The Ethics of Zero Hours

One of the best things about teaching and studying the Business Ethics topic in A Level Religious Studies is that there are a number of relevant case studies and issues to explore. One of these is the zero hours contract - which students are often very familiar with. Let's meet Sophie

Sophie is on a zero hours contract. It is a part time job as she studies her A levels. It is minimum wage and she gets allocated shifts but these change at short notice. Sometimes when she is unavailable for shifts she gets put on the rota anyway and has to ask again for the time off; apparently it's a mistake but she feels a little gaslighted. Sometime she's asked to come in early. Sometimes she can be asked to stay late, sometimes she is sent home early or has shifts cancelled - all at short notice. It's a really flexible job but unfortunately the flexibility is generally one way. On busy shifts there are no breaks and 6-7 hours straight without lunch as 'we are just short staffed' is not usual. The job involves working with the public and on occasions dealing with angry and aggressive customers. On one occasion a colleague was left in tears by particularly aggressive customer. The manager seemed indifferent to her obvious distress and wasn't too helpful. At times the late hours of her shifts affect her college studies.

Sophie studies A level RS (as well as Law and Politics). She enjoyed the Business Ethics topic in RS and it got her thinking about her part time job. Zero hours contracts are entirely legal but are they ethical? There is a difference between Law and RS. Law is about what is, Ethics asks what could be. After all, various strange things have been legal over the years! To help us consider Sophie's dilemma we turn to 2 ethical theories.

Applying Utilitarianism

Utilitarianism argues that the good thing is that which leads the greatest good for the greatest number. We should maximise overall happiness; increase pleasure and/or decrease pain. One famous Utilitarian, Jeremy Bentham, argues that we should consider things such as the intensity, duration and purity of the various pleasures and pains as well as how many people are affected. Firstly, employees like Sophie are making money which presumably increases their happiness. Customers are getting a service relatively cheaply and the business owner is making a considerable profit. (Sophie has worked this out by looking at the till, adding up the wages and by observing their very fancy car). Making money does enable us to have things that lead to our happiness but money in itself is not necessarily the same as happiness. There may also be pains to consider - sore feet, abuse from customers, negative effect on studies. It is difficult to know whether on balance Sophie's pleasure at being paid outweighs the pain of each shift - it depends on the day!

Critics of Utilitarianism would point out several problems. Firstly, the theory allows us to sacrifice the minority for the sake of the majority good. Let's suppose the company is taken over by a money obsessed psychopath. The employees are exploited, tired, regularly abused, and struggling in their college studies. Yet if there are more happy customers than employees and the owner's pleasure is particularly intense and lasting then a utilitarian can

justify poor working conditions including some of the worst features of zero hours contracts - particularly if the employees are fewer and their pain is briefer as they tend to quit fairly rapidly. Obviously, a Utilitarian can respond that this is unlikely in practice as any sensible owner will realise there is a value in developing the existing staff and keeping them relatively happy.

There are, however, further difficulties with a Utilitarian approach as we began to indicate above. Much of what we have talked about is difficult to quantify and it becomes increasingly complex for an ethical system which is meant to be simple. Yes, we can measure people's earnings but their wellbeing is far trickier to establish. So it is hard to know whether zero hours contracts according to the utilitarian would be morally right or wrong.

A different type of Utilitarianism

A more subtle version of utilitarianism comes from Peter Singer who looks at the preferences or interests of the individuals involved. Those who take jobs on zero hours contract do so by choice. They enter into a contract with their employer voluntarily; they are expressing their preference and could do otherwise if they wished so surely everyone wins? Or do they?

To know this, we would have to reflect on whether or not they have alternative choices, and, even if someone makes a choice i.e. expresses a preference, this does not necessarily mean that this is in their interest. We can all choose things that are ultimately no good for us - perhaps because we don't have all the information or because of our current mental state. Those who take zero hours work are often young or through various life circumstances have limited options. But for some people, the zero hours contract is an employment option that they freely choose so the Preference Utilitarian could support it.

Applying Kantian Ethics

A second approach to this issue comes from Immanuel Kant. Kant's ethics looks at the principle of universal law. Actions are only permissible if it is possible for them to be universalised; in other words they can always be done at all times in all places. It seems that there is no logical reason why we cannot universalise zero hours contracts. There is nothing illogical about them - they are not what Kant calls a 'contradiction in conception' (in the way that a four sided triangle is illogical). However Kant also refers to a 'contradiction in will', the example he uses is 'helping others' - there is nothing illogical about a world where no one helps others but it is not a world that a rational person could honestly desire.

Does this apply to zero hours contracts? It is not clear as critics of Kant's ethics raise a problem with attempting to use universal law to solve issues in Business Ethics. Business operate in various contexts; they are all different so the idea of trying to apply one universal law doesn't help greatly in business ethics as each business finds itself in very different circumstances.

Perhaps a better way of applying Kant is to think through the idea of duty and persons. An employer has a duty of care towards their employees. An employee has a duty to carry out their responsibilities as well as they can. We might think through what this might mean and whether this can apply on the situation we've described. We might also think about how a manager might remember that the employees are persons and are to be treated with respect and dignity. They are more than just chess pieces that we move around a board or shuffle on a spreadsheet. Changing shifts at the last minute or denying people appropriate rest or lunch breaks does not treat people with respect. The good manager recognises this so it may be that the problem is not in the zero hour contract itself but in how it allows less scrupulous (or poorly trained) managers to exploit others

For Further Thought...

There are wider questions in business ethics that are raised by such issues, these are both ethical and political questions. One of the things that the A-level specification invites consideration of is whether we can 'flourish in a capitalist, consumer led society.' Zero hours contracts enable businesses to be flexible and make a profit which may in turn keep prices low for customers or may go into increasing staff pay should the employer wish. Even if everyone involved is making money we might ask whether people are truly flourishing in the circumstances. As Sophie leaves her shift she ponders this and asks herself 'What is the good life and to what extent does money play a part in it?'

In the second year of her A level study Sophie will come across the ideas of Karl Marx and South American Liberation Theology. Marx's starting point was the exploitation of workers as rich factory owners built their Victorian mansions on the back of their workers exhaustion. Sophie knows that her relatively minor suffering in her workplace is not on the same scale as that experienced in the favelas of Brazil and written about so powerfully by theologians such as Leonardo Boff. But her experience of work does raise a question. She asks herself 'What is fair and right and when does a situation become unfair?'

Her study of the ethical theories doesn't give her definite answers but it seems to show some of the considerations and questions that she (and perhaps society as a whole) need to answer. It also helps her to answer those critics of the subject who say you never study anything relevant in Religious Studies!