The basic premise underlying this approach to the evaluation of moral problems in business is based on the belief that a business and its management should always act in accordance with a set of objective norms of behavior or universal statements of belief that are considered “right”, “fair”, or “just” of and by themselves, without regard to other considerations.

It was stated earlier that all individuals have their own set of moral standards upon which they make individual decisions based on their own conceptualization of right vs. wrong, which are, again, influenced by religious, cultural, economic, and/or social factors in that individual’s environment.

Further, it was noted that such moral standards of behavior will vary from person to person, especially with respect to means by which such standards are utilized collectively by individuals to make moral determinations / decisions.

Given the inherent variability between individuals in terms of moral standards of behavior, is it therefore impossible to make ethical decisions based on some well-defined, universally agreed upon set of moral standards?

It turns out that there are, in fact, some moral standards based on collective norms and beliefs that can be said to be objective and universal insofar as they are based upon normative reasoning/logic rather than emotion.

Such universal standards, derived from the field of normative philosophy, are collectively viewed as resulting in decisions/actions on the part of individuals and/or businesses that lead to a “good” society in which everyone will have liberty, respect, dignity, and opportunity. One such universal principle is the ethical principle of concern for others in all actions/decisions.

Unlike the case(s) of looking solely at the economic outcomes and/or the legal requirements involved with a given action / decision and the moral analysis thereof, moral reasoning allows for the formal evaluation of ethical duties while recognizing the nature and value of individuals as expressed by their needs for liberty, dignity, respect, etc.

The most relevant question to address with respect to the evaluation of ethical duties in the moral analysis of business problems is whether a given set of standards, applied to a specific moral dilemma in business, will benefit members of society to the same or greater extent than any alternative set of standards.
 Such benefits to society need not necessarily be material in nature, and may include the achievement of positive economic outcomes, the observance of legal requirements, as well as the attainment of greater cooperation and cohesion among all members of society.

The role of normative philosophy in this case is to assist with the definition of the extent to which all persons bear responsibility for other members of society.

Six major ethical systems have evolved over the past 2000+ years to assist in that regard:

**Eternal Law**

This ethical principle holds that persons should always act in ways that our Creator intended, with kindness and compassion to all.

The ethical principle of eternal law has both religious as well as more secular interpretations as a body of ethical principles and moral standards (eternal vs. natural law).

The primary problem with the use of eternal law in the resolution of moral dilemmas relates to difficulties with interpretation and the lack of universality.

**Personal Virtue (Aristotelian/Virtue-based Ethics)**

This ethical principle holds that persons should always act in ways that convey a sense of honor, pride, and self-worth to oneself.

Such a principle does not imply that person(s) must be kind / compassionate to others or necessarily be concerned about the rights / benefits / harms to others as a result of some action.

As long as an action or decision by an individual or business is deemed to be “honest”, “open”, “truthful”, “moderate”, “proud”, etc., regardless of the outcome of the action or decision, the action or decision is regarded as ethically sound.

The primary problem with the use of virtue-based ethical principles in the resolution of moral dilemmas relates to general difficulties in translation / interpretation by other persons as to what is or isn’t virtuous in a given situation.
**Utilitarian Benefits (Teleological Ethics)**

**As described before with economic outcomes, this ethical principle holds that person(s) should always act in ways to provide the greatest good to the greatest number of persons.**

**Same limitations / problems with use as the basis for resolving moral dilemmas as before – lack of emphasis on individual rights, distributional justice, personal duties, etc.**

**Universal Duties (Deontological Ethics)**

**This ethical principle holds that persons should never undertake any action or make any decision that they would be unwilling to have others take in the same or similar circumstances – also known as the categorical imperative.**

**This ethical principle requires that person(s) should treat all other persons with dignity and respect, as an end in and of him(her)self, never as a means to some other end. This sort of requirement is consistent with the moral standards of equal treatment, equal rights, and equal value.**

**The morality of a particular action or decision, according to Deontology, is based on intent rather than outcome, as was the case with teleology.**

**The major limitations to the use of deontological ethics in the moral evaluation of business problems is related to the lack of prioritization in such a system, the situation-dependent nature of personal interpretation, and the limited scope of the categorical imperative that limits applicability.**

**Distributive Justice (Rawlsian Ethics)**

**This ethical principle holds that persons should never undertake any action that would harm the most vulnerable segments of society – those with the lowest levels of income / wealth, education, competence, power, etc.**

**This ethical principle, like teleological ethics, focuses on outcomes rather than just intent / duties. It accepts unequal outcomes only to the extent that such inequalities can be shown to produce compensating benefits for everyone.**
The major limitation to the use of Rawlsian ethics in the moral evaluation of business dilemmas is related to implicit assumption that social cooperation provides the basis for all benefits in a society, completely discounting the importance of individual effort to provide societal benefits.

** Contributive Liberty (Libertarian Ethics)

This ethical principle holds that person(s) should never undertake any action or decision that would interfere with the rights of everyone to develop their potential as much as possible. Such rights are consistent with the promotion of voluntary exchanges among individual as the basis for collective benefit.

Individual liberty as the organizing principle of society under libertarian ethics, versus distributive justice under Rawlsian ethics.

Actions/decisions are ethically sound under libertarian ethics so long as ALL individuals are allowed to make informed choices among alternative courses of actions, leading toward their own welfare (equality of choice).

The major limitation to the use of libertarian ethics in the moral evaluation of business dilemmas is related to the limited definition of liberty (right to be left alone – a negative right) that precludes the consideration of various positive rights (the right to a minimum standard of living).

Overall, none of the six major ethical systems is sufficient to resolve all moral dilemmas that occur in business.

The general approach to the evaluation of ethical duties in moral analysis is to utilize all six systems, thinking through the consequences of actions or decisions along multiple ethical dimensions, based on the requirements of each system.

Combined with the consideration of economic outcomes and legal requirements, this integrated approach works well.