Ethical Pragmatism Thinking

Idea In Short

Some leaders treat ethics as a set of fixed rules to apply. Others treat it as a practical craft, tested by how well a choice serves the people it touches. Ethical pragmatism belongs to the second group. Drawing on John Dewey and the American pragmatists, it holds that moral ideas are tools for solving real problems, to be tried, observed, and improved. In business, the approach asks managers to construct good decisions through inquiry, imagination, and dialogue with stakeholders. This article explains the pragmatist view, shows how Dewey's idea of dramatic rehearsal applies to decisions, and sets out limits to guard against the charge that anything that works is right.

A bank considers a new overdraft policy. Finance projects higher fee income. Customer service predicts angry calls. A branch manager suggests a pilot in three locations, with a survey of customers and a review of account closures after six months. The team has no fixed theory of what is right, and it has a plan to learn what the policy does to the people who live under it.

A practical view of ethics

Pragmatism arose in American philosophy in the late nineteenth century, and its central claim is that ideas gain meaning from their consequences in experience. Applied to ethics, the view says that moral principles are tools. They guide action, and they are revised when they fail the people they are meant to help.

Max Visser, writing in the Journal of Business Ethics, notes that the classic pragmatists, Charles Peirce and John Dewey in particular, tried to extend the empirical and experimental methods of scientific inquiry to ethical questions in a way that kept ethical issues distinct.1

The last clause matters. Pragmatism does not collapse ethics into profit or convenience. It treats moral questions as real problems that call for careful investigation.

Dewey's method for business decisions

Patricia Werhane, a leading business ethicist, contributed a chapter titled A Pragmatist Approach to Business Ethics Research to a 2017 Cambridge handbook on the field.2

A separate paper in the business ethics literature develops a pragmatist approach to decision-making that draws on John Dewey and applies his deliberative approach to the challenges of practitioners. Its stated contributions are to bring American pragmatism into the mainstream of business ethics and to offer a perspective accessible to practitioners that integrates ethics into everyday decisions.3

A companion summary highlights one concept in particular: Dewey's idea of dramatic rehearsal, which stresses the task of constructing the good in ethical decision-making.4

The phrase constructing the good deserves attention. Dewey did not think that the right answer waits to be discovered in a rulebook. He thought it is built through inquiry into a specific situation, with its facts, people, and possibilities.

Rehearsing options

Dramatic rehearsal means imagining each option in action. You picture what you would do, whom it would affect, how they would respond, and how you would feel about the result. The exercise reveals consequences and conflicts that a quick list would miss.

Try it with a pricing change. Walk through a week after launch from the viewpoint of a loyal customer, a new customer, a front-line employee, and a competitor. Note the reactions and the values each person invokes. Where the imagined responses diverge sharply, the option needs redesign or more information.

Rehearsal also tests your own commitments. If you would be uncomfortable explaining a choice to the people it affects, the discomfort is a signal worth examining.

Inquiry with stakeholders

Pragmatism is social. Some scholars see emancipatory potential in the approach, arguing that it complements and supports stakeholder theory, in which managers are urged to look

beyond narrow shareholder interests to include environmental and community concerns.

In practice, this means asking affected people what they need and how a plan will work for them. Customer interviews, employee panels, and community meetings are tools of ethical inquiry as much as market research.

The inquiry should be honest about power. People with little standing may hesitate to speak, and managers must make speaking safe and show that input changes plans.

Experiments and review

Because pragmatism treats conclusions as provisional, it favors pilots and reviews. A pilot limits the harm from a mistake and produces evidence. A review date commits the organization to look at the evidence.

Define success before you begin. List the effects on people that you will track, such as complaints, closures, wellbeing, and trust, along with financial results. Include a way to hear from those who are not in your data, such as a short survey or an open feedback channel.

When results arrive, change the policy if they warrant it. A leader who revises a decision after learning from its effects is practicing pragmatism and not showing weakness.

Guarding against expediency

Critics worry that pragmatism can slide into whatever works for the powerful. Scholars in critical management studies have voiced the concern that the approach may strengthen managerialist tendencies in business ethics, intent on prescribing rules, codes, and guidelines for organizations.

The concern is fair, and the answer lies in how effectiveness is defined. For Dewey, a good outcome is one that serves the growth and wellbeing of the people affected, as they themselves can judge it. Efficiency for the firm alone does not count.

Leaders can build safeguards. Keep a short list of protections that no pilot can breach, such as safety and honesty. Include people with different stakes in the review. Publish the criteria so that outsiders can challenge them.

Pragmatism alongside other approaches

Pragmatism does not replace the other ethical tools. A paper from Bournemouth University on corporate governance observes that boards work through groups whose members hold separate and sometimes contradictory ethical understandings, and it points to the pragmatism of James and Dewey as a way to handle act-based ethics.5 Duties, outcomes, and virtues all supply questions worth asking, and a pragmatist treats them as sources of insight. A duty-based worry may flag a harm that data have not yet revealed.

Use the approaches in sequence. Let rules and rights set boundaries, let outcome analysis compare options, and let pragmatic inquiry test the chosen option in the field. Each adds something the others lack.

The combination suits organizations that face new situations. Fixed rules give stability, and experimental inquiry allows learning when rules run out.

Applying pragmatism to everyday policy

Most managers can apply the approach without special training. Treat each new policy as a hypothesis: "If we adopt this rule, then these people will be better off in these ways." State the hypothesis in writing, name what would count as evidence against it, and set a date to look.

Pay attention to the language of the policy. Phrases such as "temporary," "pilot," and "under review" tell employees and customers that feedback is welcome. Policies presented as permanent and beyond question discourage the very information that makes learning possible.

Finally, share what you learn. When a pilot teaches the team something, write a short note describing the question, the result, and the change that followed. The notes become an institutional memory of practical ethical judgment, and they help new leaders avoid repeating old mistakes.

A hypothetical example

Imagine a hypothetical software company that wants to introduce screen-time reminders for

users, though it fears losing engagement. Executives disagree about whether the feature helps or condescends. The product lead proposes a three-month pilot in two markets with user interviews and a measure of satisfaction as well as usage.

The pilot shows that most users value the reminders, and that a smaller group finds them annoying. The company adds an opt-out, publishes the results, and sets a review for the following year. Engagement dips slightly, and trust scores rise. The case is invented, but it shows how inquiry, not argument alone, can settle a values question.

Cautions

Do not treat success as proof of rightness. A harmful practice can work for a long time for those who profit from it. Always ask who bears the cost.

Avoid endless experiments that delay hard calls. Some questions need a firm answer based on principle, such as refusing to deceive customers, and testing them invites rationalization.

Finally, keep voices at the table. Pragmatism depends on the perspectives of those affected. A process that excludes them loses the main safeguard against self-serving conclusions.

- 1Pragmatism and the ethics of business
- 2A pragmatist approach to business ethics research
- 3Constructing good decisions in ethically charged situations
- 4Dramatic rehearsal and constructing the good
- 5A pragmatist case for thoughtfulness and experimentation in corporate governance

Summary

Ethical pragmatism thinking treats moral questions as problems to be investigated and solved with the same experimental attitude used in good business. Dewey's approach asks leaders to consider the situation, imagine options through dramatic rehearsal, test them with stakeholders, and revise after seeing results. Effectiveness counts only when it reflects the real wellbeing of those affected, which means that inquiry must include their voices. Leaders can run small pilots, set review dates, and keep core protections fixed while

methods change. Choose one policy this month, define how you will judge its effect on people, schedule a review, and invite the people affected to challenge your measures.