

# Digitization and Business Ethics - The 4-Level Matrix as a Starting Point for the European Region?

Silvia Traunwieser, University of Salzburg



Pictures: © Silvia Traunwieser, [www. unsplash.com](https://www.unsplash.com) (Helena Lopes)

Chinese Austrian EU Summer School, July 28th 2021

# Digitization



HOME / HEADSETS

## EMOTIV Insight 5 Channel Mobile EEG

**\$299.00**

Designed for self-quantification, brain-computer interface, and field research, EMOTIV INSIGHT 5-channel mobile EEG boasts advanced electronics that are fully optimized to produce clean, robust signals anytime, anywhere. Leveraging years of science-backed research and experience to create the next generation brainwear®, the INSIGHT features an elegant, lightweight and user-friendly design.

**NEW:** Three prong gummy sensor for Pz**NEW:** Motion sensor**FREE:** Protective travel case & USB receiver included

CLEAR

Color

Stealth Black



ADD TO CART

SKU: EMO-INS-SBK-02

Category: Headsets

Abbildung: <https://www.emotiv.com/product/emotiv-insight-5-channel-mobile-eeg/#tab-description>

<https://www.reuters.com/video/2019/04/02/heady-stuff-tracking-your-brain-at-work?videoId=533009844>



# 4-Level-Matrix of Leadership- and Business Ethics



# Participation



- **direct employee participation** (have a say” on work-related issues of consequence to employees, taking part in an activity)
  - information
  - give one’s opinion 👍
  - take part with equal weight
  - autonomous actions



decision-making mode (heteronomous, cooperative)

**Normative underpinnings:** information, competence, influence

*“Information sharing is central to the participation process; lack of participation accentuates information asymmetry” (Kandathil/Joseph)*

# Power

... as the probability to carry out his own will despite resistance... (Weber)

...as the ability to influence persons, actions, decisions...

... consists in guiding the possibility of conduct and putting in order the possible outcome. Basically power is less a confrontation between two adversaries or the linking of one to the other than a question of government (*Foucault*)

## Precautionary Principle

- vulnerability of employees
- uncertainty
- minimum of molestation
- critical load
- burden sharing

3-dimensional power – decisions, non-decisions, manipulation



# Freedom & Autonomy



**Having/creating** more or less options for actions and decisions

**Self determined work** in social uneven relationships needs

- critical reflection,
- complexity and intelligence,
- a non-coercive and non-manipulative environment,
- access to a range of options (influence on work sequences, self-chosen working areas) *Oshanas* externalistic view

**Privacy** (person, behaviour/action, personal communication, data and image, thoughts and feelings, location/space, association)

# Autonomy

- informed consent
- unsolicited diagnosis
- the right to know and the right not to know

Philos. Technol. (2015) 28:107–124  
DOI 10.1007/s13347-014-0156-9

---

ORIGINAL PAPER

## **Moral Deskillling and Upskilling in a New Machine Age: Reflections on the Ambiguous Future of Character**

**Shannon Vallor**

Received: 14 August 2013 / Accepted: 2 February 2014 / Published online: 21 February 2014  
© Springer Science+Business Media Dordrecht 2014



# Responsibility

**Self-determined responsibility** as the area of business ethics (legal gaps, above legal obligations);

Act responsible means:

- *don't harm anyone/ anything* and
- *take care of others* (work-life-balance measures, CSR measures)

**Principle of neminem laedere**  
**Principle of beneficence**



# Technical Responsibility

- uncertainties (new moral problems, unknown, risky consequences of actions)
- consideration of expected positive and possible, unintended negative consequences (see "dual-use" problem)

*Original Research Article*



## The ethics of algorithms: Mapping the debate

**Brent Daniel Mittelstadt<sup>1</sup>, Patrick Allo<sup>1</sup>, Mariarosaria Taddeo<sup>1,2</sup>,  
Sandra Wachter<sup>2</sup> and Luciano Floridi<sup>1,2</sup>**

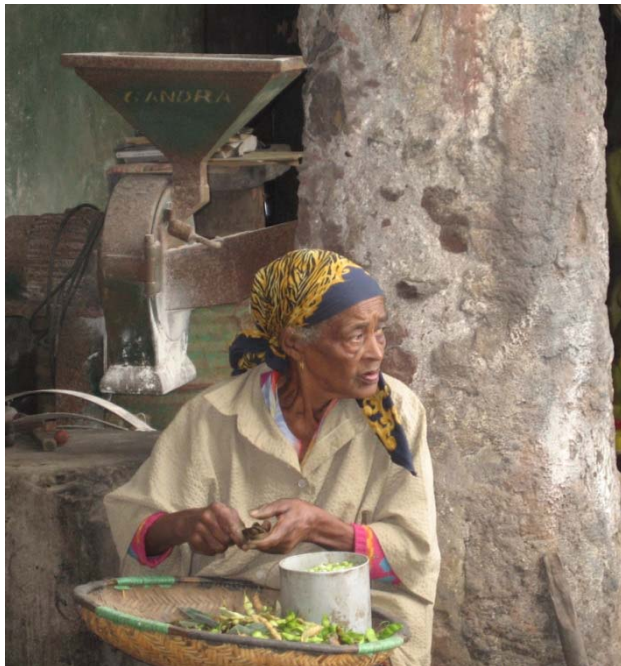
Big Data & Society  
July–December 2016: 1–21  
© The Author(s) 2016  
Reprints and permissions:  
[sagepub.com/journalsPermissions.nav](http://sagepub.com/journalsPermissions.nav)  
DOI: 10.1177/2053951716679679  
[bds.sagepub.com](http://bds.sagepub.com)



### Abstract

In information societies, operations, decisions and choices previously left to humans are increasingly delegated to algorithms, which may advise, if not decide, about how data should be interpreted and what actions should be taken as a result. More and more often, algorithms mediate social processes, business transactions, governmental decisions, and how we perceive, understand, and interact among ourselves and with the environment. Gaps between the design and operation of algorithms and our understanding of their ethical implications can have severe consequences affecting individuals as well as groups and whole societies. This paper makes three contributions to clarify the ethical importance of algorithmic mediation. It provides a prescriptive map to organise the debate. It reviews the current discussion of ethical aspects of algorithms. And it assesses the available literature in order to identify areas requiring further work to develop the ethics of algorithms.

# Organizational Justice/Fairness



## Distributive Justice

- *fair outcome* allocating benefits or burdens by equality, equity or need

## Procedural Justice

- *fair procedures*: transparent decision-making-processes, consistency, impartiality, fault tolerance

## Interactional Justice

- *fair treatment*: respect, trust, human dignity
- *fair information*: transparency, truth

## Organizational Fairness Principle

Young: Unfairness may result from being “expelled from useful participation in social life and thus [being] potentially subjected to severe material deprivation and even extermination.”

# Business Ethics in China

- „Li“/“Yi“ (traditional Chinese ethics)
- “Business ethics is the field where a new ethics is in the process of becoming. Dramatic changes from a centrally planned economy to a market economy involve radical cultural changes and a transformation of ethics. Some old ethical ideas or norms are being replaced by new ones. These changes will take a long time and influence the whole Chinese ethical culture.” (Xiaohe 1997, 1516)



**Table 4** Summary of research topics on business ethics in Greater China: 1984–2015

Topical area	Number of articles	Specific topics explored in the area
CSR/CSP	88	Describing CSR understanding; depicting the features of practicing CSR in the Chinese context; evaluating the social performance of Chinese firms or foreign firms operating in the Chinese context
Ethical beliefs, culture, decision-making, judgment, and values	87	Conceptualizing and measuring ethical beliefs, culture, decision-making, judgment, and values; antecedents and predictors of ethical beliefs, culture, decision-making, judgment, and values; consequences of ethical beliefs, decision-making, judgment, and values
Workplace ethics and behavior	57	Ethical implications of employee identity, motivation and commitment, workplace <i>guanxi</i> , and organizational citizenship; labor rights protection; compliance with labor code of conduct; internal whistleblowing
Marketing and consumer behavior	45	Ethical beliefs and behavior of consumers and marketers; ethical consumption of consumers; consumer responses to corporate ethics and CSR; ethically controversial marketing practices, such as advertising, public relations, and corporate communication
Sustainability	42	Firm voluntary environmental disclosure; link between environmental responsibility and financial performance/competitive advantage; environmental attributes of technology evaluation and commercialization; drivers of green innovation
Accounting and finance	39	Auditing; budgeting; asset appraisal; professional codes of conduct; capital allocation decisions; dividend behavior; loaning; investor protection
Leadership	37	Ethical/transformational/authentic/aesthetic leadership; philosophical and cultural foundations of Chinese leadership
International business and management	35	Evaluating the social and ethical performance of international businesses operating in the Chinese context, as well as their affiliates, such as suppliers and subsidiaries; ethical

