Chapter 02 Ethical Decision Making: Personal and Professional Contexts

True / False Questions

1. The first step in making decisions that are ethically responsible is to consider all of the people affected by a decision, the people often called stakeholders.
   True        False

2. There is a role for science and theoretical reason in any study of ethics.
   True        False

3. A person's understanding of facts does not affect the degree of reasonability of his ethical judgements.
   True        False

4. Issue identification becomes the first step of the ethical decision-making process when no ethical issue or dilemma is known to the decision maker at the beginning.
   True        False

5. Ethical decisions cannot be made on economic grounds.
   True        False

6. Inattentional blindness is the inability to recognize ethical issues.
   True        False

7. Normative myopia occurs only in business.
   True        False

8. Stakeholders include only those groups and/or individuals who take calls on internal decisions, policies, or operations.
   True        False

9. Trying to understand another person's perspective of a situation usually leads to poor comparisons of alternatives for ethical decision making.
   True        False

10. A critical element of comparing and weighing the alternatives is the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences.
    True        False

11. Consequences or justifications always override every other consideration when comparing alternatives for ethical decision making.
    True        False
12. The best environment for high quality ethical decision making involves "thin air thinking."

True       False

13. Within business, an organization's context sometimes makes it difficult for even the well-intentioned person to act ethically.

True       False

14. Responsibility for the circumstances that can encourage ethical behavior and can discourage unethical behavior falls predominantly to the business management and executive team.

True       False

15. Within a business setting, only the ethical implications of professional decision making should be considered.

True       False

**Multiple Choice Questions**

16. Which of the following is the first step in making an ethically responsible decision?

A. Determining the facts of the situation
B. Considering the available alternatives
C. Monitoring and learning from the outcomes
D. Comparing and weighing alternatives

17. Which of the following is the second step of the ethical decision-making process?

A. Considering available alternatives
B. Making the decision
C. Identifying the ethical issues involved
D. Considering the impact of the decision on stakeholders

18. Kathy, your best friend and classmate, asks you to help her with a challenging ethical dilemma. Which of the following would be your first step in the decision-making process?

A. Identifying the ethical issue
B. Considering the available alternatives
C. Determining the facts of the situation
D. Making the decision

19. Which of the following conditions makes issue identification the first step in the ethical decision-making process?

A. When the ethical predicament of the situation is hard to determine
B. When the responsibility for the decision lies with one person
C. When the issue is presented from the start
D. When the stakeholders in the decision cannot be determined

20. In the ethical decision-making process, identify the steps that might arise in reverse order, depending on the circumstances.

A. Identifying relevant ethical issues; considering the impact of a decision on stakeholders
B. Determining the facts of the situation; identifying the impact of the decision on stakeholders
C. Identifying the impact of the decision on stakeholders; considering available alternatives
D. Determining the facts the situation; identifying relevant ethical issues
21. _____ refers to shortsightedness about values.
   
   A. Inattentional blindness  
   B. Normative myopia  
   C. Change blindness  
   D. Descriptive myopia  

22. Which of the following is the reason why normative myopia is especially liable to occur in a business context?
   
   A. The fast paced world of business allows little time for contemplation on ethics.  
   B. Business attracts people from diverse backgrounds, which makes it difficult to identify ethical standards agreeable to everybody.  
   C. People are more likely to focus on the technical aspects of the task at hand in a business context, and thus, fail to recognize the ethical aspect.  
   D. Ethics can justifiably be allowed to take a backseat in a business context.  

23. Identify the true statement about normative myopia.
   
   A. It occurs when decision makers fail to notice gradual changes over time.  
   B. It refers to the shortsightedness about values.  
   C. It has only been observed to occur in business.  
   D. It only results from focusing failures.  

24. Which of the following statements commits the ethical oversight known as normative myopia?
   
   A. "I skipped the red light because I was so involved in our debate."  
   B. "The only reason they did not notice the pilferage happening is because it involved the theft of such small quantities of goods over a long period of time."  
   C. "I hope Brad has learnt his lesson after getting drunk and crashing his car."  
   D. "I strongly believe in the saying, ‘finders keepers, losers weepers.’"  

25. If we are told specifically to pay attention to a particular element of a decision or event, we are likely to miss all of the surrounding details, no matter how obvious. According to Bazerman and Chugh, this phenomenon is known as _____.
   
   A. inattentional blindness  
   B. descriptive ignorance  
   C. change blindness  
   D. normative myopia  

26. Focusing failures result in moments where we ask ourselves, "How could I have missed that?" According to Bazerman and Chugh, this phenomenon is known as:
   
   A. change blindness.  
   B. descriptive ignorance.  
   C. inattentional blindness.  
   D. normative myopia.  

27. Which of the following causes inattentional blindness according to Bazerman and Chugh?
   
   A. Perceptual differences  
   B. Moral exclusions  
   C. Perceptual barriers  
   D. Focusing failures
28. Which of the following is true of inattentional blindness?

A. It occurs when someone deliberately avoids taking a decision about an unpleasant ethical issue.
B. It refers to the shortsightedness about values.
C. It distinguishes good people who make ethically responsible decisions from good people who do not.
D. It occurs when people pay specific attention to a particular element of a decision, while losing sight of other aspects of it.

29. Missing a highway turn-off as a result of speaking on a cell phone while driving is an example of _____.

A. normative myopia
B. inattentive blindness
C. rational ignorance
D. change blindness

30. The Arthur Andersen auditors did not notice how low Enron had fallen in terms of its unethical decisions over a period of time. According to Bazerman and Chugh, this omission is an example of _____.

A. inattentive blindness
B. descriptive ignorance
C. change blindness
D. normative myopia

31. The omission known as change blindness occurs when _____.

A. decision makers fail to notice gradual changes over time
B. a sudden change is overlooked by decision makers
C. decision makers are adamant on maintaining status quo due to a fear of change
D. a decision maker wants to bring about a change on a whim

32. The failure of decision makers to notice gradual variations over time is known as _____.

A. inattentive blindness
B. conscious incompetence
C. change blindness
D. rational ignorance

33. In the ethical decision-making process, once one examines the facts and identifies the ethical issues involved, one should next _____.

A. make the decision
B. consider the available alternatives
C. monitor and learn from the outcomes
D. identify the stakeholders

34. "_____" include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual.

A. Stakeholders
B. Shareholders
C. Employees
D. Owners
35. Jim resides close to Bunton Steel Co., a steel factory. The company has recently implemented changes to its pollution control policy that has adversely affected Jim and his family. This makes Jim a(n) _____ in the company’s pollution control policy.

A. associate  
B. stockholder  
C. partner  
D. stakeholder

36. In an ethical decision-making process, moral imagination helps individuals make ethically responsible decisions. Identify the step in which moral imagination is critical.

A. Determining the facts  
B. Considering the available alternatives  
C. Identifying the ethical issues  
D. Identifying and considering impact of decision on stakeholders

37. In the ethical decision-making process, moral imagination is used by decision makers while _____.

A. considering the available alternatives  
B. identifying the stakeholders  
C. identifying the ethical issues involved  
D. determining the facts of the situation

38. In the ethical decision-making process, creativity in identifying options is also known as _____.

A. moral imagination  
B. descriptive imagination  
C. intentional deliberation  
D. normative imagination

39. _____ is one element that distinguishes good people who make ethically responsible decisions from good people who do not.

A. Normative myopia  
B. Inattentional blindness  
C. Change blindness  
D. Moral imagination

40. Which of the following is true of moral imagination?

A. It occurs when decision makers fail to notice gradual variations over time.  
B. It denotes reasonable ethical judgments that a person makes without regard for facts.  
C. It distinguishes good people who make ethically responsible decisions from good people who do not.  
D. It refers to the positive impact a hypothetical decision is projected to have on the stakeholders involved in the decision.

41. Which of the following qualities would an effective decision maker display when considering the available alternatives for ethical decision making?

A. Reciprocal obligation  
B. Servant leadership  
C. Social entrepreneurship  
D. Moral imagination
42. Which of the following elements is important not only to consider the obvious options with regard to a particular dilemma, but also the much more subtle ones that might not be evident at first glance?

A. Intentional deliberation
B. Descriptive imagination
C. Moral imagination
D. Normative imagination

43. Identify the step of the ethical decision-making process that involves predicting the likely, foreseeable, and the possible consequences to all the relevant stakeholders.

A. Comparing and weighing the alternatives
B. Making the decision
C. Identifying the ethical issues
D. Monitoring and learning from the outcomes

44. A critical element of this step in the ethical decision-making process will be the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences or to increase and promote beneficial consequences. Which step is this?

A. Monitoring the outcomes
B. Considering available alternatives
C. Identifying the ethical issues
D. Comparing and weighing alternatives

45. Which of the following considerations can sometimes override consequences when comparing and weighing alternatives for ethical decision making?

A. Ideas
B. Apprehensions
C. Principles
D. Assumptions

46. Which step in the ethical decision-making process occurs once you have considered how a decision affects stakeholders by comparing and weighing the alternatives?

A. Identifying the ethical issues involved
B. Monitoring and learning from outcomes
C. Making a decision
D. Identifying key stakeholders

47. Identify the final step in the ethical decision-making process?

A. Listing out the eventualities that may result from the decision
B. Monitoring and learning from outcomes
C. Corresponding with the stakeholders
D. Identifying new ethical dilemmas to tackle

48. When faced with a situation that suggests two clear alternative ways forward, we often consider only those two clear paths, missing the fact that other alternatives might be possible. Considering limited alternatives is a stumbling block to responsible action that can be categorized as a(n) _____.

A. personality barrier
B. perceptual barrier
C. cognitive barrier
D. individuality barrier
49. Which of the following is a cognitive barrier to responsible, ethical decision making?

A. Choosing the alternative that meets maximum decision criteria
B. Considering unlimited alternatives
C. Following simplified decision rules
D. Selecting only the best option

50. Identify the cognitive barrier which might appear to relieve us of accountability for a decision?

A. Looking for creative alternatives
B. Considering unlimited alternatives
C. Satisfying the maximum decision criteria
D. Using a simplified decision rule

51. Which of the following explains the term "satisficing"?

A. Striving to select only the best alternative
B. Following simplified decision rules
C. Selecting the alternative simply because it is the easy way out
D. Selecting the alternative that meets minimum decision criteria

52. When making a decision, selecting the alternative that meets the minimum decision criteria is selected is known as _____.

A. normalcy bias
B. satisficing
C. optimism bias
D. flipism

53. Identify the attitude which leads to an unexamined life not worth living according to Socrates?

A. Narcissism
B. Passivity
C. Cynicism
D. Satisficing

54. Identify the institutional role from the following.

A. Spouse
B. Citizen
C. Sibling
D. Teacher

55. Identify the social role from the following?

A. Student-body president
B. Manager
C. Citizen
D. Librarian

**Fill in the Blank Questions**

56. Putting ethics into practice requires not simply decision making, but _____ decision making.
57. The first step in the ethical decision-making process, when an individual is not presented with an issue from the start, is _____.

58. ____ differences surrounding how individuals experience and understand situations can explain many ethical disagreements.

59. Some writers have called the inability to recognize ethical issues while dealing with the financial aspect of business decisions _____.

60. ____ occurs when decision makers fail to notice gradual changes over time.

61. A long tradition in philosophical ethics argues that a key test for ____ is whether or not a decision would be acceptable from the point of view of all parties involved.

62. In an ethical decision-making process, creativity in identifying options is called "_____."

63. Selecting the alternative that meets minimum decision criteria is known as _____.

64. We tend to give in to _____ in our professional environments, both because we want to "fit in" and to achieve success in our organizations, and also because our actual thinking is influenced by our peers.

65. Within a business setting, individuals must consider the ethical implications of both personal and professional decision making. Manager, teacher, and student-body president are examples of _____ roles.

**Essay Questions**

66. Explain the importance of determining the facts when making a responsible ethical decision.

67. Elaborate on the concept of perceptual differences in ethics.

68. Explain the role of the sciences in the study of ethics.

69. How does a business decision become an ethical one?

70. What is normative myopia?

71. What are the consequences of not looking at various perspectives and the interests of other people involved while making a responsible ethical decision?

72. What is the test for ethical legitimacy in philosophical ethics?

73. What is moral imagination? How is it important?

74. Explain the importance of moral imagination with an example.

75. Outline the importance of "walking a mile in another's shoes" and associate it with the fifth step of the ethical decision-making process.

76. Identify the means for comparing and weighing alternatives.

77. Outline the thought process of responsible persons comparing and weighing alternatives while considering the effects of a decision on their own integrity and character.

78. Explain how the ethical decision-making process does not end with making a decision.

79. Identify and describe the intellectual or cognitive stumbling blocks that can come in the way of responsible ethical decision.

80. Give three examples each of social and institutional roles.
Chapter 02 Ethical Decision Making: Personal and Professional Contexts Key

True / False Questions

1. The first step in making decisions that are ethically responsible is to consider all of the people affected by a decision, the people often called stakeholders.

FALSE

The first step in making decisions that are ethically responsible is to determine the facts of the situation.

2. There is a role for science and theoretical reason in any study of ethics.

TRUE

Given the general importance of determining the facts, there is a role for science (and theoretical reason) in any study of ethics.

3. A person's understanding of facts does not affect the degree of reasonability of his ethical judgements.

FALSE

An ethical judgment made in light of a diligent determination of the facts is a more reasonable ethical judgment that one made without regard for the facts. A person who acts in a way that is based upon a careful consideration of the facts has acted in a more ethically responsible way than a person who acts without deliberation.
4. Issue identification becomes the first step of the ethical decision-making process when no ethical issue or dilemma is known to the decision maker at the beginning.

**FALSE**

Issue identification becomes the first step of the ethical decision-making process when the decision maker is presented with an ethical issue or dilemma from the start. This is because the step of determining the facts of the situation becomes unnecessary since the facts that have given rise to the particular ethical dilemma are already known to the decision maker.

5. Ethical decisions cannot be made on economic grounds.

**FALSE**

It needs to be recognized that "business" or "economic" decisions and ethical decisions are not mutually exclusive. Just because a decision is made on economic grounds does not mean that it does not involve ethical considerations as well.

6. Inattentinal blindness is the inability to recognize ethical issues.

**FALSE**

Inattentinal blindness results from focusing failures.
7. Normative myopia occurs only in business.

**FALSE**

Normative myopia does not occur only in business.

8. Stakeholders include only those groups and/or individuals who take calls on internal decisions, policies, or operations.

**FALSE**

Stakeholders include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual. They are identified in the third stage of the ethical decision-making process.

9. Trying to understand another person’s perspective of a situation usually leads to poor comparisons of alternatives for ethical decision making.

**FALSE**

Understanding a situation from another's point of view, making an effort to "walk a mile in their shoes," contributes significantly to responsible ethical decision making. Weighing the alternatives will involve predicting the likely, the foreseeable, and the possible consequences to all the relevant stakeholders.
10. A critical element of comparing and weighing the alternatives is the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences.

**TRUE**

The next step in the decision-making process after considering all available alternatives is to compare and weigh the alternatives. A critical element of this evaluation will be the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences or to increase and promote beneficial consequences.

11. Consequences or justifications always override every other consideration when comparing alternatives for ethical decision making.

**FALSE**

Sometimes, matters of principles, rights, or duties override consequences when comparing alternatives for ethical decision making. In a business setting, the duties associated with a decision maker's position in the company can sometimes be the priority when comparing alternatives.

12. The best environment for high quality ethical decision making involves "thin air thinking."

**FALSE**

It is much more effective to have the time and space in which to consider the questions of ethical decision making immediately, before we are faced with them, than when they become urgent, and we must engage in "thin air thinking," not the best environment for high quality decision making.
13. Within business, an organization's context sometimes makes it difficult for even the well-intentioned person to act ethically.

**TRUE**

Within business, an organization's context sometimes makes it difficult for even a well-intentioned person to act ethically.

**AACSB: Ethics**
**Accessibility: Keyboard Navigation**
**Blooms: Remember**
**Difficulty: 1 Easy**

*Learning Objective: 02-04 Explore the Impact of Managerial Roles on the Nature of Our Decision Making.*
*Topic: Ethical Decision Making in Managerial Roles*

14. Responsibility for the circumstances that can encourage ethical behavior and can discourage unethical behavior falls predominantly to the business management and executive team.

**TRUE**

Responsibility for the circumstances that can encourage ethical behavior and can discourage unethical behavior falls predominantly to the business management and executive team.

**AACSB: Ethics**
**Accessibility: Keyboard Navigation**
**Blooms: Remember**
**Difficulty: 1 Easy**

*Learning Objective: 02-04 Explore the Impact of Managerial Roles on the Nature of Our Decision Making.*
*Topic: Ethical Decision Making in Managerial Roles*

15. Within a business setting, only the ethical implications of professional decision making should be considered.

**TRUE**

Within a business setting, individuals must consider the ethical implications of both personal and professional decision making. Decision making in professional contexts raise broader questions of social responsibilities and social justice.

**AACSB: Ethics**
**Accessibility: Keyboard Navigation**
**Blooms: Remember**
**Difficulty: 1 Easy**

*Learning Objective: 02-04 Explore the Impact of Managerial Roles on the Nature of Our Decision Making.*
*Topic: Ethical Decision Making in Managerial Roles*
Multiple Choice Questions

16. Which of the following is the first step in making an ethically responsible decision?

A. Determining the facts of the situation
B. Considering the available alternatives
C. Monitoring and learning from the outcomes
D. Comparing and weighing alternatives

The first step in making decisions that are ethically responsible is to determine the facts of the situation. Making an honest effort to understand the situation, to distinguish facts from mere opinion, is essential.

17. Which of the following is the second step of the ethical decision-making process?

A. Considering available alternatives
B. Making the decision
C. Identifying the ethical issues involved
D. Considering the impact of the on stakeholders

The second step in responsible ethical decision making requires the ability to recognize a decision or issue as an ethical decision or ethical issue.

18. Kathy, your best friend and classmate, asks you to help her with a challenging ethical dilemma. Which of the following would be your first step in the decision-making process?

A. Identifying the ethical issue
B. Considering the available alternatives
C. Determining the facts of the situation
D. Making the decision

There may be times when you are presented with an issue from the start, say, when a colleague asks you for guidance with a challenging ethical predicament. The issue identification, therefore, becomes the first step, while fact gathering is a necessary step number two.
19. Which of the following conditions makes issue identification the first step in the ethical decision-making process?

A. When the ethical predicament of the situation is hard to determine
B. When the responsibility for the decision lies with one person
C. When the issue is presented from the start
D. When the stakeholders in the decision cannot be determined

There may be times when a person is presented with an issue from the start, say, when a colleague asks her for guidance with a challenging ethical predicament. The issue identification, therefore, becomes the first step, while fact gathering is a necessary step number two.

20. In the ethical decision-making process, identify the steps that might arise in reverse order, depending on the circumstances.

A. Identifying relevant ethical issues; considering the impact of a decision on stakeholders
B. Determining the facts of the situation; identifying the impact of the decision on stakeholders
C. Identifying the impact of the decision on stakeholders; considering available alternatives
D. Determining the facts the situation; identifying relevant ethical issues

The first step in making decisions that are ethically responsible is to determine the facts of the situation. Identifying the ethical issues involved is the next step in making responsible decisions. Certainly, the first and second steps might arise in reverse order, depending on the circumstances.

21. _____ refers to shortsightedness about values.

A. Inattentional blindness
B. Normative myopia
C. Change blindness
D. Descriptive myopia

Some writers have called the inability to recognize ethical issues normative myopia, or shortsightedness about values. Normative myopia does not occur only in business, but in a business context, people may be especially likely to focus on the technical aspects of the task at hand, and thus fail to recognize the ethical aspect.
22. Which of the following is the reason why normative myopia is especially liable to occur in a business context?

A. The fast paced world of business allows little time for contemplation on ethics.  
B. Business attracts people from diverse backgrounds, which makes it difficult to identify ethical standards agreeable to everybody.  
C. People are more likely to focus on the technical aspects of the task at hand in a business context, and thus, fail to recognize the ethical aspect.  
D. Ethics can justifiably be allowed to take a backseat in a business context.

In a business context, people may be especially likely to focus on the technical aspects of the task at hand and experience normative myopia in the process. Chugh and Bazerman similarly warn of inattentional blindness, which they suggest results from focusing failures.

23. Identify the true statement about normative myopia.

A. It occurs when decision makers fail to notice gradual changes over time.  
B. It refers to the shortsightedness about values.  
C. It has only been observed to occur in business.  
D. It only results from focusing failures.

Some writers have called the inability to recognize ethical issues normative myopia, or shortsightedness about values. Normative myopia does not occur only in business, but in a business context, people may be especially likely to focus on the technical aspects of the task at hand, and thus fail to recognize the ethical aspect.

24. Which of the following statements commits the ethical oversight known as normative myopia?

A. "I skipped the red light because I was so involved in our debate."  
B. "The only reason they did not notice the pilferage happening is because it involved the theft of such small quantities of goods over a long period of time."  
C. "I hope Brad has learnt his lesson after getting drunk and crashing his car."  
D. "I strongly believe in the saying, ‘finders keepers, losers weepers.’"

The statement "I strongly believe in the saying, ‘finders keepers, losers weepers’" commits an ethical oversight. It does not take into account the fact that the object that was found may actually belong to someone else. In business contexts, it can be easy to become so involved in the financial aspects of decisions that one loses sight of the ethical aspects. Some writers have called this inability to recognize ethical issues normative myopia, or shortsightedness about values.
25. If we are told specifically to pay attention to a particular element of a decision or event, we are likely to miss all of the surrounding details, no matter how obvious. According to Bazerman and Chugh, this phenomenon is known as _____.

A. inattentional blindness  
B. descriptive ignorance  
C. change blindness  
D. normative myopia

Bazerman and Chugh warn of inattentional blindness, which they suggest results from focusing failures. If we happen to focus—or if we are told specifically to pay attention to a particular element of a decision or event—we are likely to miss all of the surrounding details, no matter how obvious.

26. Focusing failures result in moments where we ask ourselves, "How could I have missed that?" According to Bazerman and Chugh, this phenomenon is known as:

A. change blindness.  
B. descriptive ignorance.  
C. inattentional blindness.  
D. normative myopia.

Bazerman and Chugh warn of inattentional blindness, which they suggest results from focusing failures. These focusing failures then result in a moment where we ask ourselves, "How could I have missed that?"

27. Which of the following causes inattentional blindness according to Bazerman and Chugh?

A. Perceptual differences  
B. Moral exclusions  
C. Perceptual barriers  
D. Focusing failures

Bazerman and Chugh warn of inattentional blindness, which they suggest results from focusing failures. If people happen to focus on a particular element of a decision or event, they are likely to miss all of the surrounding details, no matter how obvious.
28. Which of the following is true of inattentional blindness?

A. It occurs when someone deliberately avoids taking a decision about an unpleasant ethical issue.
B. It refers to the shortsightedness about values.
C. It distinguishes good people who make ethically responsible decisions from good people who do not.
D. It occurs when people pay specific attention to a particular element of a decision, while losing sight of other aspects of it.

Inattentional blindness occurs when people focus on a particular element of a decision or event, while ignoring the surrounding details. This phenomenon was termed as focusing failure by Bazerman and Chugh.

29. Missing a highway turn-off as a result of speaking on a cell phone while driving is an example of _____.

A. normative myopia
B. inattentional blindness
C. rational ignorance
D. change blindness

Bazerman and Chugh warn of inattentional blindness, which they suggest results from focusing failures. These focusing failures then result in a moment where we ask ourselves, "How could I have missed that?" You may recall speaking on a cell phone while driving and perhaps missing a highway turn-off by mistake.

30. The Arthur Andersen auditors did not notice how low Enron had fallen in terms of its unethical decisions over a period of time. According to Bazerman and Chugh, this omission is an example of _____.

A. inattentional blindness
B. descriptive ignorance
C. change blindness
D. normative myopia

According to Bazerman and Chugh, change blindness is one of the means by which ethical issues might go unnoticed. This omission occurs when decision makers fail to notice gradual changes over time, and they offer the example of the Arthur Andersen auditors who did not notice how low Enron had fallen in terms of its unethical decisions.
31. The omission known as change blindness occurs when _____.

A. decision makers fail to notice gradual changes over time  
B. a sudden change is overlooked by decision makers  
C. decision makers are adamant on maintaining status quo due to a fear of change  
D. a decision maker wants to bring about a change on a whim

According to Bazerman and Chugh, change blindness is one of the means by which ethical issues might go unnoticed. This omission occurs when decision makers fail to notice gradual changes over time.

32. The failure of decision makers to notice gradual variations over time is known as _____.

A. inattentional blindness  
B. conscious incompetence  
C. change blindness  
D. rational ignorance

According to Bazerman and Chugh, change blindness is one of the means by which ethical issues might go unnoticed. This omission occurs when decision makers fail to notice gradual changes over time and they offer the example of the Arthur Andersen auditors who did not notice how low Enron had fallen in terms of its unethical decisions.

33. In the ethical decision-making process, once one examines the facts and identifies the ethical issues involved, one should next _____.

A. make the decision  
B. consider the available alternatives  
C. monitor and learn from the outcomes  
D. identify the stakeholders

The third step involved in ethical decision making involves one of its more critical elements. We are asked to identify and to consider all of the people affected by a decision, the people often called stakeholders.
34. "____" include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual.

A. Stakeholders  
B. Shareholders  
C. Employees  
D. Owners

"Stakeholders" include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual.

35. Jim resides close to Bunton Steel Co., a steel factory. The company has recently implemented changes to its pollution control policy that has adversely affected Jim and his family. This makes Jim a(n) _____ in the company’s pollution control policy.

A. associate  
B. stockholder  
C. partner  
D. stakeholder

Jim is a stakeholder in Bunton Steel Co.’s pollution control policy. "Stakeholders" include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual.

36. In an ethical decision-making process, moral imagination helps individuals make ethically responsible decisions. Identify the step in which moral imagination is critical.

A. Determining the facts  
B. Considering the available alternatives  
C. Identifying the ethical issues  
D. Identifying and considering impact of decision on stakeholders

Once we have examined the facts, identified the ethical issues involved, and identified the stakeholders, we need to consider the available alternatives. Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.
37. In the ethical-decision making process, moral imagination is used by decision makers while _____.

A. considering the available alternatives  
B. identifying the stakeholders  
C. identifying the ethical issues involved  
D. determining the facts of the situation

Creativity in identifying ethical options—also called moral imagination—is one element that distinguishes good people who make ethically responsible decisions from good people who do not. It is important not only to consider the obvious options with regard to a particular dilemma, but also the much subtler ones that might not be evident at first glance.

38. In the ethical decision-making process, creativity in identifying options is also known as _____.

A. moral imagination  
B. descriptive imagination  
C. intentional deliberation  
D. normative imagination

Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.

39. ____ is one element that distinguishes good people who make ethically responsible decisions from good people who do not.

A. Normative myopia  
B. Inattentional blindness  
C. Change blindness  
D. Moral imagination

Once we have examined the facts, identified the ethical issues involved, and identified the stakeholders, we need to consider the available alternatives. Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.
40. Which of the following is true of moral imagination?

A. It occurs when decision makers fail to notice gradual variations over time.
B. It denotes reasonable ethical judgments that a person makes without regard for facts.
C. It distinguishes good people who make ethically responsible decisions from good people who do not.
D. It refers to the positive impact a hypothetical decision is projected to have on the stakeholders involved in the decision.

Once we have examined the facts, identified the ethical issues involved, and identified the stakeholders, we need to consider the available alternatives. Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.

41. Which of the following qualities would an effective decision maker display when considering the available alternatives for ethical decision making?

A. Reciprocal obligation
B. Servant leadership
C. Social entrepreneurship
D. Moral imagination

When considering the available alternatives in the ethical decision-making process, moral imagination is important not only to consider the obvious options with regard to a particular dilemma, but also the much subtler ones that might not be evident at first glance. This is the one element that distinguishes good people who make ethically responsible decisions from good people who do not.

42. Which of the following elements is important not only to consider the obvious options with regard to a particular dilemma, but also the much more subtle ones that might not be evident at first glance?

A. Intentional deliberation
B. Descriptive imagination
C. Moral imagination
D. Normative imagination

Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not. It is important not only to consider the obvious options with regard to a particular dilemma, but also the much more subtle ones that might not be evident at first glance.
43. Identify the step of the ethical decision-making process that involves predicting the likely, foreseeable, and the possible consequences to all the relevant stakeholders.

A. Comparing and weighing the alternatives  
B. Making the decision  
C. Identifying the ethical issues  
D. Monitoring and learning from the outcomes

Weighing the alternatives involves predicting the likely, the foreseeable, and the possible consequences to all the relevant stakeholders.

44. A critical element of this step in the ethical decision-making process will be the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences or to increase and promote beneficial consequences. Which step is this?

A. Monitoring the outcomes  
B. Considering available alternatives  
C. Identifying the ethical issues  
D. Comparing and weighing alternatives

A critical element of weighing the alternatives will be the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences or to increase and promote beneficial consequences.

45. Which of the following considerations can sometimes override consequences when comparing and weighing alternatives for ethical decision making?

A. Ideas  
B. Apprehensions  
C. Principles  
D. Assumptions

Sometimes matters of principles, rights, or duties might override consequences when comparing and weighing alternatives for ethical decision making. For example, how an employee compares and weighs alternatives for ethical decision making could depend on the duties associated with his position.
46. Which step in the ethical decision-making process occurs once you have considered how a decision affects stakeholders by comparing and weighing the alternatives?

A. Identifying the ethical issues involved  
B. Monitoring and learning from outcomes  
C. Making a decision  
D. Identifying key stakeholders

Once you have considered how a decision affects stakeholders by comparing and weighing the alternatives, you make the required decision.

47. Identify the final step in the ethical decision-making process?

A. Listing out the eventualities that may result from the decision  
B. Monitoring and learning from outcomes  
C. Corresponding with the stakeholders  
D. Identifying new ethical dilemmas to tackle

Once you have explored the variables, it is time to make a decision. However, the process is not yet complete. To be accountable in our decision making, it is not sufficient to deliberate over this process, only to later throw up our hands once the decision is made: "It's out of my hands now!" Instead, we have the ability as humans to learn from our experiences. That ability creates a responsibility to evaluate the implications of our decisions, to monitor and learn from the outcomes, and to modify our actions accordingly when faced with similar challenges in the future.

48. When faced with a situation that suggests two clear alternative ways forward, we often consider only those two clear paths, missing the fact that other alternatives might be possible. Considering limited alternatives is a stumbling block to responsible action that can be categorized as a(n) _____.

A. personality barrier  
B. perceptual barrier  
C. cognitive barrier  
D. individuality barrier

Some stumbling blocks to responsible action are cognitive or intellectual. One cognitive barrier is that we sometimes consider only limited alternatives. When faced with a situation that suggests two clear alternative ways forward, we often consider only those two clear paths, missing the fact that other alternatives might be possible.
49. Which of the following is a cognitive barrier to responsible, ethical decision making?

A. Choosing the alternative that meets maximum decision criteria  
B. Considering unlimited alternatives  
C. Following simplified decision rules  
D. Selecting only the best option  

Following simplified decision rules is a cognitive barrier.

50. Identify the cognitive barrier which might appear to relieve us of accountability for a decision?

A. Looking for creative alternatives  
B. Considering unlimited alternatives  
C. Satisfying the maximum decision criteria  
D. Using a simplified decision rule  

Using a simple decision rule might appear to relieve us of accountability for the decision (you did not "make" the decision; the rule required the decision to be made), even if it may not be the best possible decision.

51. Which of the following explains the term "satisficing"?

A. Striving to select only the best alternative  
B. Following simplified decision rules  
C. Selecting the alternative simply because it is the easy way out  
D. Selecting the alternative that meets minimum decision criteria  

We often select the alternative that satisfies minimum decision criteria, otherwise known as satisficing.
52. When making a decision, selecting the alternative that meets the minimum decision criteria is selected is known as _____.

A. normalcy bias  
B. satisficing  
C. optimism bias  
D. flipism  

We often select the alternative that satisfies minimum decision criteria, otherwise known as "satisficing." We select the option that suffices, the one that people can live with, even if it might not be the best.

53. Identify the attitude which leads to an unexamined life not worth living according to Socrates?

A. Narcissism  
B. Passivity  
C. Cynicism  
D. Satisficing  

Passivity is exactly the sort of unexamined life that Socrates claimed was not worth living. To live a meaningful human life, we must step back and reflect on our decisions, taking responsibility as autonomous beings.

54. Identify the institutional role from the following.

A. Spouse  
B. Citizen  
C. Sibling  
D. Teacher  

Some of our roles are social: friend, son or daughter, spouse, citizen, neighbor. Some are institutional: manager, teacher, student-body president.
55. Identify the social role from the following?

A. Student-body president  
B. Manager  
C. Citizen  
D. Librarian

Some of our roles are social: friend, son or daughter, spouse, citizen, neighbor. Some are institutional: manager, teacher, student-body president.

Fill in the Blank Questions

56. Putting ethics into practice requires not simply decision making, but ______ decision making.

Ans: accountable

Putting ethics into practice requires not simply decision making, but accountable decision making.

57. The first step in the ethical decision-making process, when an individual is not presented with an issue from the start, is ______.

Ans: determining the facts

The first step in making decisions that are ethically responsible is to determine the facts of the situation.

58. ______ differences surrounding how individuals experience and understand situations can explain many ethical disagreements.

Ans: Perceptual

Perceptual differences surrounding how individuals experience and understand situations can explain many ethical disagreements.
59. Some writers have called the inability to recognize ethical issues while dealing with the financial aspect of business decisions _____.

Ans: normative myopia

Some writers call the inability to recognize ethical issues normative myopia, or shortsightedness about values. Normative myopia does not occur only in business, but in a business context, people may be especially likely to focus on the technical aspects of the task at hand, and thus fail to recognize the ethical aspect.

60. _____ occurs when decision makers fail to notice gradual changes over time.

Ans: Change blindness

Change blindness occurs when decision makers fail to notice gradual changes over time.

61. A long tradition in philosophical ethics argues that a key test for _____ is whether or not a decision would be acceptable from the point of view of all parties involved.

Ans: ethical legitimacy

A long tradition in philosophical ethics argues that a key test of ethical legitimacy is whether a decision would be acceptable from the point of view of all parties involved.

62. In an ethical decision-making process, creativity in identifying options is called "_____.

Ans: moral imagination

Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.
63. Selecting the alternative that meets minimum decision criteria is known as _____.

**Ans: satisficing**

We often select the alternative that satisfies minimum decision criteria, otherwise known as "satisficing."

64. We tend to give in to _____ in our professional environments, both because we want to "fit in" and to achieve success in our organizations, and also because our actual thinking is influenced by our peers.

**Ans: peer pressure**

We tend to give in to peer pressure in our professional environments, both because we want to "fit in" and to achieve success in our organizations, and also because our actual thinking is influenced by our peers.

65. Within a business setting, individuals must consider the ethical implications of both personal and professional decision making. Manager, teacher, and student-body president are examples of _____ roles.

**Ans: institutional**

Within a business setting, individuals must consider the ethical implications of both personal and professional decision making. Some of our roles are social: friend, son or daughter, spouse, citizen, neighbor. Some are institutional: manager, teacher, student-body president.

**Essay Questions**

66. Explain the importance of determining the facts when making a responsible ethical decision.

The first step in making decisions that are ethically responsible is to determine the facts of the situation. Making an honest effort to understand the situation, to distinguish facts from mere opinion, is essential. Perceptual differences in how individuals experience and understand situations can explain many ethical disagreements.

Knowing the facts and carefully reviewing the circumstances can go a long way in resolving disagreements at an early stage.
67. Elaborate on the concept of perceptual differences in ethics.

Perceptual differences in how individuals experience and understand situations can explain many ethical disagreements. Knowing the facts and carefully reviewing the circumstances can go a long way toward resolving disagreements at an early stage.

68. Explain the role of the sciences in the study of ethics.

An ethical judgment made in light of a diligent determination of the facts is a more reasonable ethical judgment that one made without regard for the facts. A person who acts in a way that is based upon a careful consideration of the facts has acted in a more ethically responsible way than a person who acts without deliberation. The sciences, and perhaps especially the social sciences, can help us determine the facts surrounding our decisions.

For a business example, consider what facts might be relevant for making a decision regarding child labor. Consider how the social sciences of anthropology and economics, for example, might help us understand the facts surrounding employing children in the workplace within a foreign country.

69. How does a business decision become an ethical one?

The first step in ensuring that a business decision becomes an ethical one is that we need to recognize that "business" or "economic" decisions and ethical decisions are not mutually exclusive. Just because a decision is made on economic grounds does not mean that it does not involve ethical considerations, as well. Being sensitive to ethical issues is an important characteristic that needs to be cultivated in ethically responsible people. Beyond sensitivity, we also need to ask how our decisions will impact the well-being of the people involved.

70. What is normative myopia?

In business contexts, it can be easy to become so involved in the financial aspects of decisions that one loses sight of the ethical aspects. Some writers have called this inability to recognize ethical issues normative myopia, or shortsightedness about values.
71. What are the consequences of not looking at various perspectives and the interests of other people involved while making a responsible ethical decision?

The third step involved in ethical decision making involves one of its more critical elements. We are asked to identify and consider all of the people affected by a decision, the people often called stakeholders. "Stakeholders," in this general sense, include all of the groups and/or individuals affected by a decision, policy, or operation of a firm or individual. Examining issues from a variety of perspectives other than one's own, and other than what local conventions suggest, helps make one's decisions more reasonable and responsible. And, to the contrary, thinking and reasoning from a narrow and personal point of view virtually guarantees that we will not understand the situation fully.

Making decisions from a narrow and personal point of view likewise guarantees that we are liable to make a decision that does not give due consideration to other persons and perspectives.

72. What is the test for ethical legitimacy in philosophical ethics?

A long tradition in philosophical ethics argues that a key test of ethical legitimacy is whether or not a decision would be acceptable from the point of view of all parties involved.

73. What is moral imagination? How is it important?

Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not.
74. Explain the importance of moral imagination with an example.

Once we have examined the facts, identified the ethical issues involved, and identified the stakeholders, we need to consider the available alternatives. Creativity in identifying options—also called "moral imagination"—is one element that distinguishes good people who make ethically responsible decisions from good people who do not. It is important not only to consider the obvious options with regard to a particular dilemma, but also the much more subtle ones that might not be evident at first glance.

For example, if an iPod gets lost, one person might decide to keep it because she judges that the chances of discovering the true owner are slim and that, if she doesn't keep it, the next person to discover it will make that decision. Another person might be able to think of some alternatives beyond those choices. For example, she could return early for the next class to see who is sitting at the desk, or she could find out who teaches the previous class and ask that teacher for help in identifying the owner. Moral imagination might be something as simple as checking in a lost and found department.

75. Outline the importance of "walking a mile in another's shoes" and associate it with the fifth step of the ethical decision-making process.

The step of comparing and weighing the alternatives involves creating a mental spreadsheet that evaluates the impact of each alternative you have devised on each stakeholder you identified. The most helpful way to accomplish this is to try to place oneself in the other person's position. Understanding a situation from another's point of view, making an effort to "walk a mile in their shoes," contributes significantly to responsible ethical decision making.

Weighing the alternatives will involve predicting the likely, the foreseeable, and the possible consequences to all the relevant stakeholders. A critical element of this evaluation will be the consideration of ways to mitigate, minimize, or compensate for any possible harmful consequences or to increase and promote beneficial consequences.

76. Identify the means for comparing and weighing alternatives.

Consequences, justifications, matters of principles, rights or duties, and the consideration of the effects of a decision on one's own integrity and character are all means for comparing and weighing alternatives.
77. Outline the thought process of responsible persons comparing and weighing alternatives while considering the effects of a decision on their own integrity and character.

Comparing and weighing alternatives requires consideration of the effects of a decision on one's own integrity and character. Understanding one's own character and values should play a role in decision making. A responsible person will ask: "What type of person would make this decision? What kind of habits would I be developing by deciding in one way rather than another? What type of corporate culture am I creating and encouraging? How would I, or my family, describe a person who decides in this way? Is this a decision that I am willing to defend in public?" Such questions truly go to the heart of ethical business leadership.

AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-01 Describe a Process for Ethically Responsible Decision Making.
Topic: A Decision-Making Process for Ethics

78. Explain how the ethical decision-making process does not end with making a decision.

Once one has explored the other variables of the ethical decision-making process, it is time to make a decision. However, the process is not yet complete. To be accountable in our decision making, it is not sufficient to deliberate over this process, only to throw up our hands.

Instead, we have the ability as humans to learn from our experiences. That ability creates a responsibility to evaluate the implications of our decisions, to monitor and learn from the outcomes, and to modify our actions accordingly when faced with similar challenges in the future.

AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-02 Apply this Model to Ethical Decision Points.
Topic: A Decision-Making Process for Ethics

79. Identify and describe the intellectual or cognitive stumbling blocks that can come in the way of responsible ethical decision.

Some stumbling blocks to responsible action are cognitive or intellectual. The model of ethical decision making suggests that a certain type of ignorance can account for bad ethical choices. Sometimes that ignorance can be almost willful and intentional. Another cognitive barrier is that we sometimes only consider limited alternatives. When faced with a situation that suggests two clear alternative resolutions, we often consider only those two clear paths, missing the fact that other alternatives might be possible. Responsible decision making would require that we discipline ourselves to explore additional methods of resolution. We also generally feel most comfortable with simplified decision rules. Having a simple rule to follow can be reassuring to many decision makers. Using a simple decision rule might appear to relieve us of accountability for the decision even if it may not be the best possible decision.

We also often select the alternative that satisfies minimum decision criteria, otherwise known as "satisficing." We select the option that suffices, the one that people can live with, even if it might not be the best. The very fact that a decision was reached by consensus can convince everyone involved that it must be the most reasonable decision.

AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Explain the Reasons Why "Good" People Might Engage in Unethical Behavior.
Topic: When Ethical Decision Making Goes Wrong: Why Do "Good" People Engage in "Bad" Acts?
80. Give three examples each of social and institutional roles.

Some of our roles are social: friend, son or daughter, spouse, citizen, neighbor. Some are institutional: manager, teacher, student-body president.
Chapter 02 Ethical Decision Making: Personal and Professional Contexts Summary

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