

Ethical Decision Making Steps

Step 1: Identify the Issue

- a. What are the key facts in this situation?
 - 1) What do you know for sure:
 - 2) What is not known?
- b. What are the personal values of the person making the decision and the organization's values?
- c. Which of the following ethical principles¹ are most relevant to this situation?
 1. **Integrity:** Act with honesty in all situations
 2. **Trust:** Build trust in all stakeholder relationships
 3. **Accountability:** Accept responsibility for all decisions
 4. **Transparency:** Maintain open and truthful communications
 5. **Fairness:** Engage in fair competition and create equitable and just relationships
 6. **Respect:** Honor the rights, freedoms, views, and property of others
 7. **Rule of Law:** Comply with the spirit and intent of laws and regulations
 8. **Viability:** Create long-term value for all relevant stakeholders

Step 2: Identify the Stakeholders

List the major stakeholders (individuals, groups, institutions) that have a stake in the outcome of the situation.

Key Stakeholder	What they value	Desired outcome

¹ These principles are the Daniels Fund Ethics Initiative Principles available at www.danielsfund.org.

Step 3: Analyze Alternatives

Brainstorm possible alternatives for this situation. Determine the possible consequences of each alternative on the key stakeholders. Assess each alternative on Actions, Actor, and Outcomes.

Viable Alternative	Action: Laws and standards upheld or ignored	Character: Values displayed (Principles)	Outcome: Avoids harm to stakeholders & Financial Viability

Step 4: Take Action

What should they do that is consistent with principles, values, and has the best outcome?

What are possible repercussions from the action?

Step 5: Monitor Outcome

How does your recommendation fit the following tests?

- **Light-Of-Day (or 60 Minutes TV Program) Test.** Can the recommendation – including how we made it – stand the test of broad-based public disclosure so everyone would know everything about our actions?
- Will it stand the test of time?
- Is this a model of “right” behavior?
- How will I feel afterwards? (am I proud?)