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EXPLORING MACINTYRE'S VIRTUE ETHICS IN RELATION TO INFORMATION SYSTEMS

Adam, Alison, Information Systems, Organisations and Society Research Centre, University of Salford, Salford M5 4WT, UK, a.e.adam@salford.ac.uk

Bull, Christopher, Business Information Technology and Management Science, Manchester Metropolitan University Business School, Manchester Metropolitan University, Manchester M1 3GH, UK, c.bull@mmu.ac.uk

Abstract

There is still surprisingly little explicit consideration of ethics in relation to IS. This paper addresses this relative gap by arguing that MacIntyre's critique of utilitarianism in bureaucratic organizations with its alternative 'virtues-goods-practice-institution' framework offers a fruitful approach for an analysis of ethical concerns relating to information systems. We cast the notion of 'best practice', as embodied in an information system, as a central ethical concern. We briefly describe an empirical study of a Customer Relationship Management system implementation reflecting on the ways that MacIntyre's ethical framework may be a suitable approach towards the ethical analysis of information systems.

Keywords: *Information Systems Ethics, Virtue Ethics, Utilitarianism, Customer Relationship Management (CRM), Best Practice.*

Introduction

The information systems (IS) discipline addresses the social and cultural aspects of the implementation and use of information systems. However, there has been relatively little explicit attention to ethical issues within IS, apart from a few notable 'calls to arms' (Walsham 1996, McGrath 2006, Myers and Miller, 1996). This suggests that, despite the burgeoning interest in ethics in business and management literature, ethics still remains under-explored in information systems. Within the (relatively) limited literature on ethics and IS, an approach which looks to the statistical analysis of ethical decision making is prominent (Adam 2001). This suggests that, in relation to IS, an exploration of alternative ethical frameworks, not explicitly directed towards decision making, is long overdue. Virtue ethics offers a potentially fruitful alternative. In particular, we argue that MacIntyre's critique of utilitarianism in bureaucratic organizations, with an alternative 'virtues-goods-practice-institution' framework, is an appropriate way of analysing ethical concerns relating to information systems.

In the next section, we briefly describe the lack of attention to ethics in IS research, identifying some of the problems associated with the relative paucity of research. Following this, we present and justify an ethical framework which, we argue, is appropriate to the ethical analysis of information systems, and which renders visible a number of ethical problems which may arise when information systems are implemented within an organization.

Our approach is based on recent research in business ethics, focusing on the writing of the philosopher, Alasdair MacIntyre, and, in particular, his oft-quoted work, *After Virtue* (MacIntyre 1985). MacIntyre's (1985) research has influenced research in business ethics and organizational theory, through its criticism of bureaucratic utilitarianism and its elaboration of an alternative in the form of contemporary virtue ethics.

For reasons we detail below, we regard traditional approaches to ethics, which are often based on utilitarianism, as problematic in relation to the deployment of IS, hence the appeal offered by an alternative virtue ethics approach. Recent applications of MacIntyre's thought to organizational theory enhance the appeal of adopting such an alternative in relation to IS. This is especially so given that there have been, as yet, few empirical studies using MacIntyre's work and, to our knowledge, no research which attempts to apply his virtue ethics to IS.

After outlining the framework, and the critique it offers of traditional utilitarian approaches towards ethics in IS, we detail the reasons why this approach is appropriate to IS. This is based on the argument that a concept of 'best practice' (Wagner and Newell 2004) is often designed into information systems. We develop a position which argues that 'best practice' encapsulated in such software is based on utilitarian principles and can hinder the ability of individuals to act morally and to display autonomy, and for the organization to act well or be virtuous, which are key aspects suggested by our suggested ethical framework.

To illustrate these points we briefly present the outline of a case study. This involves an analysis of the ethical issues involved in deploying a new Customer Relationship Management (CRM) IS within a medium-sized UK manufacturing company. We argue that a traditional utilitarian analysis cannot do justice to the ethical nuances involved. Rather, we frame the analysis of the case study in terms of the opportunities of agents to act morally in pursuit of the internal goods of excellence over the external goods of profit, a central tenet of MacIntyre's virtue ethics framework.

1 INFORMATION SYSTEMS AND ETHICS

The subject of ethics receives increasing levels of attention in the business and management research literature (e.g. see Harvard Business Review 2003). Such interest may be fuelled by concerns with global environmental risks (Beck 1992a, 1992b) and by corporate scandals such as Enron (Knights and O'Leary 2006). Additionally, in a world where ethical concerns become ever more pressing, witness rising interest in ethical consumerism and environmental concerns, organizations may perceive business advantage in presenting a more ethical face to the world. Whatever the reasons, there is no doubt that there is a discernible 'turn to ethics' in the business world. Despite an increase in interest in the related area of politics in IS (Howcroft and Light 2006), ethics, particularly philosophically grounded ethics, has barely taken off as a research tradition within IS.

These concerns suggest that there are difficulties in finding appropriate intellectual space for a consideration of ethics in IS. The predominant rationalist style of research in management and IS often assumes a tacit ethical neutrality. Indeed, MacIntyre (1985) notes, as part of his critique of utilitarianism in modern organizational life, that it is assumed that managers are ethically neutral. In support of this point, we note McGrath's (2006) argument, in her study of the London Ambulance System failure, that emotions are rarely considered in analyses of information systems deployment. Emotions are a vital component of moral behaviour, yet they are left out of traditional accounts of IS development resulting in accounts which makes the deployment of IS seem purely rational. Such considerations, coupled with accounts of the political nature of IS in organizations (Howcroft and Light 2006), suggest that we cannot assume that the implementation of an IS is ethically neutral *ab initio*. Rather, the time is long overdue for explicit discussion of ethical issues involved in the deployment of IS.

2 THE RATIONALE FOR MACINTYRE'S VIRTUE ETHICS

Given that ethics is a substantial topic in the field of philosophy, with a wide range of alternative ethical systems, many of which have a substantial pedigree, the question arises as to which approach to ethics is likely to be appropriate, to offer new insights and suggest fruitful future directions. Although it is outside the scope of this paper to offer a comprehensive consideration of the many

alternatives, we begin this section by briefly detailing the reasons why we do not propose to take a more traditional approach to ethics before outlining and justifying the appeal of the alternative offered by MacIntyre's work (1985).

As noted above, current discussion on ethics in relation to IT in organizations is often framed in terms of ethical decision making (e.g. see Bell and Adam 2004). For example, there is a substantial literature on gender and ethics in relation to IS which focuses, almost exclusively on the ethical *decisions* that men and women make (and whether we can detect a significant difference in gender terms). The problem with such an approach, and, indeed, with much empirical work on ethics and information systems in general, is that it tends to frame moral behaviour almost exclusively in terms of decision making. This is no accident. The dominant ethical approach towards ethics, in organizational life is based on utilitarianism, broadly speaking: 'the greatest good for the greatest number.' (MacIntyre 1985) This is often formalized into cost-benefit or risk-benefit analyses. These involve moral decisions as to how to allocate or protect resources. It is not our intention to construct a blanket critique of utilitarianism. Indeed we can see that for most organizations, operating with limited resources, where financial justifications must be made, some element of the cost-benefit approach may be unavoidable. Utilitarianism focuses on consequences and the decisions that go towards consequences. It has little to say about other types of moral behaviour which may not be directed purely towards the moral consequence. In particular, utilitarianism can be criticized for saying nothing about the virtues and what it means to act well. Therefore it reinforces a view of morality as a rule-based endeavour, opposite, in inspiration to the concepts of virtue ethics, which offers an approach based on virtue or 'being good' (Johnson 2001).

In summary, utilitarianism says little about the real value or purpose of activities, in other words the internal character or motivation for doing things. Instead it offers a kind of moral 'bottom line' which may make such an approach appealing to profit-oriented organizations. This lack of purpose or moral motivation, MacIntyre (1985) recognizes as part of the crisis in modern ethics

Utilitarianism has nothing to say about power relations in organizations or elsewhere, assuming (or at least not explicitly questioning) that we all have equal opportunities to make and act upon rational ethical decisions. If we apply such thinking to the deployment and use of IS we can see difficulties.

Much recent work in IS moves away from the quest for rational success factors emphasizing, instead, the multi-faceted nature of user acceptance and resistance and the power and politics of the process involved, where thinking in terms of rationality is no longer seen as offering a fruitful means of analysis. We are interested in how an information system is deployed and used, how the wider network of those involved with a system, including customers and employees are treated. This involves thinking about how individuals can act well and what may constrain their opportunities to act well. Although decision making will be involved, the emphasis is rather on *acting* well, implying that an emphasis on virtues and how to act virtuously is worthy of exploration. For all the reasons above, we argue that there is considerable appeal in exploring virtue ethics as an alternative to predominant approaches.

Virtue ethics is usually associated with Aristotle, making it one of the oldest systems within Western ethics. It has recently enjoyed something of a renaissance, at least partly due to the interest generated by MacIntyre's work. MacIntyre's (1985) recasting of virtue ethics starts with a critique of utilitarianism, which he regards as a rationalist philosophy of the Enlightenment, in other words of the modern scientific world view, and which offers abstract knowledge but does not tell us how to live well. He is particularly critical of utilitarianism in bureaucratic organizations (Beadle and Moore 2006, 327). By bureaucracy, he means organizations which are designed for ends which they, themselves, do not determine. In other words, he sees bureaucracies as organizations fuelled by the motive for profit. He does not regard the profit motive as wrong *per se*. Rather it is the pursuit of profit above all else, and certainly to the detriment of the pursuit of organizational excellence, that he objects. This view of organizations accords with Weber's (1947) classic, and still relevant, characterization of the bureaucratic organization.

In organizations, utilitarianism ‘provides us with our only public criterion for securing agreement on moral and political questions’ (Beadle and Moore 2006, 327, quoting MacIntyre 1964, 2), but it cannot discover ends or purposes themselves. So utilitarianism could be used in job evaluations, but cannot say anything about whether a particular job has value, purpose or meaning in the wider area of human existence.

MacIntyre (Neilson 2006, 317) recognizes that ‘under the severe pressure of narrowly focused, system-driven, utilitarian financial and bureaucratic calculation, it can be very difficult both for organizations and individuals in their organizational lives to realize and express moral agency and virtue.’

He points out that some managers often regard themselves as being morally neutral, possessing the appropriate skills for achieving the most efficient solution to a business problem. But these skills of effectiveness are not morally neutral. Even if a manager tries to be morally neutral, the organization may develop ends which are unethical, particularly in its treatment of people. Hence, effectiveness, especially if characterized in profit-making terms, is not a morally neutral value. If an organization separates effectiveness from ethics, and prioritizes effectiveness over ethics, this constrains the space for individual moral agency within an organization (MacIntyre 1985). In the face of the ‘imperative of effectiveness optimisation’ (Nielsen, 2006, 318), even senior managers can be powerless in terms of personal moral agency and, hence, their ability to act well within the organization.

MacIntyre (1985) argues that, under the capitalist system of organizing, the goods of effectiveness are prioritized over the goods of excellence. Such an approach becomes institutionalized in the bureaucratic organization.

‘Utilitarianism which acts as the decision-making method in bureaucratic organizations, disguises value choices, in presenting both the ranking of harms and benefits and the impacts of decisions over time as simple facts; subordinates means to ends; and routinely excludes externalities from the list of consequences to be weighed. In the ordinary conduct of relations in such contexts, the distinction between manipulative and non-manipulative behaviour is thus dissolved.’ (Moore and Beadle 2006, 378)

3 MACINTYRE’S FRAMEWORK AND ITS APPLICATION TO INFORMATION SYSTEMS

Moore and Beadle (2006) argue that MacIntyre’s ‘virtues-goods-practice-institution’ framework based on his alternative approach to virtue ethics as outlined above, offers a conceptual framework, without the pitfalls of utilitarianism, with which to explore organizational and business virtue. After briefly outlining this framework, we offer some initial reasons as to why this approach may be fruitfully applied to the study of IS.

MacIntyre (1985, 187) defines ‘a practice as a cooperative human activity whereby goods internal to that activity are produced in the course of achieving standards of excellence appropriate to that activity.’ There has been some debate as to what counts as a practice (Moore and Beadle 2006). Thinking in terms of IS, the practice of IS would include things such as standards of excellence in developing IS within organizations, on budget and according to specification and maintenance of an appropriate repertoire of systems development techniques which are developed through education, research and training. The internal goods of IS would be new knowledge, IS development methodologies, research in IS, well educated IS professionals who understand and can apply appropriate knowledge to develop systems which can be deployed to maintain the goods of the organization and who also understand the need to treat users and other professionals well and so on. IS researchers and practitioners must make a living but MacIntyre (1985) argues that the pursuit of fame, fortune and profit are external goods to a practice and should not be pursued to the detriment of internal goods of excellence.

Virtues are related to goods and practices – they are the character dispositions which allow people involved in a practice to attend to the maintenance of internal goods. They are not necessarily practice-specific. For the successful achievement of goods internal to practice we look to attributes such as ‘courage, justice, fortitude and temperance.’ (Moore and Beadle 2006, 273). A virtuous organization is one which affords its members opportunities to *act* virtuously, in maintaining the practice enshrined within the organization, in other words to act as moral agents.

Moore and Beadle (2006) show how MacIntyre’s schema of virtues-goods-practice-institution can apply in business organizations. In this they introduce the concept of a virtuous institutional character – the institutional character which can sustain the practice which it houses. An organization with a virtuous institutional character would be aware that its most important function is to sustain the business practices it contains. It would encourage the pursuit of excellence in this and it would focus on external goods (such as profit) only insofar as they are necessary to sustain the internal goods of excellence of the practice.

It is easy to lose sight of internal goods and prioritize external goods of profit and reputation to the extent that internal goods are destroyed. But, on the other hand, a business cannot ignore external goods otherwise it can be as virtuous as it likes but it will go out of business.

More specifically, how do such ideas apply to IS? The first thing to note is that MacIntyre’s approach frames substantially different questions than those which stem from a traditional utilitarian ethic. Rather than looking to decisions about deploying an information system which would result in the best cost-benefit ratio, we ask instead, whether the information system can support the maintenance of the organization’s practice, whether it encourages individuals in the organization to maintain an appropriate balance between the pursuit of internal goods of excellence and external goods of reputation and fortune? Do individuals in the organization have opportunities to act virtuously, in other words to display moral agency? Alternatively, are there aspects of the deployment of the system which make appropriate displays of moral agency difficult? In short, we ask whether the deployment of the information system can encourage or hinder the pursuit of the virtuous business organization?

If utilitarianism is the approach of the bureaucratic organization, then it is not surprising that the deployment of information systems should follow utilitarian ethics. Although we are in broad agreement with this sentiment, we argue that there are additional reasons why traditional approaches to IS development can reinforce utilitarianism and sidestep opportunities for displaying moral agency. This is because IS reifies and even solidifies a view of efficiency, streamlining and appropriate organizational processes. This is often achieved under the badge of ‘best practice’ (Wagner and Newell, 2004). In IS design, the idea of ‘best practice’ refers to the idea that supposedly ‘best’ business practice can be transferred to organizations when they purchase appropriate software packages which have the best business practices of flag-ship organizations (those that were involved in piloting the original design of the product) designed into them. Hence ‘best practice’ is a way of solidifying utilitarian ethics in information systems. We refer to the concept of ‘best practice’ in the analysis of our case study and, as we note below, it is part of the way in which utilitarian approaches have been encapsulated in the design and deployment of IS. To minimize scope for confusion we note that the meaning of ‘practice’ in ‘best practice’ is *not* the same as MacIntyre’s more subtle meaning of practice. ‘Best practice’ simply refers to ‘best approach’ or ‘best way of doing things’.

Our hypothesis is that it is fruitful to consider the application of MacIntyre’s ‘virtues-goods-practice-institution’ framework to expose the utilitarian nature of ‘best practice’ approaches to IS development in the ethical analysis of IS and to explore the tensions within a case study where a utilitarian ‘best practice’ approach was juxtaposed to an approach which attempted to develop a virtuous organization.

How do these considerations apply in a real example? In the following sections we briefly introduce our case study, describing the research methodology employed and the details of the case with an analysis of the case in terms of MacIntyre’s moral framework.

4 RESEARCH APPROACH AND CASE STUDY

In order to evaluate the ideas of virtue ethics in relation to IS, this research reflects on the organizational use of a CRM system utilising a case study approach (Walsham 1995, Yin 2003). An in-depth case study was conducted over a period of a year. The researcher (one of the authors) was based at the organization (UK-Co), at various periods for approximately 45 days. UK Co is a medium sized British company, specializing in the manufacture of urban furniture e.g. exterior lighting schemes. The company has a fairly traditional bureaucratic structure with strategic, tactical and operational levels of management and where work is performed in functions rather than integrated processes. It has approximately 220 employees with a turnover of around £35 million per annum. The company was very interested in the research for their own strategic reasons and provided an office and access to a considerable number of company employees, external actors and other resources. Data was collected from interviews, company documents, project meetings, workplace observations and several reviews of the information system being deployed – a customer relationship management system named ‘Goldmine’. A series of interviews (32 in total) was conducted with all members of the project team (on one and sometimes two occasions) during phases of the implementation.

We regard the philosophical position adopted in this study as interpretive rather than critical, and we acknowledge that such a position makes a difference, not only to the ways in which the research is conducted, but also to the findings of the research (Howcroft and Trauth 2007). Our aim was to understand the interpretations that our respondents were making of their organizational lives, in their own terms, rather than attempting to make an intervention of the sort implied by an action research (Baskerville and Wood-Harper 1998) or critical (McGrath 2005) approach.

UK Co is currently facing increasingly tough competition, particularly from another European competitor, which is resulting in a relative decline in customer revenues. Senior managers conducted a review of customer focused operations that included a customer survey. This revealed a disturbing level of customer dissatisfaction in several areas including concerns over the quality level of some products, the availability of enhanced service packages from competitors and the need to improve product delivery, customer liaison and after sales services. The company decided that it needed to implement a series of changes to accommodate a range of customer concerns.

One major outcome of the review was a senior management decision to review and revise the company’s interaction with customers, particularly in the key areas identified from the survey. The management review is not necessarily, of itself, ethically problematic. As we can see, decline in customer revenue was, understandably, a major initial driver. While the concern for revenue could be regarded as an example of the prioritization of an external good over the internal good of maintaining the practice, a commercial organization must maintain its revenue to succeed as a business. In any case, the review was undertaken in response to customer concerns and ethical treatment of customers can be considered integral to maintaining the excellence of the practice.

In order to meet the objectives of the management review a series of significant changes were required. These involved changes to existing working practices within the customer-facing function and the implementation of an outsourced CRM packaged software information system. UK Co’s customer-facing process is divided between external and internal sales. External sales are awarded relatively senior status within the company because of their ability to generate significant customer revenues through regular customer contact and their inherent knowledge of individual customers and the market. Internal sales are based within the Head Office and are mostly engaged in the administration and processing of customer queries and orders. In order to implement the CRM, senior managers decided to create a dedicated project team to manage the selection, implementation, evaluation and hand over of the system. Most of the project team acquired their knowledge of CRM systems from their existing experience, vendor demonstrations and a range of professional and residential courses. The project team evaluated generic CRM system through several vendors and selected one designed for small to medium sized enterprises i.e. a package known as ‘Goldmine’.

UK Co's CRM strategy attempted to make changes to existing work roles and relationships. The objectives were centred on the adoption of 'best practice' within the CRM, apparently and up-skill customer related tasks. Here we see the possibility of the utilitarian goals implied by the adoption of 'best practice' combined with the possibility of increasing the skills of employees which could be regarded as attending to the internal goods of maintaining the virtuous organization. Space does not permit detailing the full ramifications of such changes and what follows is an analysis of only the major changes involved.

Senior management believed that the CRM project centred on the effectiveness (or not) of the external sales force. External field sales engineers were perceived by management and themselves to be overstretched, under resourced and often inappropriately deployed:

"We pay our Sales Engineers to generate orders...I could do with more of them out there..... I'd be happier if they were getting quotes and making sales everyday and not bogged down with paper work or chasing up quotes or orders." (Sales and Marketing Director)

External sales were encouraged to delegate a range of tasks to the internal sales in order to facilitate this objective. Delegating tasks required the Sales Engineers to populate the CRM system with a certain level of customer information i.e. their tacit knowledge, thus making such knowledge potentially explicit to other staff.

A minority of Sales Engineers supported the strategy for a number of reasons. First, it enabled them to offload many administration duties to internal sales, thus decreasing their burden of tasks deemed less interesting. Second, there were potential incentives to enhance their career prospects and increase their income through bonuses from increased sales. Third, they felt that the CRM system would highlight the value of their role because of the clear need for customer contact and knowledge.

However, many Sales Engineers were critical of the strategy because of the challenges brought about from the pressures to predominantly focus on increasing customer revenue in a difficult market. In addition, they had little trust in the internal sales team's ability to manage some of the delegated responsibilities:

"Many of them (Internal Sales) don't really care about chasing up quotes or orders, now they (senior management) are expected to behave like us (External Sales Engineers)...it just won't happen and it'll take me years to do all of this work (populate the CRM database), what will I get in return and who'll get the blame when I'm not bringing in orders and things go wrong?" (Sales Engineer 1)

A number of ethical tensions are apparent in these two quotes. The attempts to up-skill employees through implementing the changes implied by the 'best practice' designed into the CRM system did not have uniform effects on the perceptions of the sales force in terms of possible up-skilling of their jobs. Indeed, some of the potential up-skilling seemed to involve no more than devolving some of the more tedious tasks (e.g. offloading administration to internal sales staff). The lack of clear benefit to staff makes it difficult to maintain that the organization is acting virtuously.

Some employees also perceived the changes in terms of senior management failing to fully understand the real problems involved within the company e.g. inferior products and sales packages compared to the competition. Such a misperception was felt to be the result of the CRM system becoming a strategy pre-occupied by de-skilling and re-exerting additional controls over external sales rather than the changes required elsewhere:

"They (Senior Management) are really buying Goldmine because they don't really trust us"

(Sales Engineer 2)

Finally, others opposed the strategy because of the additional workload and problems associated with maintaining tacit knowledge e.g. temporal issues, accuracy and interpretation etc.

There was support from some within internal sales because of a perception that the CRM system and the delegation of tasks would make their roles more interesting. Some also highlighted that it would be good to see what Sales Engineers actually did:

"They (Sales Engineers) get paid a fortune for what they do and much of the work could be handled here (Head Office). Also now that they have to fill in their schedules (via Goldmine) it'll be good to see where they are and good to be able to get hold of them." (Internal Sales Staff 1)

A majority of the internal sales staff opposed the strategy because of the lack of incentives available to them for taking on more demanding work, the problems of interpreting and relying on tacit knowledge rendered explicit in the CRM system and of the increasing management surveillance offered by the CRM system.

However, concern was expressed within internal sales about the changes proposed and the company attitude to the priorities placed on winning contracts at whatever cost:

"They (Sales Engineers) always blame us for everything that goes wrong, even when it's not our fault. Also some of them are not really up to the job, they make promises to customers to win orders that they know we can't meet and they always get away with it. Now we've got to do even more of their work, its not on." (Internal Sales Staff 2)

In addition, a number of staff from across the organization (particularly the IS team) expressed other concerns in relation to the project. The IT manager was alarmed at the consultancy costs for the services produced and at the prominence given by senior management (over them) to vendor interests:

"The more I see of Goldmine and our vendors, the more doubts I have. I raise issues with senior management but no one seems to be that interested." (IT Manager)

The case study is a complex story of mixed reactions to the system and mixed results. It highlights a range of issues associated with a company struggling to compete and the problems involved in implementing CRM, in particular the ethical issues implied by involving external and internal actors, implementing change and in creating environments for using customer centric knowledge. Rather than helping to maintain the goods of excellence of organizational practice through up-skilling the sales force by changing organizational practice, it can be argued that a host of tensions were stirred up which exacerbated tensions between different sectors of the sales force, causing mistrust, causing a felt loss of skill through revealing precious tacit knowledge, attributing blame and so on. The ability of UK Co's sales force to act virtuously, to be full moral agents in the maintenance of a virtuous organization was severely constrained. These findings can be understood against an ethical analysis of 'best practice' which reveals tensions between a traditional utilitarian stance and an approach based more on maintaining a virtuous organization, moral agency and how such agency may or may not be defended by the various actors involved in the face of the changes brought about to work processes via the implementation of the CRM system.

In terms of developing further ethical analyses of IS the case raises a number of interesting issues. In moral terms, there are a number of contradictions. We argue that many of these arose through the tension generated from three ethically charged aspects of the case study: the traditional utilitarian approach tacitly implied by the terms of the management review; the will towards adopting 'best practice' implicit in the management review which was also utilitarian in inspiration; the attempts by management to maintain the practice of the organization and to treat colleagues well which was more in tune with McIntyre's virtue ethics framework but which foundered on a number of levels and actually gave them less opportunity to act virtuously as one group's interests was apparently set against another's.

Senior management did not appear to be taking a purely utilitarian approach of only looking at the bottom line, the 'external good' of profit. They seemed to acknowledge that their colleagues should be treated as moral agents worthy of increasing their skills and therefore increasing their opportunities to do their jobs properly, in other words to maintain their moral identities and enhance their abilities to

create 'internal goods' of doing their jobs well, treating customers well, treating colleagues well and so on. In this respect, management appeared to be displaying the virtue of enhancing their colleagues' working lives whilst maintaining the practice of UK Co. However, despite the diversities and complexities involved, UK Co selectively used some of the views of external actors (customers, vendors of packaged software systems) and internal actors (external sales) to shape some important elements of their CRM strategy. This was their way of developing a 'best practice' to follow. Such an approach need not be set against the principles of virtue ethics *ab initio*. However, the process of involvement was selective and limited, resulting in some actors not being regarded equally or fairly, in relation to other groups and even within groups. The reaction of employees was, not surprisingly, very mixed and their interests were set against one another rather than being directed to the advancement of the organization as a whole. The need to be impartial is one of the fundamental tenets of ethics and morality (Gert 1998) and an essential requisite of MacIntyre's virtue ethics, where such an approach acknowledges the diversity of all agents who are involved in maintaining a practice. Utilitarian ethics, in its pursuit of 'the greatest good for the greatest number', does not require all voices to be heard; indeed it has often been criticized for its apparent demand for the sacrifice of some individuals for the greater good of the majority (Johnson 2001).

In relation to evaluating intrinsic values over instrumental considerations, the CRM project rarely selected the former value over the latter. Sales engineers were valued because of a perception that they should be predominantly focused on winning contracts, regardless of the moral strains this may place on the rest of the company in meeting such promises. Some sales engineers also believed that senior management and the rest of the company were blinkered in respect of considering them for other views e.g. notifications of inferior products and warnings of superior services offered by competitors. In addition, others were wary of intentions behind CRM Goldmine, and that the de-skilling processes were primarily for new surveillance or further cost savings, detrimental to achieving standards of trust or excellence.

In summary, whilst UK Co tried to create a 'virtuous organization' by offering some opportunities for their colleagues to increase their skills and enhance their work roles, these attempts received a mixed reception because the company found it hard to act virtuously at all times. In reality, it valued some actors more than others in shaping its 'best practices' for CRM and it struggled to change the legacy of valuing external instrumental objectives over intrinsic, internal goods.

5 CONCLUSION

We have argued that MacIntyre's (1985) view of virtue ethics, described in *After Virtue* and taken up in studies of the organization is an appropriate theoretical base. Part of the reason for this is its critique of utilitarianism in bureaucratic organizations, which we have followed in this paper. Additionally MacIntyre's view of moral agency in virtuous organizations is useful in countering views of ethics based on decision making and rules.

As we hope to have demonstrated, in relation to the case study, ethical decision making, as such, was a tangential issue. Rather, it was the question of acting well, towards one's colleagues, customers, management and so on, which was a major concern and which, in a virtue ethics approach, assumes centre stage. We have noted that intentions to act well e.g. as in the management attempts to up-skill staff may not work if such initiatives struggle to compete against instrumentally orientated, utilitarian goals which have the effect of reducing the opportunities for various actors to exercise sufficient moral agency. Part of the reason for this was a blanket adoption of the 'best practice' encapsulated in the new system which included an insufficient understanding of the role of an individual's expertise in the moral repertoire which goes towards making that person someone who can act effectively and who has the knowledge to be a virtuous moral agent.

Although many of the considerations we raise may apply to ethical life in the organization more generally, there are reasons why this ethical analysis is particularly appropriate to the study of IS. The

implementation of the CRM system involved a reifying of 'best practice' where particular political and ethical positions are designed (Akrich 1992) into the design of the software. In particular, given the relationship of large scale packaged software systems such as ERP systems to the management approaches of TQM and BRP, we see the possibility of an excessive emphasis on streamlining and efficiency, the traditional approach of utilitarian cost-benefit analyses, working against attempts to use IS for the pursuit of virtuous organizational practice. Hence, although our study offers an initial attempt to apply an appropriate ethical analysis we hope that it may open up the field for further discussion and critique in ethical terms.

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