business?



Or may it be found *within*
business itself?









The purpose of
business is shared
community
and responsible
citizenship

THE PURPOSE- BASED APPROACH TO BUSINESS

**HOW DO WE ENCOURAGE
GOOD BUSINESS?**

WHAT IS GOOD BUSINESS?

WHAT IS THE PURPOSE OF BUSINESS?



Why come to class?



Why do business?

Competing Notions of Purpose

GOOD BUSINESS

PROFIT

PERSONAL BENEFIT

PROFIT

GOOD BUSINESS

GOODS & SERVICES

SOCIAL BENEFIT

THE PURPOSE- BASED APPROACH TO BUSINESS

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THE PURPOSE- BASED APPROACH TO BUSINESS

HOW DO WE ENCOURAGE
GOOD BUSINESS?

WHAT IS GOOD BUSINESS?

PURPOSE

WHAT IS THE PURPOSE OF BUSINESS?

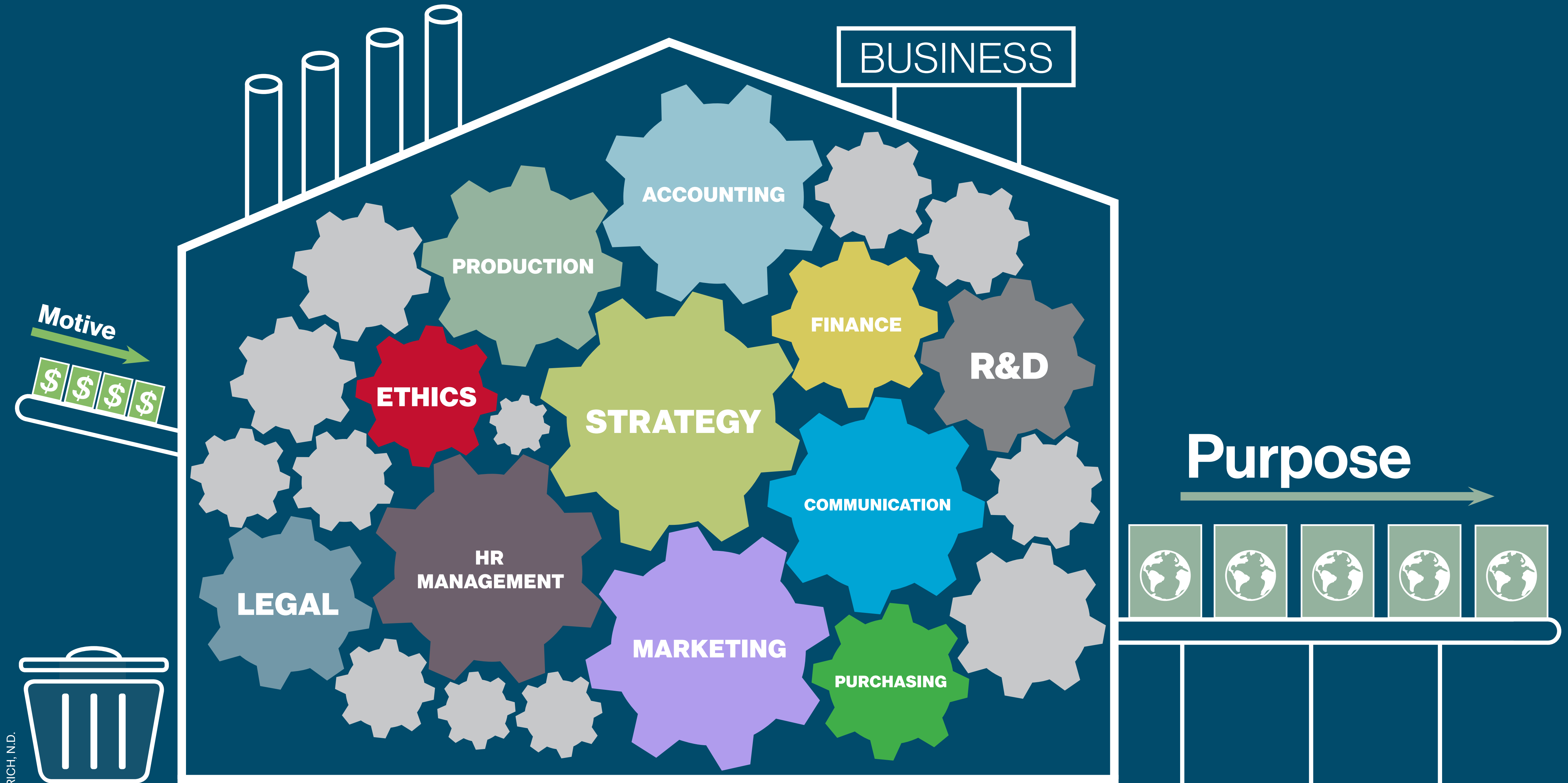
THE PURPOSE- BASED APPROACH TO BUSINESS

MOTIVE

**HOW DO WE ENCOURAGE
GOOD BUSINESS?**

WHAT IS GOOD BUSINESS?

WHAT IS THE PURPOSE OF BUSINESS?



O U R C R E D O

WE BELIEVE OUR FIRST RESPONSIBILITY IS TO THE DOCTORS, NURSES AND PATIENTS, TO MOTHERS AND FATHERS AND ALL OTHERS WHO USE OUR PRODUCTS AND SERVICES. IN MEETING THEIR NEEDS EVERYTHING WE DO MUST BE OF HIGH QUALITY. WE MUST CONSTANTLY STRIVE TO REDUCE OUR COSTS IN ORDER TO MAINTAIN REASONABLE PRICES. CUSTOMERS' ORDERS MUST BE SERVICED PROMPTLY AND ACCURATELY. OUR SUPPLIERS AND DISTRIBUTORS MUST HAVE AN OPPORTUNITY TO MAKE A FAIR PROFIT.

WE ARE RESPONSIBLE TO OUR EMPLOYEES, THE MEN AND WOMEN WHO WORK WITH US THROUGHOUT THE WORLD. EVERYONE MUST BE CONSIDERED AS AN INDIVIDUAL. WE MUST RESPECT THEIR DIGNITY AND RECOGNIZE THEIR MERIT. THEY MUST HAVE A SENSE OF SECURITY IN THEIR JOBS. COMPENSATION MUST BE FAIR AND ADEQUATE, AND WORKING CONDITIONS CLEAN, ORDERLY AND SAFE. WE MUST BE MINDFUL OF WAYS TO HELP OUR EMPLOYEES FULFILL THEIR FAMILY RESPONSIBILITIES. EMPLOYEES MUST FEEL FREE TO MAKE SUGGESTIONS AND COMPLAINTS. THERE MUST BE EQUAL OPPORTUNITY FOR EMPLOYMENT, DEVELOPMENT AND ADVANCEMENT FOR THOSE QUALIFIED. WE MUST PROVIDE COMPETENT MANAGEMENT, AND THEIR ACTIONS MUST BE JUST AND ETHICAL.

WE ARE RESPONSIBLE TO THE COMMUNITIES IN WHICH WE LIVE AND WORK AND TO THE WORLD COMMUNITY AS WELL. WE MUST BE GOOD CITIZENS — SUPPORT GOOD WORKS AND CHARITIES AND BEAR OUR FAIR SHARE OF TAXES. WE MUST ENCOURAGE CIVIC IMPROVEMENTS AND BETTER HEALTH AND EDUCATION. WE MUST MAINTAIN IN GOOD ORDER THE PROPERTY WE ARE PRIVILEGED TO USE, PROTECTING THE ENVIRONMENT AND NATURAL RESOURCES.

OUR FINAL RESPONSIBILITY IS TO OUR STOCKHOLDERS. BUSINESS MUST MAKE A SOUND PROFIT. WE MUST EXPERIMENT WITH NEW IDEAS. RESEARCH MUST BE CARRIED ON, INNOVATIVE PROGRAMS DEVELOPED AND MISTAKES PAID FOR. NEW EQUIPMENT MUST BE PURCHASED, NEW FACILITIES PROVIDED AND NEW PRODUCTS LAUNCHED. RESERVES MUST BE CREATED TO PROVIDE FOR ADVERSE TIMES. WHEN WE OPERATE ACCORDING TO THESE PRINCIPLES, THE STOCKHOLDERS SHOULD REALIZE A FAIR RETURN.

Johnson & Johnson

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Johnson & Johnson

The purpose of business is the
production and distribution of
goods & services



Stakeholder Management

The theory of stakeholder management, proposed by R. Edward Freeman (2009), is currently the major alternative to shareholder theory, and may be (slowly) replacing it as the dominant conception of business.

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Acknowledgements

Introductory slide illustrations by Hasbro (n.d.) and Parker Brothers (1936). Special thanks to S. Hagan, D. Emans, and J. A. Gray for all helping me design the introductory slide. The slide on academic integrity is based on various memes associated with “My Graduation Speech” (n.d.). Special thanks also to A. R. W. Cheek for designing the elements for the slide on “Competing Notions of Purpose”, which were part of a CSR Majlis workshop on business ethics we conducted for Vodafone Qatar on April 24, 2016. My purpose-based approach to business is heavily influenced by my reading of Duska (1997). My depiction of the dominant conception of business is based upon the classic “Pyramid of Corporate Social Responsibility” (Carroll, 1991, p. 42).