Ethics as a Rational Choice for the Analysis of Complex Business Decisions

Posted on May 4, 2018

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Introduction

Ethics can be considered as a rational choice. There must be a consistent rationale behind every decision to make it ethical. Rationality is not a standard for ethical choice, but it is essential. It is also helpful as it provides a conceptual framework that can be used to analyze complex business decisions. It can offer an idea lead for decision making in business circumstances and daily life (Pimentel, Kuntz & Elenkov, 2010). This is because it will take all points of view into consideration. Overlooking the interests of others is illogical as it eventually damages the interests of an organization and leads to an unethical situation.

Ethical Dilemma

Our company is also going to face an ethical dilemma as it is considering selling the customer data it has through its website. It is now considering selling the data to a 3rd party as a method to augment revenue. But morally and ethically it cannot do this as it has a written commitment concerning its privacy on its Web site. In its privacy statement on the website, the company claims that it will not sell customers' personal information to anyone. This will not be sold for any purpose and for any period (Stevens, 2008).

Hooker Ethical Framework

To judge this action, whether it is ethical or not, there can be the use of different ethical frameworks. One such framework is provided by Hooker (Hooker, 2008). He has suggested three tests to judge ethical choices. These tests serve as a base for rational choices.

Generalization Test:

The first test that can be used to judge the situation and make an ethical decision is the Generalization Test. To go through the generalization test, it is required that the grounds for the act must be constant with usually established standards of conduct. This test does not pay attention to

the results of the act under question. It is required that action results in maximum utility, which can be achieved by having any other action. This test can be applied to judge the action of the company in selling customers' data to a third party.

Utilitarian Test:

According to this test, the company's decision is irrational and unethical as it is against the assumption that other companies with the data will sell it. They will not sell it, and thus, the company's decision is unethical. The company's decision according to this test is also irrational and unethical as it does not maximize utility in the long run for all.

Virtues Test:

The third test is the virtues test, according to which there is a need to have honest behavior that must be grounded on good character traits, and uphold one's honesty and associations. These three tests have provided insight into the ethical nature of the situation.

Use of Other Reference Points

Apart from using the framework suggested by Hooke for the analysis of the situation, many other frameworks can also be used. There can be the use of general consequences of the situation. It is also good to think about the situation rationally and logically. The analysis of the situation on these grounds suggests that it is not good to share customer data to earn revenue or any other profit for the company. Customers should be valuable in company strategies, and any harm to them must be taken as harm to the company.

Legal Selling of Personal Data:

The company will be in ethical violation of the policy if the personal data is aggregated and sold legally as in the privacy statement, the company has claimed that it will not share any data for any purpose. Further, data mining is also not allowed as it will also go against the privacy concern. Even if it is legally sold, in the end, there can be any harm to any customer at any time.

Allowed Use of Data:

If there is no actual selling of data by the company, but it is sharing data, then it is also not an ethical choice or strategy to be pursued. Companies share data known as data mining and get some useful information from customers' raw data. This is allowed but to the extent that it does not bring harm to any person.

Data Sharing With A Single Login:

If the privacy policy is not mentioned and there is a single login, then data can be shared with corporate headquarters. However, it is still not possible to sell the information ethically. The company was liable under the law for mentioning privacy. But it did not mention it and cannot sell the information legally. Firstly, the policy must be mentioned, and secondly, data must be kept up to date concerning safety as much as possible. This will ensure the company's loyalty towards its customers.

Sharing of Visitor Data:

Data can be shared for business purposes and with informed consent. The best approach in this regard can be to have the customers' informed consent regarding the sharing of the data. If they have informed consent, it is possible to share the data legally. Companies also go for data mining and generate some useful information from the customer's raw data, with informed consent. It must also be ensured that all the sharing is done under the specified conditions and that also includes the safety of customers as a top priority.

References

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