

Ethical Failures that Led to the Deepwater Horizon Oil Spill

BP has experienced several costly ethical failures over the years. They were the primary cause of the Deepwater Horizon rig oil spill in the Gulf of Mexico in 2010, where system failure caused approximately 3.19 million barrels of oil to spill into the Gulf. The result was irreversible, large-scale damage to the Gulf ecosystem while economic prospects and health among Gulf Coast states experienced significant decline.

Leading up to the spill, BP leased the rig and hired the contractor Halliburton to install a concrete core that sealed the oil well for later use. On April 20th, 2010, a surge of natural gas burst through the core and started the spill. This natural gas traveled up through the riser and ignited, killing 11 workers and injuring 17 on the platform. BP attempted to stop the leak by activating a fall-safe meant to close the oil channel, but the mechanism malfunctioned because the pipe had bent due to the pressure of rising gas and oil. BP is not a stranger to this type of failure as a similar event happened at a BP-managed rig in 2008. The fact that they allowed this to happen again demonstrates a situation of oversight and inadequate risk management.

Each of these failures were preventable, but BP did not pay attention to the risks presented to them. One situational ethics issue surrounding the spill regards the concrete casing they lined the drilled hole with to prevent it from caving in. Computer models recommended it be fit with 21 centralizers, but due to supply shortages, engineers only fit the casing with 6 centralizers. This increased the risk that cement would surround the casing unevenly and was likely one of the weak points that caused the oil spill. An individual issue that contributed to this spill occurred during validation and testing. Halliburton conducted several tests that demonstrated the concrete used was not stable, but despite the concerning results, BP decided to proceed. Unlike the situational issue, no external circumstances required that they proceed. They instead chose to proceed despite the risk because they felt that operating efficiently was more important than lowering the risk of failure.

To develop a more ethical organizational environment, I would suggest that BP follow the guidelines of *Behavioral Ethics in the Workplace* and establish an ethical decision-making process. Executives and leaders within BP can set an ethical tone at the top by recommending use of this process. Support systems should be put in place so that employees can report ethical issues, and employees who do report issues or make ethical decisions themselves should be rewarded. An ethical culture should be built through accountability, clarity of ethical values, and ethical ownership in the company as referenced by *Finding your Ethical Voice*.

Works Cited

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