

Utilitarianism and social corporate responsibility



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The principal of Utilitarianism is often cited for grounds in business related decision making. Business ethics is often misunderstood - for if the main purpose of business is to maximize profits, then one could argue Westjet had done nothing wrong in trying to gain an advantage in their industry.

Thankfully, ethical decision making involves criteria beyond the 'greatest good for the greatest number of people'. Its criteria are as follows - utilitarianism, rights, justice and care.

Although Westjet will claim they were acting out of the best interest of their organization, stockholders and clients, Westjet's involvement in corporate espionage has violated the ethical decision making criteria 'rights'. Although remote theft has given a new face to stealing, Mark Hill's illegal access of confidential information is still considered theft. Air Canada, however, failed to respond properly and broke the rights of Mark Hill by trespassing on his property.

In the end, Westjet failed to consider the relationships between its corporation and its employees. Lawsuits have not only tarnished Westjet's brand, but have costed its employees who own much of their shares. Such actions in the end have affected the individuals closest to the company.

Corporate espionage is estimated to cost business up to 250 billion dollars a year. However such ethical violations are not victimless crimes. The actions of Mark Hill in the end costed himself a job as well as directly affecting thousands of employee share holders at Westjet. By accessing and analyzing Air Canada's information on better selling flights he was trying to create a competitive advantage for Westjet. Personal profits may have been his

motivation. However, an online survey for the American Management Association in 2005 found that the number one reason for compromising one's ethical standards was the "pressure to meet unrealistic business objectives/deadlines". This may have also been a factor influencing Mark Hill's decisions.

Air Canada's actions were unethical in their own right and not justified by the situation. By breaking and entering into Mark Hill's home, they engaged in illegal activity in pursuit of the truth. Factors influencing their decision are undoubtedly monetary related - possibly to claim back what is rightfully theirs and thus regaining their competitive advantage against Westjet.

Westjet's best defence against corporate espionage is to create a business culture that nurtures and rewards moral and ethical social behaviour.

Redefining corporate culture is not an easy task and will take time and commitment to implement. Proactive measures must be taken to embrace ethical values and not just to avoid scandals.

A good start point would be for Westjet to refine their codes of conduct to ensure they specify detailed guidelines for specific possible situations.

Educating employees however is not enough - management at Westjet must embrace these values and reflect them in their everyday dealings of business.

Furthermore, implementation controls should be set in place to detect violations of established guidelines. Creating an environment where employees can feel comfortable to whistle blow or provide tips to illegal activity is essential. Westjet must protect its employees and make it known

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that retaliation of any kind against a whistle blower should not be tolerated. A penalty and reward system could be created if they see fit.

Most importantly, any system created to deter corporate espionage must have its policies enforced consistently. Employees must be convinced that corrective measures will be taken (and applied equally) - this will be the key to success and future compliance.