Göteborg University School of Economics and Commercial Law Department of Business Administration P.O. Box 610 S-405 30 Göteborg Vasagatan 1. Author: Jörn Bue Olsen Language: Norwegian with summary in English 250 pages Doctoral Thesis, 2006.

Double Standards in the Business Industry - Ethics in a Tight Squeeze

This is a study of ethical dilemmas for leaders and managers. Around the year 2000 we experienced some revolting events in business: The ethical collapse of the energy company Enron and its accounting firm Arthur Andersen – besides such as Finance Credit in Norway, etc. It was something of a paradox. What caused this? Poor leadership? Corruption? Problems that develop into the dissertation's target question – a mystery:

Why is it so difficult to introduce ethics to the business life in spite of the fact that the lack of ethics apparently has so severe consequences?

We use here a model based on two main cultures and the strain between them – which seems to create ethical dilemmas: The Social Culture with a general public moral and a member of the community-role, and The Corporate Culture with a business moral and a manager role. Here we define a non-constructive and a constructive way of handling ethics.

The business industry composes the manager role with a lack of constructive handling of ethics. The managers handle ethics in a non-constructive way that does not result in an ethical action. The manager role seems to have roles that are divided between the corporate culture and the social culture with a double standard in which the manager role to a great extent handles ethics ritually.

The "life lie" – or self-deception- mentioned by the Norwegian author Henrik Ibsen seems to rule. The study use and gives a constructive way of handling ethical problems

Key words: leadership, business ethics, ethics, culture, moral and public moral, mystery, roles, rituals, game rules, self-deception.

Printed in Asker, Norway.

June 2006 Jörn Bue Olsen