

Ethical Evaluation of Situation

Lab 3 - ME395 Autumn 10

BACKGROUND

In the guest lecture this Tuesday, Professor Elder discussed that Ethics can be thought of as a tool or discipline of deliberation that enables a **moral person** to determine the **right conduct** in an ambiguous **situation** affecting **Stakeholders**.

Today's session focuses on the **Situation**. Situation is the domain within which ethical decisions must be made. Evaluating the situation requires understanding of the **context** within which **events** occur, the **ethical issues** raised by those events, and the **perspectives** of the persons who are involved in those events.

Incident at Morales involves a variety of ethical issues faced by a company that wants to quickly build a plant in order to develop a new chemical product to gain a competitive edge over the competition.

Phaust Chemical manufactures Old Stripper, a paint remover that dominates the market. On learning that Phaust's competitor Chemitoil plans to introduce a new paint remover that may capture the market, executives at Phaust decide to develop a competing product. To save money in manufacturing the product, Phaust decides to construct a new chemical plant in Mexico.

To design the new plant, Phaust hires a chemical engineer, Fred Martinez, who had been a consultant to Chemitoil. As the project starts, Chemistré, Phaust's parent company in France, slashes budgets 20% across the board. Chuck, the vice president for engineering at Phaust, strongly encourages Fred to reduce construction costs. Fred confronts several engineering decisions in which ethical considerations play a major role:

- Whether to use expensive controls manufactured by Lutz and Lutz, which has inside connections at Phaust
- Whether to line the evaporation ponds to prevent the seepage of hazardous substances in the effluents into the groundwater, although local regulations may not require this level of environmental protection
- Whether to purchase pipes and connectors made with stainless steel or a high pressure alloy
- After the automatic controls fail; whether to allow someone to control the process manually

When samples of Chemitoil's new paint remover EasyStrip become available, it is clear that to be competitive with EasyStrip, Phaust must change the formulation of its new paint remover, requiring higher temperatures and pressures than originally anticipated.

These increases in temperatures and pressures cause significant technical and ethical problems, the most serious of which is the fact that the automatic controls no longer work as intended. Thus, the plant manager, Manuel, volunteers to control the process manually. After the plant goes into full operation, an unfortunate accident occurs, resulting in serious consequences.

TASKS

While viewing the video, individually list the ethical issues you observe. **After viewing** the video, start your discussion of the video as a group according to the guidelines below.

1. Compile a list of the ethical issues you individually observed in *Incident at Morales*.
2. Prioritize these ethical issues from most critical to least critical, making sure you have heard from each person in your group.
3. Discuss the video from three additional perspectives:
 - a) **Fred's Perspective:** Assume you are Fred:
 - i) What specific ethical issues do you (Fred) face?
 - ii) What are some things that you should consider?
 - iii) From whom or where would you seek guidance?
 - b) **Wally's Perspective:** Assume you are Wally:
 - i) What specific ethical issues does Wally face?
 - ii) What do you think Wally's motivation was for having "One Rule"?
 - iii) What do you think about Wally's "One Rule"?
 - iv) What decisions would you change if you were Wally?
 - c) **Responsibility Perspective:** If you were in charge and had the authority and the funding to make any changes you wanted to make in company policies:
 - i) What specific steps would you take to improve the company culture?
 - ii) Who would you involve in this process?
 - iii) How and when would you communicate the company policies to:
 - (a) Your employees?
 - (b) Your clients?
 - (c) The public?

DELIVERABLE

Following your group discussion, prepare a report, approximate length: 2 to 3 pages. The contents would cover the issues raised in discussion items 1, 2, 3a, 3b, and 3c. The report is due **at the beginning of class on Thursday, Nov. 18, 2010.**

Additional information (script, study guide, etc.):

<http://www.niee.org/ProductsServices-IncidentatMorales.htm#StudyGuide>