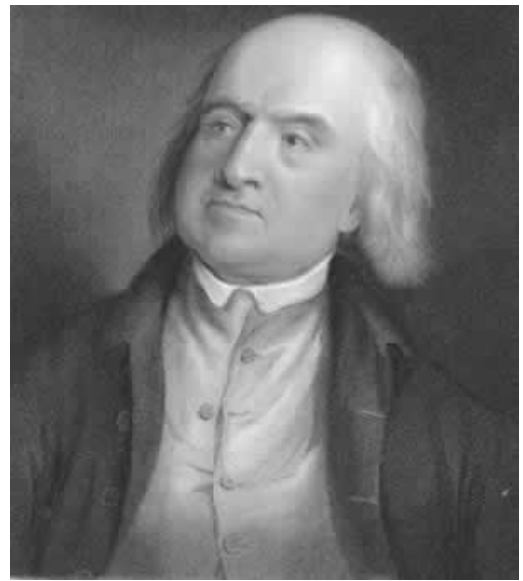


BUSI530 – Business Ethics & Sustainable Development

Assignment:

Utilitarianism in Relation to Business Ethics



Prepared for:

MBA 31, 2007

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Date: 14.08.2007

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Word Count: 3,833

1. Executive Summary

This essay discusses utilitarianism in relationship to business ethics by looking first at the concept of utilitarianism and then explaining this theory by using examples of dilemmas in common business situations. For managers it is often difficult in the decision making processes to value the decision as “right” or “wrong” and they are looking for a framework to help them. Utilitarianism is an attempt to provide such a framework and in this essay a special interest is taken on the different approaches of act- and rule utilitarianism introduced by Jeremy Bentham and John Stuart Mill respectively. I come to the conclusion that both approaches can not be seen as individual solutions but have to be taken as one to provide an approach for managers to evaluate the ethical aspect of a decision.

Furthermore the conclusion of an extensive literature review and continuative elaborations is that utilitarianism alone is not enough to provide a complete framework or guideline to ethical decision making alone but that it is an important aspect. Further theories like Kant’s deontology have to be taken into account and additionally modern approaches like the URJC-model offer valuable tools for managers. The essay concludes with a quotation from a study about the cost of unethical business behaviour to strengthen the importance of this topic for managers.

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