MBA9009

Managing Information

Ethical issues in IT/IS/EB

Charting Ethical Waters (CIO Magazine, November, 2002)

Scenario

- You work as a manager for a small application developing business, OPS P/L. Your speciality is in 'Office' applications, specifically spreadsheet and small database applications.

- You have been asked to develop a forecasting spreadsheet application for a new client, ABCD P/L, a small business that has just set up a brand new peer-to-peer network of PCs, each installed with a modern 'office' suite of programs. This represents ABCD's first move into computerisation.

- Upon talking to the owner/manager of ABCD about the requirements of the spreadsheet you are developing, you by chance ask them about where they purchased their computers and network. The owner/manager of ABCD replies that they got a "really good deal" and that "one quote stood out from the rest". The PCs and network were installed by CSP P/L, a business you are familiar with.

- After further examination, an application developer informs you that one of the reasons for the low quote was that CSP P/L provided the PCs and network, and "threw in" an unlicensed copy of the office suite on each PC. What do you do?

What do you do about ABCD?

- Nothing – design the spreadsheet as requested
- Inform ABCD about licensing responsibility and still design the spreadsheet
- Refuse to design the spreadsheet until they have legal copies
- Other???

What do you do about CSP?

- Nothing
- Ring them and give them a chance to “fix” it by providing license
- Report them to an association like the ACS
- Report them to the legal authorities
- Other???
What do you do if CSP is your direct competitor?
• Nothing
• Ring them and give them a chance to “fix” it by providing license
• Report them to an association like the ACS
• Report them to the legal authorities
• Other???

Ethics defined
• A code or set of principles by which people live
• What is considered to be right and what is considered to be wrong; what ought to be done, not what is being done
• A complex issue based on the assumption that people are rational and make free choices

Ethics theories

<table>
<thead>
<tr>
<th>Theory</th>
<th>Definition</th>
<th>Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholder</td>
<td>Maximize stockholder wealth, in legal and nondululant manners</td>
<td>Will this action maximize long-term stockholder value? Can goals be accomplished without compromising company standards and without breaking laws?</td>
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<tr>
<td>Stakeholder</td>
<td>Maximize benefits to all stakeholders while weighing costs to competing interests</td>
<td>Does the proposed action maximize collective benefits to the company? Does this action treat one or more of the corporate stakeholders unfairly?</td>
</tr>
<tr>
<td>Social contract</td>
<td>Create value for society in a manner that is just and nondiscriminatory</td>
<td>Does this action create a “net” benefit for society? Does the proposed action discriminate against any group in particular, and is its implementation socially just?</td>
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</tbody>
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Ethics...

- Plato – (429-347 BC): ‘the good life’
- Aristotle (384-322 BC): ‘moderation in all things’
- Epicures (341-270 BC): ‘pursuit of pleasure’

Ethics...

- Kant (1724-1804): deontologism
  - an action is right or wrong regardless of motive or consequences
- J. S. Mill (1806-1873): consequentialism
  - right or wrong depends upon its consequences
  - behaviour should bring about the greatest happiness for the greatest number of people

Ethical dilemmas faced by IT/IS professionals

- Exist in their everyday work life
- Obligations toward their employers, customers, co-professionals and the general public
- Issues arise from devices, systems, their quality and safety, and services of professionals
- Obligations often come into conflict one with another, and require resolution
  - Sale of an over-engineered & expensive system to gullible customers
  - “Throwing in” Unauthorised copies of copyrighted software
  - Doing a job for a client which you may find offensive
  - Possession of unsolicited information
Ethics vs. Law

- **Ethical**
  - Based on customs and beliefs about how people should treat each other
  - Judged by individuals
  - Price of nonconformance is criticism or ostracism
  - May differ from society to society or region to region

- **Legal**
  - Based on precedence, or code law
  - Appointed judges
  - Price of nonconformance fines or jail sentence
  - Also may differ from society to society or region to region

Control of Information

- In 1986, Richard Mason identified major ethical issues in his research paper titled “Four ethical issues of the information age” (MISQ 10(1): 5-12 March).

- These are seen just as important today and are incorporated into codes of best practices for both IS and internet protocols.

- Summarised by the acronym PAPA

- Privacy; Accuracy; Property; Accessibility

PAPA

- **Privacy:**
  - What information must a person reveal about one's self to others?
  - What information should others be able to access about you – with or without your permission?
  - What safeguards exist for your protection?

PAPA

- **Accuracy:**
  - Who is responsible for the reliability and accuracy of information?
  - Who will be accountable for errors in information?

PAPA

- **Property:**
  - Who owns information?
  - Who owns the channels through which information is transmitted?
  - How should access to this scarce resource be allocated?
**PAPA**

- **Accessibility:**
  What information does a person or an organization have a right to obtain?

  under what conditions and with what safeguards?

**Emerging issues – Managing internal ethical concerns**

- Clogging networks
  – Lesser productivity

- Monitor online activities
  – Informed

- Restrict access
  – To certain Internet sites
  – Prevent conducting private business on company time

**Managing external ethical concerns**

- Principles for handling customer data
  – Use data collected to provide improved customer service
  – Do not share customer data with others outside your company without customer’s permission
  – Tell customers what data you are collecting and what you are doing with it
  – Give customers the right to have you delete any of the data you have collected about them

**Professional codes of ethics**

- Many professions have established their associations or societies
  – AMA (American Medical Associations)
  – ACS (Australian Computer Society)
  – ACM (Association for Computing Machinery)

- Code of Ethics

**Professional codes of ethics**

- Inspire – stimulus for ethical conduct

- Guide – for morally complex situations

- Educate – members about their ethical responsibility

- Discipline – specify grounds for punishing members
Professional Codes
- Rules that govern the conduct of members
- Members assume a moral obligation to conform
- Conformity is a condition of membership
- Violation can result in exclusion

ACS Code of Ethics
- Note 4.4 Standards of Conduct
  - “The list of standards is not necessarily exhaustive and should not be read as definitively demarking the acceptable from the unacceptable in professional conduct in all practical situations faced by a member.”
  - “A member is expected to take into account the spirit of the Code of Ethics in order to resolve ambiguous or contentious issues concerning ethical conduct”

Advantages of a Code of Ethics
- Set out the ideals and responsibilities of the profession
- Exert a de facto regulatory effect, protecting both clients and professionals
- Improve the profile of the profession
- Motivate and inspire practitioners, by attempting to define their raison d’être
- Provide guidance on acceptable conduct
- Raise awareness and consciousness of issues
- Improve quality and consistency

Disadvantages of a Code of Ethics
- Whether the so-called standards are obligatory, or are merely an aspiration
- Whether such a code is desirable or feasible
- Whether ethical values are universal or culturally relativistic
- The difficulties of laying down universal guidance considering the heterogeneous (widely dissimilar) nature of the profession
- What is the point of specifying responsibilities, given the limited regulatory function of a code.

Influences on behavioral choice
- Environment: time, place
- Individual: family, peers
- Society: social norms
- Belief system: religious, morale
- Legal: environment, current laws
- Professional: current code of conduct

Role of Ethical Education and Training
- To make defensible moral judgment
- To reflect critically on the moral principles and ideals involved in a particular situation
- To have a framework for critical analysis
The professional dilemma

• Professional duties and responsibilities (sometimes) conflict with organisational goals and outcomes.

• Ethical behavior can conflict with legal statutes and/or contractual obligations

• The professional needs knowledge and skills to resolve these conflicts by themselves as the situations arise in particular contexts.

A Practical Ethical Test

• “Before you act, be sure you will be comfortable with an Age story, tomorrow morning, reporting what you did.”

(Oz, 1994, p11)

Communications with Children

• Children’s Online Privacy Protection

• Restrictions on data collection must be followed by electronic commerce sites aimed at children

• Who is responsible for protection?
  – Government
  – Parents
  – ISP
  – Schools
    • to install filtering software on computers

Communications with Children

Disney Online Registration Page for Children Between the Ages of 13 and 18