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## **ETHICAL CONUNDRUMS AND THEIR MANAGEMENT**

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**ABSTRACT** -An ethical conundrum refers to a scenario where a decision must be made between many choices that are there – choices may be two or three or even more than that. An agent is put in an uncomfortable and challenging circumstance since they frequently have to choose between morally right and wrong options, and they should always select the morally right option. Selection is a reflection of several principles; therefore it creates conflicts not only between ethical difficulties at different levels but even within the same level. Certain hierarchy and priority principles which are part of the process and, more specifically, the approach to resolving ethical conundrums - can be used to resolve these conflicts. This paper emphasizes the significance of an ethical conundrum - the so-called corporate ethical conundrum - in decision-making for businesses through some real life examples and cases. It may be the outcome of egoism, benevolence, and the common good being incompatible. Ignoring the requirement to determine compatibility not only produces a deeper ethical conundrum, but it also damages the company's brand, lowers financial performance, and, in the worst case scenario, leads to the company's closure. Hence we may conclude that an ethical conundrum needs to be handled consistently.

**Key words** –conundrums, ethics, agents, decision – making, business, kinds of ethical challenges.

**INTRODUCTION** –Almost all the people- employed somewhere or not, are required to make decisions on day to day basis, whether they are personal or professional. They typically have multiple options at their disposal. As a result, they have to reach to a conclusion that which particular course of action to select amongst many. The goal is to select the best candidate, however different people, organizations, and nations have deviating standards for what makes for the best candidate. Additionally, the choices frequently conflict, leaving the decision-maker unsure of which course of action to choose. Ethical conundrums basically arise when a decision must be made regarding whether it is morally right or wrong, good or terrible, or fair or unfair. Decisions are made from the perspectives of the agents who make the decisions, the principals who need to make the decisions, and the majority of those who do not participate in decision-making but are impacted by the decisions (the common good or the general interest). There are various forms of ethical conundrums, about which information is essential since they call for distinct approaches to treatment. That being said, the process of trying to find a solution rather than a one-time event highlights the intricacy and significance of the ethical conundrum. This paper outlines the fundamentals of the many ethical conundrum types and also various ethical conundrum resolution techniques. Both recent and historical case examples are utilized to demonstrate how the ethical conundrum is a persistent



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problem. These real life scenarios also showcase how the way an ethical conundrum actor thinks during the resolution process impacts their survival on all fronts.

## **LITERATURE REVIEW**

The science of moral/immoral, just/unjust, and good/bad behavior is known as ethics. Since morality is associated with the good and the right, ethics is defined as the science of studying morality (Rossouw & Van Vuuren, 2006; Weiss, 2009; Desjardins, 2009). According to Rosen and Van Vuuren (2006), morality is measured based on three main factors - the common good, individual interests, and the interests of others. When someone behaves in the public interest, it is thought to be for the common good. An individual becomes altruistic when his / her own interests are not paid any attention, as they only consider the interests of others and disregard their own. Since altruism is unsustainable, so the ethical behavior should think of interests of everyone else because this is the only way the standard for general goodness can be satisfied.

It is also impossible to omit the element of other people since doing so turns the person into an egoist, and egoism is an expression of immoral behavior in and of itself. Therefore, if a person's activity benefits both themselves and the majority of other people (individuals and organizations), it is usually considered ethical.

Ethics is a discipline that studies human values, rights, obligations, and moral principles in behavior, according to Stoner, Freeman, and Gilbert (1997) (p. 96). Consequently, they contend that values, rights, duties, and moral principles constitute the four fundamental components that establish ethics core.

Values express the universal good (such as world peace, a decent living for everyone, and freedom of expression, movement, and choice) or the enduring goals. Values could be determined by providing a why? Certainty of value is established at the point at which an individual no longer desires any alternative response. However, with respect to establishing value levels, responses may change simultaneously in various locations and also at different points within same area (Weiss, 2009, p. 13). Geographic relativism is at issue at first place, and temporal relativism is at issue in the second. An ethical conundrum might arise due to ethical relativism.

One of key components of ethics, the right conveys a person's or a group's freedom to pursue moral goals. The right involves a means of reaching the values since they are predetermined for a given time and location. Keeping in mind the fundamentals of ethics presented by Rossouw and Van Vuuren (2006), an ethical option only arises when egoism and altruism are absent from the decision-making process when selecting how to get the ideals. Thus, one may argue that the common good or the rights of others restrict power to pursue desirable (and defined) values.

Moral principles are norms (rules, principles, and processes) that define the essence of desired values and the means by which they can be realized. They also control rights and obligations. One of the fundamental rules of general morality is honoring commitments that have been made (that a person or group will define desired values as per generally accepted ethical norms).



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There are various methods to define moral principles, rights, obligations, and values. Every time a decision should be made between two or more options, a problem could occur. A conundrum, then, is an undesirable circumstance where the person finds themselves (RatkovicNjegovan, 2015, p. 65).

If the person has choose between two unpleasant options, the situation will be more uncomfortable (Weiss, 2009, p. 96). Then people "fall" into the so-called ethical conundrum: out of all the options, which is the most morally correct? (Examples of Ethical Conundrums). These moral conundrums arise in both personal and professional spheres, also in the clash between business and ethics. For instance, a corporation was offering a scholarship to a student during the study. This business promoted the general welfare by giving a student financial assistance so they may pursue their education. Also, the pupil realized his responsibilities to the corporation, which included finishing each year with a respectable average grade. With a spouse who received a scholarship from a corporation in separate location, he or she started a family while pursuing their education. Once done with their studies, they were faced with the decision of whether to begin working for the firm that had awarded them the scholarship or for the company that had awarded their spouse a scholarship. Living with a partner and finding work is a better option for him/her; on the contrary, the company offering the scholarships is looking to hire a suitable candidate because it made an investment in their studies. Both at human and company levels, ethical conundrums might take form of personal or professional ethical conundrums. Together, the two sides can find a solution to this problem. The best answer is the one which satisfies these requirements - neither the company nor the student should be egoists and insist on serving only their interests; neither party may be altruistic and give up their rights; and the chosen activity must serve the interests of the general public (students, businesses, and society). These requirements would fulfill the alternative whereby the organization permits the recipient of the scholarship to work for another organization and live with their family (in the public interest and free from egoism), but only in compliance with the legal obligation to reimburse the recipient of the scholarship for the full amount received (without charity and in company's welfare). This would enable the scholarship provider to recoup its investment and hire a worker from the open market.

The above example supports the belief that ethical conundrum cannot be prevented since it is frequently influenced by outside forces that are either impossible to control or manifest their influence after decisions have been taken. However, there are some people who believe that, even in cases where prevention is feasible, it is not preferable because ethical conundrum fosters problem-solving ingenuity and introduces superior alternatives. There are certain guidelines that should always be adhered to while solving ethical conundrums.

### **DIFFERENT KINDS OF ETHICAL CONUNDRUMS**

Several criteria can be used to create an ethical conundrum typology. Establishing the prerequisites for the appropriate application of the rules for its resolution is the aim. The following factors are applicable: the number of agents, the complexity of the ethical conundrum, the number of chosen choices, the holders of the ethical conundrum, the ethical conundrum levels, and connections between the various ethical levels.



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- **Personal ethical conundrum** - Because they must select the appropriate course of action on behalf of the principals, people who find themselves in ethical quandaries are referred to be agents. However, one person can serve as both a principal and an agent; in this instance, that person is personal ethical conundrum.
  - **Business ethical conundrum** - is involved when a principle and an agent are two different people. Multiple levels—individual, organizational, sectoral, national, and global - can experience ethical conundrum. As a result, ethical conundrums at the individual, organizational, sectoral, national, and worldwide levels occur. Conflicts between the individual and organizational ethical conundrum, the organizational and sectorial ethical conundrum, the cross-sectoral, national, and global, and so on, can arise between any of the lower levels of the conundrum. In such cases, the hierarchy's rules must be applied, meaning that higher levels frequently have an advantage over lower levels (for example, an employee's ethical principles must be subordinated to those of the organization where they work; business ethics are generally applicable to all companies operating in the same industry; global ethics require all states, businesses, companies, and individuals).  
Ethical conundrums are divided into simple or many depending on how many agents are involved in finding a solution. When discussing straightforward moral conundrums, only one agent engages in their resolution - that is, just one agent choose one of two options.  
Minimum two agents are involved in the resolution of multiple ethical conundrums: agent A should implement option A, and agent B should implement alternative B. As a result, they are not autonomous since one agent's actions have an impact on another's actions.
  - **Symmetric & Asymmetric Ethical Conundrum** - Their actions may contradict one another. For instance, the second agent's decision to select option B may be contingent upon the first agent's decision to select option A (known as symmetric ethical conundrum), or the first agent may select option A and the second agent may decide not to select option B (known as asymmetric ethical conundrum). As a result, an interpersonal conflict ethical conundrum is known as numerous ethical conundrums.
  - **Simple & Multiple Ethical Conundrum** - One agent and two options make up a simple ethical conundrum, whereas additional agents and two alternatives or more agents and more alternatives make up a multiple ethical conundrum. The ethical conundrum may be required or optional, depending on how many options are available. When it comes to ethical difficulties that are banned, only one alternative can be selected; in contrast, when it comes to ethical conundrums that are required, multiple options are available.  
Moral conundrums that are needed can be both general (common) and conditioned. When discussing general ethical conundrum, an agent's obligation stems from his or her moral agent status, and when discussing conditioned ethical conundrum, it stems from the agent's occupation, social duties, and societal positions. For instance, a doctor's professional duty is to determine which alternative treatment is best for each patient; a representative's moral obligation in an assembly is to represent the views of his political party while also balancing those views with the views of other representatives of other parties to advance social interests; a top manager represents the organization to internal and external stakeholders as an ethical leader, or the "champion" of moral virtues.
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The ethical conundrum is frequently a result of relationships between several ethical levels. So, the ethical conundrum may be harmonic and contradictory. There is disagreement among all decision-making levels and the individuals involved in resolving the ethical conundrum when it comes to conflicting ethical conundrum. It is especially strong between the firm and its employees, and it may be summed up as follows: putting the company's interests ahead of the employees' personal interests, and balancing them for the benefit of all. All kinds exist in reality, but they have unique effects on the company's ability to survive (as a principal).

### **INSTANCES OF CONFLICTS BETWEEN THE COMMON GOOD AND PERSONAL INTERESTS**

- Advocates often say obtain a divorce by showing an advertisement with an appealing woman and the gorgeous man were on opposite sides. They demonstrate that individuals should go for divorce without wasting any time. Advocates thus prefer personal interest over common good as they don't explore any chance of mediation.
- A gynecological clinic offered a 25% abortion discount. The clinic was the target of misdemeanor charges following the Ministry of Health's inspection. Clinic is spreading a wrong message just to earn some money.
- Businesses that deal with several client segments (from various geographic areas, with varying ages, purchasing power, etc.) in different ways.
- Pharmaceuticals are goods that have an impact on people's health and lives, it seems sense that the business ethics of drug producers are constantly in the public eye. Hence these businesses should keep in mind that their actions will have an affect on the common good, or people's lives and health. Though there are consequences, this isn't usually the case in reality. For example, Viox, a new painkiller, was introduced to the market by Merck, despite that it was known to increase risk of heart attack and stroke.
- Managers and other staff members may face intense pressure to act unethically, that is, to prioritize the business (company's) interests over the welfare of the whole workforce. One such instance included the CEO of a famous beverage company. He found out that the corporation was employing concentrate composed of sugar, water, and chemicals in place of 100% natural apple juice. Although the responsible individuals in the organization were aware of this fact prior to his arrival, their input was delayed by the 25% reduction in pricing provided by the concentrate suppliers. The CEO was brought in to improve the company's operations, which would not be possible if 100% natural apple concentrate was not used, therefore even though he knew the truth, he did not change suppliers.

### **STRATEGY 5P – A TECHNIQUE FOR HANDLING ETHICAL CONUNDRUMS**

There are many established techniques for treating ethical conundrum in both theory and practice. All methods have a common thing: they all depict a process, with varying numbers of phases or ethical conundrum dimensions included.

**Strategy 5P**– It got its name since it encompasses the five ethical conundrum dimensions, which begin with the letter P: Problems, Possibilities, People, Principles, and Priorities. First, the issues around the ethical conundrum are identified, and then the potential solutions are examined by counting the number of viable options. Thirdly, the analysis done on these options that have an impact on the public and pertinent stakeholders. As a result, obligations to

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certain stakeholders are established. They should be compliant with the law, existing industry norms, professional code of conduct, ethical standards, organizational culture, or specific values. A list of potential solutions to the ethical conundrum therefore appears, and the most advantageous one - one that serves the interests of the businesses and society as a whole - is given precedence over the other choices.

### **ETHICAL CONUNDRUM MANAGEMENT -**

There are primarily two ways or methods used in ethical conundrum management. One considers the effects of their actions. As a result, the approach of consequences or corrective measures is employed for ethical conundrum resolution. The second strategy, known as the action or preventive strategies, focuses on the steps that are made to stop the ethical conundrum.

Since there is no conflict between these two methods, complementary ways for ethical conundrum analysis and resolution are developed. They are done in three stages - decision-making, action analysis, and consequence analysis.

- i) Step 1 – deals with evaluating the positive and negative effects of various options, and also the connected positive and negative effects. Based on the combinations of these effects, the option with the most favorable effects (referred to as the best consequence) is selected.
- ii) Step 2 – involves analyzing the behaviors and focuses on those that adhere to moral ideals, such as equality, honesty justice, respect for rights of persons, and dignity of others, as well as involvement in resolving the issues of those who are less fortunate and weaker (empathy). The agent places oneself in the principal's shoes and does things that the principal would like done to him or her if the principal were in a comparable scenario. The "golden" rule is primarily applied in ethical conundrum resolution.
- iii) Step 3 – involves selecting the best option after taking the results of the first two processes.

### **CONCLUSION**

An ethical conundrum arises when an agent must select the most morally sound course of action for the principal. Same individual may play both the roles of principal and agent. There might be a clash here between business ethics and personal ethics. An agent will select an –

- i) **Egoistical Alternative** - if he prioritizes his own interests;
- ii) **Altruistic Alternative** - if he prioritizes others' interests; and
- iii) **Ethical Alternative** - if he prioritizes the interests of majority while keeping his own interests in mind.

Resolution of ethical conundrums is aided by the eradication of egoism and altruism as well as regard for the general interest. The common good can imply different things to different sorts of ethical conundrums. As a result, understanding ethical conundrum typology is beneficial, particularly in the business sector where ethical conundrums are more intricate than ethical conundrums for employees. Conflicts between business ethics at different levels and between business ethics at the same level give rise to complexity. Since the corporation is a corporate entity with a wide range of stakeholders, there is always this possibility of ethical conundrum arising in interactions with each of them. Since consumers are the ones who determine what is ethical and what exactly is not ethical, relationships with users of the products or services tend to exhibit the most evident ethical conundrums.



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