

Decision Making Frameworks

an article by sme

leading ethical authors provide guidance
on how to make difficult decisions.

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Decisions, Decisions, Decisions..... Coping with Dilemmas

Business decisions requires the facts, options, outcomes and consequences to be carefully considered.

So too do dilemmas. But a dilemma is more than just having to make a difficult choice.

It may also be about the nature of that choice – often a trade-off between conflicting principles such as honesty and loyalty

Perhaps that is why a dilemma has been well described as a predicament that seemingly defies a satisfactory solution and why dilemmas still pose great difficulty even for experienced decision-makers.

(Further discussed in "The Whistleblower's Dilemma" article).

Decision-Making Frameworks

This difficulty, though, has not prevented a number of authors from devising frameworks to assist difficult decision making.

So why does our website contain a selection of these "decision making frameworks"?

It is not always easy to know what to do or where to turn to when "put on the spot" - something we discovered earlier in our managerial careers.

We certainly could have benefited from these "decision making frameworks" and now that we are aware of them we hope visitors to our site may benefit too.

Many of the models are of a practical and common sense nature. They have a logical and objective sequence, moving from a rigorous and comprehensive statement of the situation or dilemma, through analysis of stakeholder interests and consideration of values and principles, to the identification and selection of a decision to be implemented.

You may prefer some of the frameworks to others or find that some suit situations or predicaments that others don't. Indeed the best guidance for you may be from a combination of the frameworks.

We certainly don't pretend to be experts in this area and are sure there may be many more frameworks (or other approaches) than those touched on below. We are more than open to comments, suggestions and feedback through our website's contact form.

Blanchard & Peale's Ethics Check (1998)

Blanchard and Peale believe much of the "greyness" can be taken out of dilemmas by taking the time to weigh up a decision.

They suggest most people basically know right from wrong but put themselves into stressful situations because they have knowingly made unethical decisions.

"It is easy to charge ahead without thinking and then rationalise your behaviour after the event. But the fact of the matter is there is no right way to do a wrong thing".

They back up their assertion that the very existence of a "grey area" between right and wrong is no excuse for dispensing with ethics by suggesting a short framework to guide decision making..

They suggest an Ethics Check - answering three questions when faced with an ethical problem:

1. Is it legal?
Will I be violating either civil law or company policy?
2. Is it balanced?
Is it fair to all concerned in the short term as well as the long term?
Does it promote win-win relationships?
3. How will it make me feel about myself?
Will it make me feel proud?
Would I feel good if my decision was published in the newspaper?
Would I feel good if my family knew about it?

Personal ethics

Perhaps the third question is the toughest!! Taking the right option requires a certain degree of inner strength and confidence. As Erich Fromm said "Only the person who has faith in himself is able to be faithful to others".

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Langenderfer and Rockness's seven stage framework (1990)

- 1 What are the facts of the case?
- 2 What are the ethical issues in the case?
- 3 What are the norms, principles and values related to the case?
- 4 What are the alternative courses of action?
- 5 What is the best course of action that is consistent with the norms, principles and values identified in 3?
- 6 What are the consequences of each possible course of action?
- 7 What is the decision?

Hodgson's three stage framework (1992)

- 1 Examine the situation
 - Get the critical facts
 - Identify the key stakeholders
 - Identify each stakeholder's options (what each stakeholder wants done).
- 2 Establish the dilemma
 - Identify the working principles and norms that drive each option (why each stakeholder wants it done)
 - Project the possible outcomes (consequences) of each stakeholder option. Do any violate your principles, or those of your organisation?
 - Determine the actions (means) necessary to produce each outcome. Do any violate your principles, or those of your organisation?
 - State the dilemma.
- 3 Establish the options
 - Identify the General Principles(s) behind each option.
 - Compare the General Principle(s) behind each option. Which is the most responsible General Principle(s) in this situation?
The option with the most responsible General Principle(s) is your choice for action.

Hall's seven stage framework (1993)

- 1 Define the problem.
- 2 Identify the stakeholders.

- 3 Identify the practical alternatives.
- 4 Determine the measurable economic impact of each alternative.
- 5 Identify the immeasurable economic consequences of each alternative.
- 6 Arrive at a tentative decision.
- 7 Decide how to implement the decision.

Rion's five stage model (1990)

Rion's model was developed while he was Director of Corporate Responsibility at the Cummins Engine Company in the U.S.

Although his is essentially a practical approach, he recognises that analytic concepts are critical features of ethical decision making yet stresses the importance of the ability to: "...resolve issues, to take the leap from analysis to integrated judgment"

Rion illustrates how analysis can be used in forming this 'integrated judgment' by use of his decision-making framework, the five stages of which are:

- 1 Why is this bothering me?
- 2 What else matters?
- 3 Is it my problem?
- 4 What do others think?
- 5 Am I being true to myself?

And in more detail:

- 1 Why is this bothering me?

Trying to answer this question may help decide if the problem is really an ethical one. It may act as a restraint, at times, on over-zealous interpretations of ethics.

Answering this question can also, importantly, help to clarify the problem. Is it a question of one or more of the following:

- fairness
- honesty (integrity)
- promise-keeping

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- avoiding doing harm?

Are there competing claims inherent in the ethical problem? What principles and rules are applicable?

2 Who else matters?

The decision maker is asked to consider what impact the action or the decision will have on others - the stakeholders.

The Golden Rule - 'Do unto others as you would have them do unto you' - may be of relevance here.

In short, the ethical problem is examined from the viewpoints of all those who are affected by the ethical problem.

3 Is it my problem?

This addresses the question of responsibility and obligation. To what extent is the responsibility mine - a role responsibility?

Is the responsibility, in part or solely, that of a client or employer or others?

Is the decision a matter of moral obligation (avoiding harm) or a good deed (helping others)? A moral obligation may place more stringent ethical requirements compared with performing a good deed.

Nevertheless, ethical concern, as respect for others, encourages one to do good deeds that are 'above and beyond the call of duty'.

4 What do others think?

Consulting others about an ethical problem can expose one to different facts, principles and perspectives. This additional information may not have been considered or have been given the importance that it deserves.

This applies to problem solving in general, of course, and does not pertain solely to ethical decision making. The extra insights gained can serve to enlighten, puzzle, perhaps even paralyse one's thoughts. You may have encountered such a situation!

Ideally, however, consulting others, especially if they are well informed, professionally experienced and, importantly, have ethical sensitivity and awareness, can be most helpful.

5 Am I being true to myself?

This step is essentially a check on the ethical validity of the decision arrived at.

Can one justify the decision in ethical terms?

Am I happy with the decision? Are the decision and its implications what a professional manager should accept? Is the decision consistent with a profession's Ethical Code?

How would I feel if the decision were reported in the newspaper?

Guy's ten stage framework (1990)

- 1 Define the problem.
- 2 Identify the goal to be achieved.
- 3 Specify all dimensions of the problem.
- 4 List all possible solutions to each dimension.
- 5 Evaluate alternative solutions to each dimension regarding the likelihood of each to maximise the important values at stake.
- 6 Eliminate alternatives which are too costly, not feasible or maximise the wrong values when combined with solutions to other dimensions.
- 7 Rank the alternatives to each dimension according to which are most likely to maximise the most important values.
- 8 Select the alternative to each dimension that is most likely to work in the context of the problem while maximising the important values at stake.
- 9 Combine the top ranking alternatives for each dimension of the problem in order to develop a solution to the problem as a whole.
- 10 Make a commitment to the choice and implement it.

Guy's Ten Core Values (1990)

Guy has also identified ten core values as 'guideposts for ethical decision making' - the values and principles on which she builds her framework model.

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Caring means treating people as ends in themselves, not as means to an end. It means having compassion, treating people courteously and with dignity, helping those in need and avoiding harm to others.

Honesty means being truthful and not deceiving or distorting. In the long run, there is usually less advantage and more harm to being dishonest than to being honest. One by one, deceptions undermine the capacity for open exchange and erode credibility. Individuals who lose their reputation for truthfulness usually cannot accomplish very much.

Accountability means accepting the consequences of one's actions and accepting the responsibility for one's decisions and their consequences. This means setting an example for others and avoiding even the appearance of impropriety.

Promise keeping means keeping one's commitments. When promises have been made, they are supported by the fact that the obligation to keep promises is among the most important of generally accepted obligations. Promises and agreements to stakeholders create expectations of performance and establish obligations.

Pursuit of excellence means striving to be as good as one can be. It means being diligent, industrious and committed. It means being well informed and well prepared. It is not enough to be content with mediocrity, but it is also not right to win "at any cost".

Loyalty means being faithful and loyal to those with whom one has dealings. This means safeguarding the ability to make independent professional judgments by scrupulously avoiding undue influence and conflicts of interest. But loyalty is not an unmitigated good. It depends to whom and for what purpose or reason the loyalty is given. Blind obedience is thoughtless and does not prepare a decision-maker to weigh the values in question and make the best decision.

Fairness means being open-minded, willing to admit an error; not overreaching or taking undue advantage of another's adversities; avoiding arbitrary or capricious favouritism. It means treating people equally and making decisions based on notions of justice.

Integrity means using independent judgement and avoiding conflicts of interest, restraining from self-aggrandisement and resisting economic pressure. It means being faithful to one's deepest beliefs, acting on one's conviction and not adopting an ends-justifies-the-means philosophy that ignores principle.

Responsible citizenship means that actions should be in accord with societal values. All high officials, whether in government or business, have at least some degree of discretion (and many have a great deal). Appropriate standards for the exercise of this discretion must be practiced. Within government, both legislative and executive judgment ought to reflect the will of the people in accord with democratic values. Public servants have a special obligation to lead by example, to safeguard and advance the integrity and reputation of the legislative process, and to avoid even the appearance of impropriety. In both government and business it is important to obey just laws. If a law is unjust, it should be protested through accepted means... (Guy 1990, pp.14-17).

Respect for others means recognising each person's right to privacy and self-determination and having respect for human dignity. It means being courteous, prompt, decent and providing others with information they need to make informed decisions.

[There may, at times, be a conflict of moral duty to provide information and to maintain confidentiality. This is a real dilemma, which has to be resolved in terms of which party has the greatest moral claim, e.g., respecting the confidentiality to a client or friend, or operating in the public interest by revealing the information.

[This raises the distinction of being ethically responsible to or for. Thus, a professional person is responsible to a client but is not ethically responsible for a client. The client, respected as an autonomous person, has the right to make the ethical decision based on the advice provided by his or her professional adviser. In this way a professional person can maintain the duty of responsibility of confidentiality but also act in a correct ethical manner. If the client does not accept the advice of the professional person, then he or she should seriously consider

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resigning from the assignment as his or her professional independence is likely to be seriously impaired.]

Guy states that her ten core values are 'ethical standards that have survived the ages'. She adds that they also provide '...benchmarks for ethical decision making'. When put into practice, she states, they promote the virtues of 'moderation, order, resolution, industriousness, sincerity and humility'.

Hodgson produces a similar list of values which he refers to as 'The Magnificent Seven Universal General Principles.' There is also parallel thinking with Ross's prima facie duties.

Hodgson's Magnificent Seven Universal General Principles (1992)

- 1 Dignity of human life: The lives of persons are to be respected. Example: not intending or doing harm to others.
- 2 Autonomy: All persons, including ourselves, are intrinsically valuable and have a right to self-determination. Examples: acting in ways that demonstrate each person's worth; acting for one's own legitimate needs.
- 3 Honesty: The truth should be told to those who have a right to know it. Examples: speaking and acting in ways that reflect the way things are in reality.
- 4 Loyalty: Promises, contracts, and commitments should be honoured. Examples: honouring confidentiality and keeping proprietary information secret; honouring written and oral contracts; doing what one says one will do.
- 5 Fairness: People should be treated justly. Examples: one's right to life's necessities and the duty to ensure them for others; the right of all to fair treatment under work contracts, company policies, and the law; duty to help those in deep need, those in danger, and those who are helpless.
- 6 Humaneness: (1) Our actions should accomplish good; (2) our actions should avoid evil. Actions should be of benefit to ourselves and others. Examples: performing good acts, not evil ones; acting and speaking to be of

benefit to others; acting and speaking in ways that benefit one's own valid self-interest.

- 7 The common good: Actions should accomplish the 'greatest good for the greatest number' of people. Examples: speaking and acting, whenever possible, for the welfare for the most people, as long as individual rights are not violated.

Garrett's proportionality framework (1966)

Garrett provides what is termed a 'proportionality' framework and is usefully compared with Ross's prima facie duties framework.

His framework combines the utilitarian concern with outcomes (consequences) with the Kantian preoccupation with process (intentions and means).

For Garrett, ethical decisions comprise three components: intention, means and end.

The sequence in the decision-making model then becomes:

- Intention or that which is willed. What is the motivation behind a person's actions? Are the intentions ethical?
- Means. What methods or processes are used to bring about certain ends? Are they ethical? An unforeseen harm, resulting from risk, is permissible because it is not willed (intended). A foreseen harm, however, is only permissible if there is a proportionate reason for taking the risk of the harm. For instance, it is permissible when the outcomes will be clearly of great good and the risks are minimal (the notion of restricted risk).
- End. Garrett's view is that ends should be measured in terms of the intrinsic value (nature) foreseen of the acts rather than by the consequences produced by these acts. In other words, the end should not justify the means. Also, his notion of restricted responsibility should not be applied in the sense that anything is permissible if the ends justify the means.

For a fuller, formal analysis of the proportionality principle as enunciated by Garrett in 1966, see Garrett and Klonoski (1986).

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Ross's prima facie duties framework (1930)

Ross contended that there are self-evident (intuitive) prima facie duties that persons of mature thought will acknowledge.

His argument is essentially a study of obligations and is not a sequential decision making framework such as the Rion and the Langenderfer and Rockness models.

This framework is useful in helping a person analyse the prima facie duties that they should discharge. These are as follows:

- 1 Duties of fidelity. These duties apply to actions that have previously been undertaken, e.g. faithfulness to contracts; promises; truth telling and redressing wrongs (sometimes referred to as the 'duties of reparation' and classified separately).
- 2 Duties of gratitude. These duties also apply because of past relationships and their resultant obligations such as to family, friends, teachers, employers, colleagues, profession and the community that has nurtured one.
- 3 Duties of justice. These are the duties (obligations) to distribute rewards that are based on merit rather than on other considerations. 'Justice' here refers to moral law as distinct from legal law. The duty of justice in this sense goes beyond the letter of the law.
- 4 Duties of beneficence. Basically, these include the duty to do good for others, when the opportunity arises, so that their lives can be improved.
- 5 Duties of self-improvement. This notion has a long tradition, dating from the ancient Greek philosophers. It is that one has a duty to undertake one's self-actualisation or self-improvement in personal virtue (integrity), expertise and happiness.
- 6 Duties of non-maleficence (non-injury). This is the only one of the duties that is stated negatively. It is the important duty not to harm or to injure others. This duty obliges one to do one's utmost to avoid harming others.

It is important to note that Ross has distinguished prima facie duties from actual duties. Whereas he considered actual duties might have exceptions depending on particular circumstances, this does not apply to prima facie duties.

There are two main criticisms of this framework:

- The framework is not particularly successful in reconciling between conflicting duties. Ross's advice was that conflicting duties should be reconciled on the basis of 'utilitarian urgency'.
- The list is arbitrary and incomplete.

Frankena (1973) provides a fuller analysis of Ross's prima facie duties.

Snell's cognitive moral development theory

Snell provides a sophisticated treatment of both the cognitive and the personal skills that a manager needs to have in making ethical decisions.

His model is based on an adaptation of the cognitive moral development theory of Lawrence Kohlberg (1927-1987). More strictly speaking, Kohlberg developed a theory in the development of moral judgment. [He was strongly influenced by Kantian ethics and the principles of justice].

According to Kohlberg's research, individuals may pass through three levels during their lifetime in their ethical development. Most individuals may only progress through the first two and never reach the third.

These three levels are pre-conventional, conventional and post-conventional. These three levels are further divided into stages.

In all he postulated that there were six stages, two per level. Sophistication in ethical decision making progressed through six stages, from 1 to 6. Each stage is characterised in brief by the following characteristics:

Level 1: Pre-conventional

Stage 1 - Punishment and obedience (fear and deference).

Stage 2 - Instrumental relativism (personal gain - not losing out).

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Level 2: Conventional

Stage 3 - Interpersonal concordance (being a nice boy or nice girl).

Stage 4 - Maintaining law and order (rules, laws and conventions).

Level 3: Post-conventional

Stage 5 - Developing social contracts based on majority interest.

Stage 6 - Universal ethical principles (justice to all).

The model moves from stage 1, heteronomous reasoning (i.e., the opposite of autonomous; meaning being ruled from outside laws, influences or factors) to the principled autonomous stage 6 (self-ruled, self-governing, acting independently on principles rather than norms).

Probably less than five per cent of the adult population operate at the stage 6 level and those not all the time! Some would say that one has to be a moral philosopher to operate at stage 6.

The point should be made that a person who regularly operates at stage 6 is able to operate at any of the other stages, but will probably not be inclined to do so except in extreme circumstances.

A person who is in transition from stage 3 to stage 4 will probably operate at stage 3 most of the time, will occasionally be able to operate at stage 4, will understand what it means to operate at stages 1 and 2, but will have no comprehension of what is entailed in operating at stages 5 and 6.

Kohlberg argued that individuals progressed strictly by stages - they did not 'skip' a stage. The way to move from a lower to an upper stage is by constantly being confronted by reasoning of the upper level and being dissatisfied with the level of reasoning of the lower level. With time, the person moves from being in transition to the upper stage. This can be a lengthy process.

Kohlberg's theory has been influential in guiding the development of ethical training programs.

It is also a controversial theory, which is still hotly debated.

Snell provides illustrations of better forms of ethical reasoning and decision making, which he has developed by an adaptation of Kohlberg's stage theory.

He is particularly concerned, as are many others, that the ethical education of managers should equip more of them to be capable of making decisions at level 3 - the 'post-conventional' stages 5 and 6.

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References

The authors take complete books to describe their respective models. If you desire more detailed information you will need to refer to the books mentioned in this references section.

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