

# Ethics in Decision-making



# The Institute of Business Ethics

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**What we do** We raise public awareness of the importance of doing business ethically, and collaborate with other UK and international organisations with interests and expertise in business ethics.

**We help organisations to strengthen their ethics culture and encourage high standards of business behaviour based on ethical values.**

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We help organisations to provide guidance to staff and build relationships of trust with their principal stakeholders.

A list of some of publications that have resulted from research, surveys, conferences and seminars is given at the back of this publication. The IBE's website ([www.ibe.org.uk](http://www.ibe.org.uk)) is regularly updated and provides information on events and other aspects of the Institute's work.

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# GOOD PRACTICE GUIDE

# **Ethics in Decision-making**

By David Barr and Christopher Campbell with Nicole Dando

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The IBE welcomes feedback and ideas for refinement and further development of this topic: [info@ibe.org.uk](mailto:info@ibe.org.uk)

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# Overview

This Good Practice Guide aims to help organisations embed ethical considerations through all their decision-making. Too often ethical awareness and ethical reasoning are pushed to the periphery of business decisions, or reserved only for those decisions with the greatest perceived external market impact. However, in an increasingly scrutinised, complex and fast-changing business environment, trying to 'pick' those decisions that require ethical considerations seems an increasingly risky strategy. Instead, companies are looking for ways to instil the habit of ethical awareness and reasoning across all their decision-making.

By drawing on the practice of IBE subscriber companies<sup>1</sup> and a review of academic and practitioner materials, this Guide looks at the process of embedding ethics at all stages of decision-making. In this context, ethics in decision-making (EiDM) is not limited to the use of a checklist at the final point of a decision, nor is it focused on the outcome of what an 'ethical' decision might look like. Rather, EiDM is about maximising the conditions that best support any decision (however big or small) in an organisation, so that it has the desired outcome with respect to its ethical commitments.

Core to these efforts is a simple framework to aid the review of ethics in decision-making by breaking it into four principal elements: *Context, Reasoning, Application* and *Reflection*.

It is recognised that, given the huge breadth, diversity and subjectivity around both 'ethics' and 'decision-making', this Guide will only scratch the surface of these rich subjects; but it does aim to be a catalyst for continued debate and sharing of opinions and experiences.

By the end of this Guide, readers should be better able to:

- Consider the current maturity of EiDM across their organisation
- Take concrete steps to build awareness and understanding of the key components of EiDM, and thereby enhance the EiDM maturity of their organisation
- Bring frameworks and pertinent examples to internal stakeholders to further facilitate the embedding of EiDM across the organisation.

This Guide will be of value to ethics practitioners as well as other managers looking to enhance the ethical competence and capability of their team.

After introducing the four elements of the EiDM framework, the rest of this Guide seeks to bring to life how these elements might be used to help promote ethics in decision-making across the three primary corporate decision-making groups - employees, managers and senior leaders. At the end of each of these chapters there is a short working example highlighting where, in a real-life scenario, elements of EiDM could be applied.

<sup>1</sup> Mainly large multinationals in a variety of sectors.



The IBE Good Practice Guides offer practical assistance and guidance for making ethics policies and programmes effective.

**Ethics in Decision-making** is the fourth in the Good Practice Guide series.

Drawing on experiences of UK and international companies, this Guide:

- provides a framework for understanding the key conditions for and barriers to bringing ethics into business decision-making
- will help organisations embed ethical considerations through all their decision-making
- includes examples of how companies facilitate and promote this for employees, managers and senior leaders.

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