

3.2 Evaluate Complex Ethical Dilemmas in OHSES Governance Contexts

Learning Outcome

By the end of this session, learners should be able to critically evaluate ethical dilemmas that arise in Occupational Health, Safety, Environment, and Sustainability (OHSES) governance, assess competing stakeholder interests, and apply structured ethical decision-making frameworks to reach responsible and defensible decisions.

What is an Ethical Dilemma?

An ethical dilemma occurs when a person or organisation must choose between two or more conflicting moral obligations where every option has both positive and negative consequences. In OHSES governance, leaders often face situations where legal compliance alone is not enough. They must balance human safety, organisational objectives, financial pressures, environmental responsibilities, and stakeholder expectations while maintaining integrity.

Example

A company can save millions by delaying the replacement of ageing equipment. The equipment still meets minimum legal requirements but has shown signs of increasing failures.

Should management:

- Continue using it to reduce costs?
- Replace it to minimise future risk?

Both options have consequences.

Why Ethics Matter in OHSES Governance

OHSES governance is built on the principle that organisations have a moral responsibility to protect:

- Employees
- Contractors
- Customers
- Communities
- The Environment
- Future Generations

Ethical leadership creates:

- Trust
- Transparency
- Accountability
- Sustainable business success
- Strong safety culture

Without ethics, compliance becomes merely "doing the minimum required."

1. Balancing Safety, Cost, Productivity and Stakeholder Pressures

One of the most common ethical dilemmas involves balancing competing organisational priorities.

The Four Competing Pressures

Safety

Protecting workers from harm.

Questions include:

- Is the workplace genuinely safe?
- Are risks reduced to ALARP?
- Are workers adequately protected?

Cost

Management seeks profitability.

Ethical questions include:

- Should expensive safety improvements be delayed?
- Is cost saving being placed above human life?

Productivity

Meeting production targets.

Examples include:

- Skipping inspections
- Working excessive overtime
- Ignoring maintenance
- Rushing tasks

These increase accident risk.

Stakeholder Pressure

Different stakeholders expect different outcomes. OHSES leaders must balance these competing interests ethically.

Stakeholder	Primary Interest
Shareholders	Profit
Employees	Safety
Customers	Quality
Regulators	Compliance
Community	Environmental protection
Investors	Reputation and sustainability

Example Scenario

A manufacturing company has an urgent customer deadline.
The production manager wants machinery to continue operating despite a known guarding defect.

Stopping production would:

- Delay delivery
- Cause financial penalties
- Reduce profits

Continuing production could seriously injure workers.

Ethical Evaluation

Although profits are important, the duty to protect human life outweighs financial gain.
Ethical governance requires stopping production until the machine is made safe.

2. Managing Conflicts of Interest and Competing Priorities

What is a Conflict of Interest?

A conflict of interest occurs when personal interests interfere with professional responsibilities.

Examples include:

- Personal financial gain
- Career advancement
- Family relationships
- Political influence
- Pressure from senior management

These can influence objective safety decisions.



Examples

Example 1

A safety manager discovers major fire safety deficiencies before an important audit. Senior management asks him not to report them until after investors visit.

Conflict:

- Honesty
- Loyalty to employer

Ethical response:

Report the findings truthfully.

Example 2

A procurement manager awards PPE contracts to a relative's company despite poor quality equipment.

Conflict:

Personal benefit vs worker safety.

Ethical response:

Declare the conflict and withdraw from procurement decisions.

Competing Priorities

OHSES leaders regularly face competing objectives such as:

- Production vs Safety
- Profit vs Environment
- Customer deadlines vs Safe working hours
- Speed vs Quality
- Shareholder expectations vs Employee wellbeing

Ethical governance requires balancing these priorities without compromising fundamental safety principles.



3. Ethical Implications of Underreporting, Non-Compliance and Risk Acceptance

These represent some of the most serious ethical failures in OHSES.

Underreporting

Underreporting occurs when organisations intentionally fail to report:

- Near misses
- Injuries
- Occupational illnesses
- Environmental incidents

Why organisations underreport

- Protect reputation
- Avoid fines
- Meet KPIs
- Receive bonuses
- Avoid regulatory investigations

Ethical Consequences

Underreporting:

- Hides hazards
- Prevents learning
- Endangers workers
- Creates false safety performance
- Damages trust

Ultimately, future accidents become more likely because underlying risks remain unaddressed.

Non-Compliance

Non-compliance involves knowingly failing to meet legal or organisational requirements.

Examples include:

- Ignoring legal inspections
- Removing machine guards
- Falsifying inspection records
- Skipping mandatory training
- Failing to provide PPE

Although short-term savings may be achieved, the long-term consequences often include accidents, prosecutions, financial losses, and reputational damage.

Risk Acceptance

Every organisation accepts some level of risk.

The ethical question is: "How much risk is acceptable?"

Risk should never be accepted solely because controls are expensive.

Ethical risk acceptance requires:

- Scientific evidence
- Consultation
- Legal compliance
- ALARP demonstration
- Transparency
- Independent review

Ethical Example

Management decides not to install fall protection because:

"It has never happened before."

This is unethical because decisions should be based on risk assessment rather than luck or past experience.



4. Structured Ethical Decision-Making Frameworks

Ethical decisions should follow a systematic process rather than relying on intuition or personal opinion.

Step 1 – Identify the Ethical Issue

Determine:

- What is the dilemma?
- Who may be harmed?
- What values are in conflict?

Step 2 – Gather Facts

Collect:

- Risk assessments
- Legal requirements
- Technical evidence
- Incident history
- Expert opinions

Avoid assumptions.



4. Structured Ethical Decision-Making Frameworks

Step 3 – Identify Stakeholders

Consider how the decision affects:

- Employees
- Contractors
- Customers
- Community
- Regulators
- Environment
- Investors

Step 4 – Evaluate Possible Options

Consider:

- Safety impact
- Legal implications
- Financial consequences
- Environmental effects
- Ethical obligations
- Long-term sustainability



4. Structured Ethical Decision-Making Frameworks

Step 5 – Apply Ethical Principles

Evaluate the decision using key ethical principles:

Beneficence

Will it promote wellbeing and protect people?

Non-Maleficence

Will it avoid causing harm?

Justice

Is everyone treated fairly?

Integrity

Is the decision honest and transparent?

Accountability

Can leaders justify the decision publicly?



Practical Case Study

Scenario

A chemical plant discovers that replacing an ageing pressure vessel will cost £3 million. The equipment still meets legal inspection standards but engineers estimate there is a moderate probability of catastrophic failure within five years. Shareholders oppose replacement due to reduced profits. Employees express safety concerns. The regulator has not ordered replacement.

Ethical Analysis

Safety: Replacement significantly reduces the risk of catastrophic failure.

Cost: High capital expenditure affects short-term profitability.

Stakeholders: Employees prioritise safety, shareholders seek financial returns, regulators expect compliance, and nearby communities rely on responsible risk management.

Conflict of Interest: Senior management may feel pressure to maximise profits, but ethical leadership requires prioritising the protection of people over short-term financial performance.

Ethical Decision: Replace the pressure vessel. Although legally compliant, governance should extend beyond minimum legal standards to proactively manage foreseeable risks. This aligns with the principles of beneficence, non-maleficence, integrity, accountability, and long-term organisational sustainability.

Key Ethical Principles for OHSES Leaders

Principle	Meaning	OHSES Example
Beneficence	Do good	Introduce safer equipment to prevent injuries
Non-Maleficence	Do no harm	Stop unsafe work before someone is injured
Justice	Fairness	Provide equal protection for all workers, including contractors
Integrity	Honesty	Report incidents accurately without concealment
Accountability	Accept responsibility	Leaders own the consequences of safety decisions
Transparency	Openness	Share safety information honestly with stakeholders
Sustainability	Protect future generations	Reduce pollution and conserve resources while ensuring safe operations

Critical Evaluation

Ethical dilemmas in OHSES governance rarely involve a choice between good and bad; more often, they require balancing competing legitimate interests such as safety, cost, productivity, and stakeholder expectations. Effective leaders recognise that compliance with legislation is the minimum requirement, not the ultimate goal. Ethical governance demands transparency, integrity, accountability, and a commitment to preventing harm, even when decisions are financially difficult or operationally inconvenient. Organisations that consistently apply structured ethical decision-making frameworks are more likely to build a resilient safety culture, maintain stakeholder trust, and achieve sustainable long-term performance.

Key Takeaways

- Ethical dilemmas arise when safety, cost, productivity, and stakeholder expectations conflict.
- Human life, health, and environmental protection should remain the highest priority.
- Conflicts of interest must be identified and managed transparently.
- Underreporting incidents and knowingly accepting avoidable risks are serious ethical failures.
- Structured ethical decision-making frameworks improve consistency, fairness, and accountability.
- Strong ethical governance strengthens safety culture, organisational reputation, legal compliance, and long-term sustainability.





Thank you