

“Does the Canon Rubber Meet the Workplace Road?”

Business Ethics and Ethical Business
(New York: Oxford University Press, 2009)

By
Robert Audi

A Review by William C. Frederick, December 2009

* [By permission of *Journal of Business Ethics Education*, 6 (2009), 201-202]

This book’s title, along with much of its content, is too clever by half. The intended meaning may be too subtle for those uninitiated into the lore and folklore (folk language) of the field of philosophic ethics. “Business ethics” here refers to the body of ethics concepts and principles generated by philosophers—call it the doctrinal canon. “Ethical business” means a company or economic system that manifests the canon in its operations. In the author’s words, the book is “an analytical presentation of major problems in business ethics [workplace practice] in the light of major ethical standards [the canon].”

Author. Robert Audi is an ethics professor in the University of Notre Dame’s business school and philosophy department; author and coauthor of books and articles about various aspects of business ethics theory; and a recognized authority on the subject. His views clearly reflect those of the academic environment and philosophic outlook one might expect to find at his university home.

Topical Coverage. In the philosophic tradition, the author identifies business ethics as derived from Mill’s utilitarianism, Kantian rights, and Aristotelian virtues. A chapter then identifies ten intuitional ethical “obligations” (no, not quite the Judeo-Christian Ten Commandments but close) which are reduced to a “common sense” five-step model for making ethical business decisions. The model is then applied in separate chapters (8-page average length) to environment and sustainability; marketing; accounting; hiring and compensation; workplace behavior, including religion; and leadership, plus some of the ethics puzzles encountered in cross-cultural global trade. These topics are set within a Western politico-private property framework where balance is sought between legal requirements and ethical principles, freedom of (market) choice and pursuit of (social) justice, and the distinctive approaches of corporate social responsibility and business ethics.

Of the other major normative approaches to the study of the business firm and its managers—corporate social responsibility, cognitive moral development, stakeholder theory, integrated social contracts theory, and corporate citizenship—CSR is given scant attention, stakeholder theory is viewed skeptically, while CMD, ISCT, and CC are not discussed. Nor is there acknowledgement of the more recent research in behavioral-neuroeconomics, ecosystem dynamics, and complexity science—all of them central to understanding the moral dilemmas faced by corporate managers.

Instructional Features. Sixteen one-paragraph *case scenarios* linked to various chapters challenge readers to apply the ethics canon to fictional workplace situations such as CEO compensation, affirmative action, workplace romances, bribery, ultrasound and abortion, etc. A *glossary* provides concise explanations of key terms. *Endnotes* send

readers to more extensive sources, including several of the author's and his faculty colleagues' books and articles. *Tables and figures* appear infrequently but helpfully. A three-page *index* is quite sparse, offering insufficient aid for readers seeking specific subjects.

Audience. The real puzzle for this book is to identify the appropriate audience of readers. The author pitches it as “a brief, conceptually sophisticated but non-technical book” useful in long or short courses, as a supplement for case studies or readings in business ethics. But therein lies the problem—for which student audience would it be appropriate? Undergraduate philosophy students? No, too rudimentary and overly simple. Undergraduate business students? No, over their heads and too filled with unfamiliar philosophic concepts. MBA students? No, the canon's basic concepts and principles call for far more detailed description and explanation if they are to be behavioral guides. Executive students? No, it dangerously implies that short and simple renditions of key ideas convey the needed grasp of quite complicated, complex solutions for the workplace. The gap between Professor Audi's own sophisticated accomplishments as an academic scholar of some note and the student receptivity needed to absorb his text is indeed large and likely unbridgeable. And this in spite of admirable clarity of expression and reasoning found through much of the book. Once again, intellectual subtlety seems to trump educational clarity.

For whom, then, might the book be useful? Most likely, for Professor Audi himself, along with his faculty colleagues and admirers in other universities. It quite skillfully constitutes a neat summary of the philosophers' business ethics canon, useful as a quick review and class-preparation aid for *instructors* faced with the difficult task of elucidating complicated principles for their students at any academic or practitioner level. Given its close affiliation, both historically and institutionally, with a philosophic approach favored, illustrated, and reinforced by religious doctrinal beliefs, I suspect it would find an active market where such views are normally taught.

The worth of any business ethics book is not in its elegance of expression or even the logic of its academic arguments but rather its relevance to and impact on the *practice* of business. Whether Professor Audi's preferred ethical ideals—“business ethics” [the doctrinal canon]—can find a secure foothold within today's business firms—“ethical business” [workplace practice]—remains an open question yet to be answered.

Resolving Ethical Dilemmas and Making Ethical Decisions. Perhaps too often, business ethics is portrayed as a matter of resolving conflicts in which one option appears to be the clear choice. For example, case studies are often presented in which an employee is faced with whether or not to lie, steal, cheat, abuse another, break terms of a contract, etc. However, ethical dilemmas faced by managers are often more real-to-life and highly complex with no clear guidelines, whether in law or often in religion. Definition: Business ethics, connotes the form of applied ethics, which studies ethical principles, morals and problems that take place in the business environment. It is nothing but the integration of day to day morals and ethical norms to business and applies to all types of business. In finer terms, it implies the good or bad, right or wrong behaviour, in pursuing business, determined on the basis of expected behaviour approved by the society. E.g. Charging reasonable prices from customers, just and fair treatment to workers, earning a legitimate profit, providing a good environment to empl

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