

# Business Ethics

## BUSI 1314

### Lecture 11 – Knowledge



This lecture:

- Introduces you to philosophy of knowledge
- offers an opportunity to reflect on the use of knowledge in management

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# What does a manager need to be successful?

Skills

Judgement

Attitudes

Luck (sometimes)

Knowledge?

# Lecture – knowledge

1. What is knowledge?
2. Sources of knowledge (epistemology)
3. What should managers know?
4. Virtue epistemology

# 1. What is knowledge?

What do we mean when we say 'I know'?

I am sure X will happen

I am sure X exists

I understand why X happens  
(causal or contingent)

(Plato): knowledge = justified true belief

belief

(Wittgenstein: possible)

I believe X but X is

not so.

(Wittgenstein: not possible)

I know X but X is not

so.

Same mental state, but  
different communication

justify

Source of knowledge

true

Others can know it too

Karl Popper:  
Scientific knowledge  
is falsifiable

Example:  
the gnome in the box

If there is no way to test it,  
it is not scientific

There is no ultimate truth,  
Only hypotheses that hold until falsified

## Scientific knowledge (theory) vs situated knowledge

generalises

Specific to particular situations

Personal life track

Culturally embedded

## Social science

Example:  
Trader knowledge  
about CEO public  
statements

Research changes the  
observed situation

The researcher is always  
part of the situation

## 2. Sources of knowledge

Source	assumption	In organisations
Perception	Right measuring tools	Monitoring of performance
Memory	Good memory	Organisational memory
Logic / reasoning	Sound reasoning	Rationality
Accepting views of others	Trust	Risks include groupthink
Enquiry	Research methods	Go find out yourself!



### 3. What should managers know?

What is happening outside the organisation?  
What is happening inside the organisation?

How to match the two profitably?

What works?

Who else do they need?

## 4. Virtue epistemology

Character traits that promote knowledge

openness

honesty

curiosity

engaging in dialogue

accepting corrections  
hear the bad news!

Common mistake: managers  
only seek confirming  
information