



Practising Ethics

WEBINAR 1

This webinar is designed for you to access once you have completed module one of the Ethics Learning programme.

There are five webinars in total that complement the Ethics Learning Programme. Practising Ethics builds on previous knowledge, using a variety of ethical dilemmas intended to make you think.

USING THE TRANSCRIPT



This document is designed to be printed and used to accompany Practising Ethics: Webinar 1. Whether you plan on studying on the train to work, or simply prefer to have a printed copy to hand, this guide is the ideal solution to complement your ethics and professional scepticism training. You will often come across this discussion symbol within the transcript. At these points, the webinar presenter has either posed an ethical question or identified an ethical dilemma for you to think about in depth or discuss in groups. Use this as an opportunity to take a break from reading and carefully consider how you would respond. By progressing through the Ethics Learning Programme and working your way through the webinar transcripts, you can practise your ethical skills before applying them in the workplace.

USEFUL LINKS

Access the Practising Ethics webinars from the ethics tab in your [online training file](#)

Login to your [dashboard](#) to learn more on the ethics and professional scepticism element of the ACA.



‘WHAT MEN DO MATTERS MORE THAN WHAT THEY KNOW.’

Welcome to Practising Ethics, a series of online webinars intended to make you think about ethics, and to allow you to practise what you’ve learned in a number of scenario situations.

Ethics are integral to the ACA qualification, because knowledge of, and good practise in ethics is engrained within the values of ICAEW Chartered Accountants. It’s about doing the right thing, and importantly, doing the right thing when no one is looking. Practising Ethics is made up of five interactive webinars which you can work through either as individuals, or preferably in groups. Groups generally work better, because you will be more inclined to be honest, and play devil’s advocate, rather than hiding behind what you think you should say. The webinars are closely linked to the six Ethics Learning Programme modules, and they attempt to give you some practice in applying the technical principles built into the ICAEW code of ethics. Ideally, you should move to each webinar as and when you complete the relevant learning module. Each webinar will give a brief résumé of the learning module, followed by a worked example of some of the principles involved. Then you will be let loose on a number of scenarios, where you can put that knowledge into practise without doing very much damage.

The scenarios are intended to make you think, therefore no answers are provided. You will be asked to discuss some of the scenarios during your six-monthly reviews, and at that point, the model responses will be magically revealed.

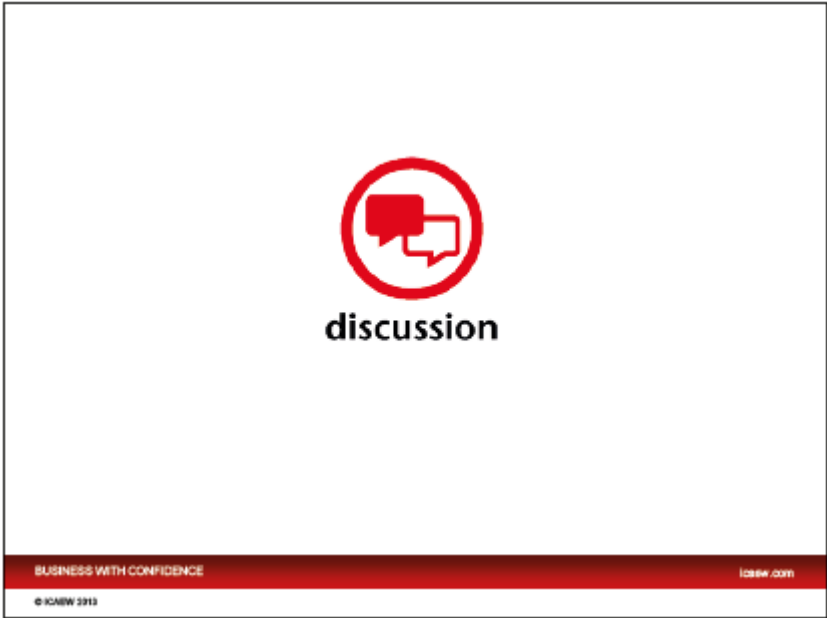
Notes



This workshop is much more than just yet another hurdle to jump over on your path to becoming an ICAEW Chartered Accountant. We are trying to make you think, rather than absorb information.

The Ethics Learning Programme teaches you about the code of ethics, the ICAEW fundamental principles and technical issues you may encounter in practise or business. This series of webinars contains important messages about ethical decision making and ethical behaviour. However, most of all, it allows you to independently work out how to get the best answer to ethical problems that you will definitely come across in your career.

Notes



Throughout the document you may see this discussion symbol appear in the slide. At this point please take a minute to consider the question being asked and write down your thoughts in the notes section.

Notes

Ethics Learning Programme 1

- Who should comply with the ICAEW Code of Ethics?
- Why is there an ICAEW Code of Ethics?
- Why is it based on principles rather than rules?
- What happens if I do not comply?
- Where do I go for guidance?

Try to define what you mean by 'ethics'



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In Ethics Learning Programme 1, you covered the following topics:

- who should comply with the code? that's members, students and member firms;
- why is there a code? as a source of guidance;
- why is it based on principles rather than rules? to give a framework rather than as a reference manual;
- what happens if I do not comply? straight to the head teacher; and
- where do I go for more guidance?

We're going to take a step back, and consider ethics in a more general way, in order to get you involved, and help you understand that ethics is in all of our lives, on a daily basis. Take a minute to consider and write down your own personal definition of ethics.



discussion

Notes

What is ethics?

Standards of behaviour

Values relating to human conduct

Concepts of right and wrong

Doing what is good for individuals and society

Moral principles governing behaviour

Doing the right thing

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You will come up with examples such as: 'standards of behaviour', 'values relating to human conduct', 'concepts of right and wrong', 'doing what's good for individuals and society' and 'moral principles governing behaviour'. It is essentially about doing the right thing, but what is the right thing? Some people consider only the outcome, and believe that something is ethical if it achieves the greatest good for the greatest number of people. However, some people do not view ethics in this way, but believe that no action taken should even harm the human rights of any individual.


Notes

Example 1 – caving


Twelve of you are caving when there is a landslide that blocks the entrance you used.

There is one other smaller exit, so you decide to get out one by one, starting with the pregnant woman in your team. Unfortunately she becomes irreparably stuck in the exit and cannot be budged. The water is rising. The only way to save the other 11 people is to use the emergency dynamite to blast open the hole, which would inevitably kill the pregnant woman.

What do you do?



discussion



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Consider this, twelve of you are caving, when there's a landslide that blocks the entrance you used. There is one other smaller exit, so you decide to get out, one by one, starting with the pregnant woman in your team. Unfortunately, she becomes irreparably stuck in the exit and cannot be budged. The water is rising. The only way to save the other eleven people is to use the emergency dynamite to blast open the hole, which would inevitably kill the pregnant woman. What do you do?

Wow, has that got your attention? Take a minute to consider what you would do in this situation. Go back to your ideas about what ethics means. Consider the outcome, the greater good, the principles, the basic human rights.



discussion

Notes

'Non'-conclusion

- Clearly it's unethical to kill the pregnant woman
- Clearly it's unethical to allow 12 people to die because of your moral principles

So, both options are **'wrong'**

- So we do what we think is the **'right thing to do'**. We choose the **'least bad'** option
- What if it was a man, or a pensioner or a convicted criminal. **Would your response differ?**

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If you are expecting an answer, you will be disappointed. It's clearly unethical to kill a pregnant woman, everyone knows that. Killing any woman is harsh, but a pregnant one? However, it's also clearly unethical to allow your moral principles to condemn a total of twelve people to a painful and avoidable death. So, both options are wrong.

So, we do what we think is the right thing to do, or, rather, we choose the slightly better of two bad options. What if it was a man, or a pensioner, or a convicted criminal, or a Manchester United fan? Would your answer be any different? It's your choice.

Notes

Example 2 – desperate vendor

Your friend has been offered a fantastic opportunity to buy a house in an area that he has always wanted to live in, at a deeply discounted price. The agent has told him that the house is on the market because the current owner has defaulted on the mortgage after losing his job due to the current economic downturn. He is desperate for a sale to help pay some of the family's mounting debts. Your friend consequently made a very low offer, and it was accepted, but not before some unsuccessful attempts by the owner to negotiate a higher price.



Do you have anything to say to your friend?



discussion

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Here's a slightly less scary example. Your friend has been offered a fantastic opportunity to buy a house in an area that he's always wanted to live in, at a deeply discounted price. The agent has told him that the house is on the market because the current owner has defaulted on the mortgage after losing his job due to the current economic downturn. He's desperate for a sale to help pay some of his family's mounting debts. Your friend consequently made a very low offer, and it was accepted, but not before some unsuccessful attempts by the owner to negotiate a higher price. Do you have anything to say to your friend? Think about this for a moment and write down what you would do.



discussion

Notes



Either

- Turning misery to his benefit
- No sympathy for victims of hardship
- Benefitting is immoral

Or

- Simply making the most of the situation
- Somebody else will if I don't
- Is ignorance bliss?

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For example, you might say that the home only became available because something bad had happened to the owner, and so he's turning the misery of an entire family to his own benefit. Or that it may be likened to the purchase of stolen goods, and that he obviously has no respect or sympathy for the victims of economic hardship, or simply that benefitting from the misfortunes of others is inherently immoral.

Your friend, however, might point out that he's merely capitalising on the imprudence and errors of someone who has failed to manage their affairs properly, that it isn't his fault they defaulted on their contractual mortgage payments, and if he doesn't buy the property, somebody else will. Finally, that the argument implies that the purchase of the property would be somehow more ethical if he had no idea about the owner's financial difficulties.

Notes

Do the right thing

- Is my response legal?
- Is it fair and balanced for all parties involved?
- Would I be happy to have it reported in the newspapers?
- How would I feel if I was watching someone else behave in the same way?



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These two examples involve personal dilemmas, one moral and one financial. In your professional lives, you will come across many situations where personal self-interest is involved. Just remember not to let personal self-interest prevail over your professional obligations. Always do the right thing, even if this means you are adversely affected financially, or turned down for a promotion. Think again about the desperate house seller. How many of you really thought, 'I could probably get away with that,' or, 'It's only what anyone else would do'? Would you feel differently if he was a member of your own family? When considering your response to ethical dilemmas, try answering the following questions. Is my response legal? Is it fair and balanced for all parties involved? Would I be happy to have it reported in the newspapers? That's a good one. How would I feel if I was watching someone else behave in the same way?

Notes



Consider this comment from a man who probably knows even more about ethics than I do, the Archbishop of Canterbury. He said, 'What can I get away with without technically breaching the regulations,' is not a good basis for any professional behaviour that has real integrity.' He was talking about MP's expenses. He could have been talking about any number of situations where people tried to justify their behaviour by hiding behind the rules.

Ethical behaviour is not about sticking to the rules, it's about doing what's right, regardless of regulation. For example, cheating on your partner is not illegal, but it is unethical. Likewise, using raw material suppliers with poor human rights records, or subcontractors who treat their employees badly is not illegal, but it is unethical. Devising complex financial schemes in order to avoid the payment of income tax is not illegal, but, guess what? Yes, you got it.

In webinar two, we will give you a checklist of questions to ask, to help you make your decision. In the meantime, here are three further mouth-watering scenarios for you to consider. Remember, be honest, and do what you think is right.

Notes

Scenario 1 – Uncle Tommy

You are coming home after an energetic game of table tennis with a friend, and decide to drop into a pub for a drink. There you see your Uncle Tommy, which is very unusual as he lives 200 miles away in East Anglia. But the lady he is with is definitely not Auntie Cath. You exchange a few embarrassed words, and later he comes across and asks you to pretend you have not seen him. Auntie Cath is your mother-in-law's sister.



discussion

What do you do?

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You are coming home after an energetic game of table tennis with a friend, and decide to drop into a pub for a drink. There, you see your uncle Tommy, which is very unusual, as he lives 200 miles away in East Anglia, but the lady he is with is definitely not aunty Cath. You exchange a few embarrassed words, and later he comes across, and asks you to pretend you have not seen him. aunty Cath is your mother in law's sister. What do you do?



discussion

Notes

Scenario 2 – the bartender

You are a financially-impooverished student, working all hours in a bar, at night and at weekends, in order to make ends meet for you, your girlfriend Chantelle, and your new-born baby Jason. The landlord of the bar takes you to one side and asks you if you would be happy being paid in cash from now on, '...to make our paperwork so much easier to manage'... He makes it very clear that this is the only method of payment now available, and that there is a queue of other people keen to have the work, as the money is good.



discussion

What do you do?

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You are a financially impoverished student, working all hours in a bar, at night and at weekends in order to make ends meet for you, your girlfriend, Chantelle, and your new-born baby, Jason. The landlord of the bar takes you to one side one night and asks you if you would be happy being paid in cash from now on. 'Oh, to make our paperwork so much easier to manage.' He makes it very clear that this is the only method of payment now available, and that there is a queue of other people, keen to have the work, as the money is good. What do you do?



discussion

Notes

Scenario 3 – the bystander

You are walking home at night after your late shift behind the bar, when you see someone being attacked and beaten across the street by a younger man. You are on your own and no lethal weapons appear to be involved.



Do you intervene?

Reconsider this situation if you were part of a large crowd of shoppers on a Saturday afternoon.



discussion

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You are walking home at night after your late shift behind the bar, where you see someone being attacked and beaten across the street by a younger man. You are on your own, and no lethal weapons appear to be involved. Do you intervene? Reconsider this situation if you were part of a large crowd of shoppers on a Saturday afternoon.



discussion

Notes



Ok, so, now you have completed the learning module, and practised some of the technical issues covered in there by looking at realistic scenarios and deciding what you might do in those situations. So, what do you do next? Remember, you will need to discuss or present your considerations on one or more of these scenarios with your employer during your six-monthly reviews, so make sure you have notes and have considered the principles at stake, the main considerations, and what actions you might take. After your review, remember to record the fact that you have discussed scenarios in your training file, in the ethics section, as a record of your ethical progress. Then, move onto your next module in the Ethics Learning Programme, and then your next set of exciting scenarios.

Notes