

Beyond Rules and Codes: Priming Business Ethics for the Thoughtful Leader

Todd S. Mei

ABSTRACT

Abstract— While rules and codes are a necessary part of a business ethics, they are not its most important feature. When they are seen as the main driver motivating ethical behavior, they can be harmful to both the business and its employees. After identifying why a rules-centered approach is limiting according to sociological and philosophical reasons, this article proposes a theory based on virtue ethics in order to demonstrate how a business and its employees can flourish when ethical behavior is aligned to meaningfulness, empowerment, and a shared community of understanding. It's important to note that the proposed alternative does not seek to jettison rules or codes, but to resituate and redefine their role.

Keywords: business ethics, deontology, consequentialism, utilitarianism, virtue ethics

INTRODUCTION

“[H]aving the formal elements of an ethics programme is not, in itself, enough to guarantee that employees will change their behaviour and act more ethically. It is important for organisations with an ethics programme not to rest on their laurels, but to continue to identify and focus on areas that still need improvement.”

[2021 Ethics at Work Survey](#) (Institute of Business Ethics)

When going about creating an ethical framework, most businesses will focus on rules as a way to build things out and ensure the consistency of acceptable behavior. It makes sense, especially if a business is subject to regulatory oversight. Because of this, the creation of rules tends to derive from a theoretical foundation built on compliance and risk management issues.

While necessary, confining the creation of a business ethics to a focus on rules can not only be limiting but detrimental to the health of the business.

A key issue undermining business ethics is the misperception that it mostly involves creating and enforcing rules or codes of conduct. This view becomes problematic when it instills a disciplinary work culture, whose rigidity often creates the impression that transparent and open communication is superfluous or extraneous to the ethical framework.

Let's call this the “Rules Regime” view. In this primer, we'll see some reasons why this view has arisen and explore an alternate way of envisioning a business ethics that is flexible, dynamic, and constructive.

This article will provide insights into:

1. the core features of a business ethics
2. the problem with a Rules Regime
3. two theoretical approaches based on moral philosophy
4. a third dynamic theoretical alternative
5. practical applications for leadership and organizational development.

Having a sense of right and wrong is essential to being human. So, it shouldn't be considered unrealistic to expect the places where we work and spend the majority of our adult lives to be ethically friendly and constructive.

This is where philosophical theories about morality can be of immense help.

It may be rare for a business to think it should include philosophy in its mixture for creating an ethics, but understanding core philosophical insights can help managers and executives get a sense of the dynamics involved in ethical behavior and what potential obstacles and problems could create organizational and personal pain points.

So, let's see how philosophy can help in the creation of a business ethics.

What Do We Want from Ethics?

We typically seek two things from ethical theory:

- the ability to determine **what is right from what is wrong**; and
- specific advice on **how to act in a given situation** when right and wrong matter.

The field of philosophy dedicated to examining these two desirables is *Normative Ethics*, and it refers to these two items as

- the criteria of right and wrong; and
- action guidance for individuals.

It's important to note that simply knowing what is right and wrong isn't enough. How these values are applied can be a sticky affair. So, normative ethical theories are tasked with explaining how general principles of right and wrong apply as things get a bit more context-laden and therefore less clear.

For example:

Consider a situation where we accept the idea that stealing is wrong. The criteria for why it counts as wrong may involve appeals to religion, authority, justice, or rights.

In cases of dire need, however, we might want to make an exception, where taking from

another might be justified (e.g. a Robin Hood scenario).

Accordingly, we might have to lay out more conditions where theft from another person is permissible. If a person doesn't really need what is taken from them, and no harm has been done to them physically, then this might describe a situation in which loss of their personal property is acceptable. In fact, the theologian, Thomas Aquinas (1225-1274), allows that in cases of dire human need, [all property is made common](#) (i.e. not privately held).

As you can see, issues of morality and ethics can get quite complicated very quickly. Furthermore, it is tempting to apply rules as a way to gain some clarity about normative expectations of how we ought to act. However, this temptation can create severe headaches.

As it turns out, the way we think in Europe and North America is influenced by two theories which, as we will see, can end up creating a Rules Regime approach to ethics. They respectively involve judging **the consequences of our actions** and determining **what obligations we might have to others**:

- consequentialism;
- and deontology.

While there is a great deal of interesting history and debate with respect to these two moral traditions, we'll have to omit this discussion for the sake of focusing on their relation to business ethics. I'll try to note only salient details as we go along.

Rules Regime: Problems with Rule-Following

A "Rules Regime" is a work culture where ethical behavior is predominantly controlled by a framework of rules. It's a strategy that is often thought to epitomize what it means to be ethical. But is it?

A [Harvard Business School](#) study has shown that a Rules Regime can breed a mentality focused on control, whereas ethical climates built on trust create commitment. Commitment-based organizations tend to outperform control-based ones as employees feel invested in the success of the company.

[A complementary study](#) has demonstrated that a rules-heavy focus can be perceived as an emphasis on procedural justice yet neglect interactional justice (i.e. fair treatment and respect). This imbalance leads to a sense of unfairness and mistrust.

Rule-following, when taken to an extreme, also stifles innovation and creative-critical thinking, or what I like to call **critical creativity**. Rules can act as disincentives to think outside the framework of the rules. When employees are constantly worried about making mistakes, they are less likely to suggest new ideas or challenge the status quo which, in turn, inhibits creative and critical thinking.

A Framework for Ethical Thinking: Deontology

Deontology derives from the ancient Greek term *deon*, or duty. Deontology is essentially the development of a moral philosophy based on the clarification of what duties we might owe to others and ourselves. *The duties we owe* and *the rights that we have* determine what is right and wrong.

So, for example, if I have a duty to be honest, it is required of me to be so when communicating with others. Conversely, I ought to see my co-workers as those who have a right to honesty, especially when it involves corporate communications.

There is a two-way relation between duties and rights.

Typically (but not always), when someone has a right, we owe them a duty that directly correlates with that right. For example, if you have a right to free speech, I would have a duty to respect that right and not prevent you by coercion from speaking.

In contrast to direct duties are *indirect* duties. An indirect duty is a right that does not necessarily require responding to the subject of rights immediately and directly. So, in the instance that I am homeless, I do not have a corresponding right that requires you to provide me with shelter. But you might have an indirect duty to help someone in need. Furthermore, because of the indirect nature of this duty, you might have options as to how to fulfill it. You might donate money to a shelter or give me money instead.

Philosophically, the crux of deontological moral theories falls on how our duties arise. The tendency is to try to find some bedrock that provides for inalienable rights, or rights that are naturally inherent to a person by virtue of being a person.

Immanuel Kant (1724-1804) is the most prominent philosopher in this area. In his *Groundwork for the Metaphysics of Morals* (1785), he sets out the kinds of absolute duties we owe to others and ourselves based on our capacity to reason. It's a compelling account, but it's not without its difficulties since it tends to overdetermine the feature of reason at the cost of neglecting other essential aspects of being human (i.e. emotions, desires, and vulnerability).

Business Ethics & Deontology

With regard to business ethics, deontology manifests most explicitly in how companies will take a strong stance on social responsibility issues. Patagonia, for instance, is known for its commitment to environmental and social responsibility. They often frame their business decisions in terms of ethical obligations rather than just profit motives. Its ethic aligns with a respect for intrinsic human dignity and the environment.

Internal to an organization, companies might decide there are certain rights or duties that employees owe to one another – such as, the duty to respect others, the right to a safe psychological space free from discrimination, the right to transparency, the duty of care, and so on.

This is sort of a deontology-light approach when compared to philosophical theories. This is because there is usually no attempt by businesses to ground such duties or rights in an overarching theory about how the world is and why such matters are universally compelling. Instead, businesses tend to blend pragmatism with what they take to be topical issues that matter.

Strengths & Weaknesses of Deontology

What tends to happen with moral theories is that a strength is also a weakness, and implementing a theory will often involve identifying when problems occur and how to mitigate them. Deontology is no exception.

Security (strength)

The identification and provision of rights and duties create a more secure work environment. If I know that there are certain things that others have to respect or oblige, then I am going to feel much more at ease in executing my daily tasks and responsibilities. For example, a work culture that takes mutual respect seriously provides an environment where employees can feel safe from bullying. By committing to the right to respect others, organizations are then committed to creating a structure in which to articulate these ideas, implement them, and

design a procedural framework for dealing with disputes and violations.

Roadmapping (strength)

When duties and rights are clearly identified and integrated within a work culture, it becomes easier to map the internal structure of the organization onto its external operations. This creates a strong linkage between what employees do and what the business does. Employees can therefore see their work as having a more meaningful impact on customers and even more widely if there are social responsibility initiatives at play.

Rigidity (weakness)

Depending on the nature of the rights and duties within a work culture, one unintended effect is making professional and personal relations inflexible. Workers may feel hemmed into acting in certain ways that can stifle creativity and gregariousness. In such instances, the duties and rights take over as the main conduit through which employees interact and perceive each other; and it can also lead to a victim mentality if employees are over-sensitive to a potential violation of their respective rights. Rights and duties can be a bit too heavy-handed for a business culture.

Conflicting Interests (weakness)

Rights inevitably create conflict, especially when two rights compete against each other. An employee's right to a safe psychological space may come into conflict with another employee's right to transparency, where key issues about the business necessarily involve potentially controversial discussion. When seen in terms of external relations, a company's commitment to some initiative may come at the expense of workers' rights to a fair wage or safe working environment.

How Deontology Leads to a Rules Regime

A Rules Regime can arise when employees and managers feel they only need to go so far as fulfilling their obligations to one another. That sounds ideal at one level. But at another level, it's a moral version of working-to-contract. Only do as much as you are required, especially if compliance with such obligations is a key measurement of performance.

As a result, creativity and the ability to adapt to change can be diminished if most of the organization is simply following what's expected of them. There can also be a lack of engagement if employees feel all that matters is adhering to their moral obligations; or if employees feel that in order to go above and beyond their responsibilities, they need a duty to be clearly stated to motivate them.

The philosopher Julia Annas calls the last problem **duty creep**, or the idea that it's really only duties we have that motivate action and commitment.

An example of duty creep:

Imagine a company being committed to values that in-themselves are meaningful yet not finding it necessary morally to provide a meaningful work environment. So, the company ticks all the boxes in terms of respecting employees at some level and affirming socially responsible business practices; yet it fails to develop the business so that employees can feel a sense of meaning and fulfillment simply because it sees that there is no duty or obligation to do so.

By neglecting the importance of meaningful work, the organization unintentionally creates an environment that hampers employee well-being and potentially hinders the company's long-term success. Employees who feel unfulfilled are less productive and more likely to leave, leading to higher recruitment and training costs.

On the flip side, if employees feel that company policies are not taken seriously by management, then the rules protecting rights can be ineffective at providing a safe and transparent work culture. Even worse, if employees do speak up when witnessing a violation, a weak rules enforcement system can result in retaliation against whistleblowers. A study by the Institute of Business Ethics, which interviewed almost 10,000 workers in 13 countries, has found that [two-fifths of employees](#) who spoke up experienced retaliation.

A Framework for Ethical Thinking: Consequentialism

Consequentialism is a moral theory that determines right and wrong based on the effect of an action with regard to the overall well-being of a group. The group can be small, as in a team, or global, as in terms of the world population. The most prominent form of consequentialism is utilitarianism which takes happiness to be the main criterion by which one can judge the rightness of an action.

For consequentialism:

The amount of wellbeing generated or the amount of harm caused are ways to determine the rightness and wrongness of actions. Action guidance then becomes a matter of determining the amount of good or harm an action causes. In other words, consequentialism applies a manner of measuring outcomes as its method of guidance.

So, for example, if a business has a choice between increasing profit by lowering the quality of products slightly versus keeping quality standards the same at the cost of higher revenues, a consequentialist approach might determine that there is overall greater benefit from the former option since the satisfaction that customers experience will outweigh the benefit the company receives from greater returns.

The above scenario involves essentially a utilitarianism approach since it uses well-being as the criterion. A consequentialist approach is more wide-ranging in that it can select any criterion as its measure. Obviously, there is a limit to what it can select when morality and ethics are concerned. So, the business can't simply select profit-making as its measure since this would allow for the potential exploitation of workers.

The application of consequentialism therefore involves explicit or implicit moral aims. It may select a criterion of measure under the idea that although not explicitly linked to morality, it nonetheless promotes it. This will become more apparent when looking at its role in business ethics.

What is important to note here is that unlike deontology, there is a lack of focus on rights. We may have duties to act in a certain way given the outcome of an action, but there tends not to be an obvious involvement of the rights others. As we will see, this is one of the big criticisms of consequentialist approaches since it seems to condone having "sacrificial victims".

Business Ethics & Consequentialism

Consequentialism is a more natural fit for business than deontology, largely because consequentialism relies on the business staple of measuring outcomes (e.g. as with Six Sigma). A consequentialist form of measurement can in theory more easily map onto a company's

mission, values, and procedures. In the best-case scenario, the moral framework of a company can genuinely help drive business success since employees who are maximizing outcomes are maximizing moral outcomes for the business.

For example:

A customer-comes-first policy might be a way to align three aspects of the business: profitability with customer retention, employee progression in terms of pay and advancement, and doing right by the customer. A general category of “utility” would suffice to measure how acting in view of the customer’s benefit increases the utility of the business, the employee, and the customer. Win-win-win.

In theory, a consequentialist approach can seem quite appealing. As we have seen, there may be opportunities to align practices internal to the business with its external profitability and social responsibility aims.

Internally, the focus can fall on how the company treats its employees along with how employees act towards each other and customers. Beyond just complying with labor laws, businesses might assess the broader implications of their employment practices. They might find that offering flexible work arrangements or generous parental leave leads to improved employee wellbeing and higher productivity, leading to a greater net positive outcome.

Or, a company might designate specific practices as being the most optimal. Employees might be asked to maximize transparency in view of regulatory standards. Overall utility is promoted by means of company compliance and employee honesty; employee performance can even be matched to KPIs. Or, there might be a safety-at-work rule whereby retail employees are asked not to interfere with perpetrators in the process of stealing items – not just for the safety of the employees but for others, as well.

Strengths & Weaknesses of Consequentialism

You might be wondering how businesses are simply not consequentialist by default since most businesses employ some form of examining consequences in view of the overall health of the firm.

The difference lies in how the measurables of the business genuinely align with the promotion of a moral good like happiness or utility. As mentioned earlier, utilitarianism is a form of consequentialism that overtly commits to this principle, while other forms of consequentialism may be more muted and hence more vulnerable to compromise. This is because a company can simply assume that measurables that are less directly connected to moral goods are by default morally good. Just promote them, measure them, and things will be fine.

Commonsense (strength)

By virtue of the way measuring consequences fits the business frame of mind, a consequentialist approach seems like basic commonsense. Find those outcomes that are best overall for stakeholders and customers, and you’ve potentially got a smoothly running business that does right by others.

Confidence (strength)

One of the benefits of measurement is confidence. It not only provides a definite sense of a result, often in numerical form; but it also enables those being measured and those measuring to have a sense of familiarity in anticipating what is expected. This can equate to confidence

in the system, assuming the measurement methods are transparent and fair.

Measurement (weakness)

Consequentialist theories receive a lot of criticism on how to measure what it is an action is supposed to bring about. Happiness, for example, is notoriously vague and can mean different things to different individuals. Even assigning a numerical scale involves subjects interpreting what each number means. Philosophers and economists refer to this as the problem of inter-personal comparison.

Sacrificial Victims (weakness)

The idea here is that in selecting the action which benefits the greatest number of people, someone might be asked to “take a hit for the team”. In the worst case, this would mean sacrificing their life. If you had the chance to save five people, yet it meant either killing one person or letting that person die, you are sacrificing that one person for the wellbeing of others; and it would be a violation of that person’s right to life.

How Consequentialism Leads to a Rules Regime

The general problem with consequentialism is that when actions are deemed right, there can be a tendency to make explicit or implicit rules to prioritize those actions.

As a result, employees might follow rules without recognizing how their actions could lead to conflict or cause harm. Rule-following leads to a sort of moral apathy or oblivion. This, in turn, can lead to a culture of compliance rather than a culture of ethics.

Another problem lies in becoming overly concerned and preoccupied with performance according to the rules. After all, if measuring outcomes maps onto something like KPIs, then it’s quite easy for this framework to co-opt the work culture.

In this sense, the effects measured within a consequentialist framework can create a pathological relation to performance and, as we saw with deontology, have detrimental effects that contradict the intention of cultivating an ethical approach to business.

Let’s unpack this a bit more. If a firm uses quantitative measurements to track the outcomes of employee actions, it can lead to a situation where the culture is ruled by “the numbers”. This is often referred to as [data tyranny](#), or the use of data-driven methods of assessment and measurement, which results in the sense or practice of being ruled and overruled by statistics. Studies critical of the overuse or misuse of data point out:

- it [stifles creativity](#) and a company’s ability to be innovative;
- it [reduces employee morale](#) and loyalty; and
- it creates the incentive to [manipulate data](#) to come out ahead.

Over time, the combination of measuring data and rule-following can make employees feel like cogs in a machine. The intense focus on individual metrics fosters a competitive, rather than collaborative environment. Employees start to withhold knowledge, fearing that helping others might jeopardize their own bonuses. Creativity and innovation suffer as employees stick to proven methods to ensure they hit their numbers. The emphasis on data begins to feel dehumanizing and demoralizing. Employees feel that their worth is reduced to mere numbers.

Virtue Ethics: A Very Different Approach

Unlike deontology and consequentialism, virtue ethics centers on the person as a way of determining what is right and wrong. If you've come across an explanation of the term before, you probably will have read that virtue ethics is about the character features of a person and how these features enable that person to act morally. These features are, of course, virtues.

In short,

a virtue is a character or intellectual trait that enables one to act in a way that is deemed right, good, or praiseworthy.

Is this all virtue ethics is about?

Yes and no. Virtue ethics is not just about character traits, but such traits as they enable us to engage in a process of informed deliberation about what to do and how to act. I say "informed" because understanding how to act can involve both rational, emotional, and other cognitive faculties (like the imagination).

For example, the virtue of temperance enables its possessor to exercise moderation when they deem it necessary or appropriate. Being temperate when engaging in social media may not just involve being emotionally moderate in response to specific content, but also moderating the amount of time spent on platforms or deliberately using etiquette when engaging with others.

A key difference to note about virtue ethics is that **it does not attempt to determine or arrive at hard and fast criteria to categorize what is right and wrong**. Deontology attempts to do this via rights; consequentialism by measuring outcomes according to well-being or utility.

Instead, it recognizes specific guiding principles, rules, values, and aspirations to provide an overall framework in which to assess, decide, and explain what might be right or wrong in a given situation. It may sound like a free-for-all, but there are some definite constructive constraints that help with action guidance.

Criteria of Right and Wrong: Socio-Historical Context

Taking a page from existentialism, virtue ethics recognizes that we don't exist in a contextless, ahistorical world. We are always "thrown into" or born within a specific time, in a specific culture, as a specific and unique person.

This socio-historical context is essentially the moral resource for virtue ethics. This includes a variety of sources, such as family wisdom (i.e. "what your parents teach you"), religion, education, stories, art, and life experience.

The idea is that the overall dynamic of these sources provides guidance about what we believe to be right in some general and certainly not totally agreed sense. The ideas about rightness are more like a shared understanding than a consensus.

For virtue ethics, nonetheless, this shared understanding is not an end; it is a starting point by which we can make sense of and even disagree about the ethical dilemmas we encounter. Call this "verification of moral values through living practice". To get a better idea of how this works, let's turn to action guidance.

Action Guidance: Practical Reasoning

A common criticism of virtue ethics is that its sense of right and wrong is too local to a person's socio-historical context. What is right for one person might be wrong for another. Some

philosophers allege this allows for **moral relativism**.

This allegation is not without warrant. Unlike the other two ethical theories, virtue ethics takes seriously the idea that no two ethical situations are exactly the same. Different factors will be salient or *relative* to understanding what to do. One must make sense of the situation in order to act appropriately.

This involvement in “sense-making” is crucial. It is a way of testing the moral sources on which we rely. It involves engaging our emotional and cognitive faculties to arrive at what each of us thinks is best. The kind of virtue ethics deriving from ancient Greek philosophy refers to the faculty that allows to deliberate in this fashion as **practical reasoning** (*phronesis* in the Greek).

It’s very different from simply appealing to rights or consequences. And yet, it does not exclude such things from its consideration of what might be best. Instead, it aims to hit the mark as closely as possible, given that the mark is not a specific version of what is right, but rightness in general.

For example:

Consider a virtue ethicist who is a vegetarian and is invited over for dinner. However, the host is unaware of this dietary restriction. When a meat-based meal is served, the virtue ethicist would reflect on what virtues ought to be prioritized. Justice might be more applicable in order to maintain an ethical standard. Or, the virtue of hospitality might be more important, in which case the virtue ethicist might decide to eat the meal.

What this means is that virtue ethics tends not to settle for a code of action. It aims to determine what is right in each situation as it arises. It does not work under the idea that being right is about certainty, but defeasibility – or when we understand that the conclusions we draw could be overturned in the presence of new information or evidence that contradicts our current understanding.

How Virtue Ethics Relates to Business

The sources of moral authority lie in the types of rights and duties we owe one another, for deontology, and the promotion of utility, for consequentialism. For virtue ethics, the source lies in the community or culture in which one lives.

Think of this as the business being a moral community at root.

The philosopher Robert Solomon was one of the modern advocates of this idea, though it is hotly contested by other philosophers due to worries about business culture being ultimately driven by the motive for profit. Notwithstanding this debate, we can think of the idea as follows:

A business community is a moral resource whose ideas and guidelines flow from its core mission and values.

This puts quite an emphasis on how a mission and values statement is constructed, and furthermore, how it is articulated or elaborated in application to the entire organizational structure.

Sound extensive and complex?

This is where virtues provide a great deal of facility. A company can theoretically identify those virtues it believes to be essential to the practice of the mission and values according to the various roles and requirements within its structure.

The contrast here is that one is not going about trying to construct codes of conduct for employees to follow, but to provide the environment and opportunities for employees to practice the appropriate virtues, central to which (as we have seen) is the exercise of judgment in determining how and when to apply a virtue.

Virtue ethics is much more flexible and dynamic. Its onus rests on identifying the right kinds of virtues and then finding ways in which employees can learn, practice, and experience as a form of professional and personal development.

Consider the following example relating to the virtue of integrity.

Michael, a seasoned project lead, understands the importance of trust. He openly admits mistakes and fosters a culture where employees can acknowledge errors without fear of blame. Team members therefore feel comfortable taking ownership of their work and deadlines, communicating with transparency and honesty instead of covering up problems.

At one point, however, Michael discovers a colleague has misrepresented data in a critical presentation. Instead of turning a blind eye, he confronts the situation, addressing the issue privately with the colleague and taking corrective measures and, at the same time, assuming that his colleague had the best intention to act with integrity yet failed. So another virtue like compassion might be called upon.

What's interesting about this scenario is how it differs from a deontological and consequentialist approach.

Deontology: While employees have the right to a safe work environment, they might not have a legal obligation to expose dishonesty.

Consequentialism: Short-term expediency might dictate avoiding a difficult conversation, undermining the project's long-term validity and harming overall trust within the organization.

For a more detailed investigation as to how virtues can be applied in business, I provide an academic discussion in the journal, [*Philosophy of Management*](#).

Applications for Business Leadership

The shortcomings of each of the three theories might lead one to believe that a hybrid system would work best – using aspects of each to provide clarity and efficiency.

I have a great deal of genuine sympathy for this approach; and I do think it's possible in practice. Yet academically, other philosophers have tried to present a hybrid theory, but without much success. A main barrier to this is that each school of thought holds specific principles that

become contradictory when brought together.

Within a business ethics setting, there is more flexibility since in practice a hybrid structure can make sense if it performs well in terms of business success and moral outcomes. In other words, philosophers often seek rational consistency and cogency within a theory; organizations often seek an optimized model that is morally practicable without contradicting the success of the business.

Whatever the case may be – that is, whatever ethical system a business decides to adopt – integral to a successful framework that can support and serve the whole of the business are four key points or principles.

1. Ethics Should Conduce to Meaningfulness

Practicing work is a way of engaging with and discovering meaning – from task meaningfulness and conventional excellence, to wider unexpected linkages to others and the outside world.

An academic study ([2018](#)) that the key to unlocking the relation of **daily work tasks and roles as a pathway to meaningfulness** lies in understanding how even the most mundane task might hold the potential to affirm a range of values.

For example, at the most basic level, the software engineer's work is meaningful because it serves a functional purpose. They write code that results in software products and might find instrumental meaning in completing a project on time or successfully debugging a tricky piece of code.

In addition, the software engineer's work also carries meaning within the context of their profession and society. There are certain standards and expectations for how to write good code. They are part of a community with shared norms, practices, and a shared vocabulary. When they adhere to these standards and produce high-quality work, they're seen as a competent and valuable member of their team which in turn provides them a sense of meaning.

Finally, a software engineer might find that their work changes how they perceive the world by giving them a deeper understanding of logic and problem-solving. They might see the world in systems and processes, understanding how things work on a deeper level because of the work they do. Perhaps they are working on an app to help people with visual impairments navigate their world - this could provide a profound sense of purpose and contribution to society, thereby altering their self-perception and worldview.

2. Qualitative over Quantitative Measurement

For an ethics to work in sync with meaningfulness, it needs to be sure any compliance and procedural dimensions are there to serve and enable the employees, not the other way around. Measurement is key to ensuring this.

To assume that the success of an ethics is based on measuring how well people comply only forces the rules regime mentality. This is exactly the wrong way of approaching a business ethics. It caters to base instinct about punishment.

Instead, think of the purpose of ethics as a framework to

1. **promote cohesion through mutuality** and familiarity and
2. **enable people to be better** at what they do.

An ethical framework should focus on creating a climate where good choices naturally flow from a deep understanding of shared values.

Prioritizing qualitative assessments means capturing the nuance of how ethical thinking

informs day-to-day decision-making. Focusing on regular conversations, open-ended surveys, and observing how teams navigate ethical dilemmas will foster insights into ethical maturity within individuals and the organization collectively.

3. Accountability as Empowerment

Replace punishment with a growth-focused model. Instead of consequences for failures, prioritize learning through constructive dialogue. **Mistakes become opportunities for reflection**, discussion, and recalibrating ethical compasses. This approach encourages honesty and vulnerability rather than hiding behind compliance for the sake of appearances (i.e. box ticking).

Highlight the direct connection between ethical decision-making and professional success. Show how upholding values nurtures trust, promotes innovation, and creates long-term success. Instead of being a barrier, ethics becomes a springboard for excellence.

4. A Shared Understanding

When ethics are framed as enabling rather than restrictive or punitive, they become a tool for individual and collective growth. Shared ethical values foster a sense of community and understanding. This provides a common ground upon which employees can build relationships, creating a unified and harmonious work environment.

Ethical frameworks offer guidance for decision-making, giving employees a compass to navigate complex situations. Rather than hindering progress, **this empowers individuals to make informed choices** that benefit both themselves and the organization while building trust with key stakeholders.

5. Ethics as a Heuristical Tool

If you find the prospect of building an ethical framework too daunting, you can always start small. Utilize the virtue of imaginative analysis, or what I earlier called **critical creativity**.

Simply select any of the ethical ideas you've found interesting and start creating scenarios to see how they might work or not work (a good AI chatbot is helpful for this). Create focus groups amongst your staff to spend time thinking about the problems they face and what ethical resources sound helpful and what pain points they are anticipating. Note what works, what doesn't (it may later!), and what needs further development; then start sketching your framework.

The details will most likely need to be worked out, so a prudent thing to do is to think along virtue ethical lines:

- What virtues speak to the core of the organization's mission and values
- Create a core set of virtues and see how they map onto and help each department
- Identify necessary regulatory rules as guidance
- List aspirational forms of behavior, attitudes, and dispositions employees might hold

You're then on your way to creating a **work-culture revolution!**

A FINAL THOUGHT

As you might have guessed, I am very much situated within the virtue ethical framework. In fact, as far as a hybrid approach to ethics goes, I have a strong belief that virtue ethics is the one

moral theory that can accommodate different and even competing moral principles.

Why?

Because of the virtue of practical reasoning. It is the capacity to hold different views and positions in mind in order to arrive at a course of action. Simply because one principle is invoked with regard to one situation does not mean it must be invoked for a similar type of situation. In the end, whatever course of action one takes comes down to the quality of analysis and justification informing a decision.

But, of course, you don't have to agree with me on this point or on the preeminence I think virtue ethics occupies. What is important is to see how the idea of business ethics needs to be dynamic at its core.

As indicated earlier, the degree to which it is morally sound will rely first on how an organization's mission and values are articulated; and second, on how these two features are developed as dynamic agents within the workplace culture. Whether rights, duties, rules, consequences, or virtues, the onus is to find a way in which the ethical framework can be foundational, helpful with action guidance, empowering for employee engagement and identity, and adaptable to changing contexts.

If you want to learn more by way of discussion or consultant, please feel free to reach out to me!

About the Author

Todd Mei (PhD) is former Associate Professor of Philosophy specializing in hermeneutics, the philosophy of work and economics, and ethics. He is currently a researcher and consultant in meaningful work and is founder of [Philosophy2u](#). With over 20 years of experience in teaching, researching, and publishing, Todd enjoys bringing insight, innovation, and worklife revolution to organizations, businesses, and individuals.

Dr. Todd S. Mei

Philosophy2u

Copyright © 2024

REFERENCES

- Amabile, T. M. and R. Conti (1999), "Changes in the Work Environment for Creativity During Downsizing." *Academy of Management Journal* 42; <https://doi.org/10.2307/256984>.
- Anonymous (2021), "Ethics at Work 2021," *Institute of Business Ethics*; <https://www.ibe.org.uk/ethicsatwork2021/keyfindings.html>.
- Aquinas, Thomas (1858), *Summa Theologiae*; <https://www.newadvent.org/summa/3066.htm#article7>.
- Jafari, Parivash Jafari and Shabnam Bidarian (2012), "The Relationship between Organizational Justice and Organizational Citizenship Behavior," *Procedia: Social and Behavioral Sciences* 47; <https://www.sciencedirect.com/science/article/pii/S1877042812026419>.
- Laubheimer, Page and Kate Moran (2021), "Campbell's Law: The Dark Side of Metric Fixation," *Nielsen Norman Group*; <https://www.nngroup.com/articles/campbells-law/>.
- Mei, Todd (2021), "Incorporating Virtues: A Speech Act Approach to Understanding How Virtues Can Work in Business," *Philosophy of Management* 21; <https://link.springer.com/article/10.1007/s40926-021-00171-3>.
- (2019), "Work and the Meaning of Being," *The Oxford Handbook of Meaningful Work*, eds. R. Yeoman, C. Bailey, A. Madden, and M. Thompson; <https://doi.org/10.1093/oxfordhb/9780198788232.001.0001>.
- (2018), "The Poetics of Meaningful Work: An Analogy to Speech Acts," *Philosophy & Social Criticism* 45; <https://doi.org/10.1177/0191453718768359>.
- Schrage, Michael (2019), "Don't Let Metrics Critics Undermine Your Business," *MIT Sloan Management Review*; <https://sloanreview.mit.edu/article/dont-let-metric-critics-undermine-your-business/>.
- Smith, M. J. et al (1992), "Employee stress and health complaints in jobs with and without electronic performance monitoring," *Appl Ergon* 23; [https://doi.org/10.1016/0003-6870\(92\)90006-h](https://doi.org/10.1016/0003-6870(92)90006-h).
- Walton, Richard E. (1985), "From Control to Commitment in the Workplace," *Harvard Business Review*; <https://hbr.org/1985/03/from-control-to-commitment-in-the-workplace>.