

PROFESSIONAL ETHICS FOR ENRICHMENT

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Introduction

Organisational Ethics or Business Ethics is a form of professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment and it is applicable to all aspects of business and also relevant to the conduct of individuals and business organization as a whole. This paper is purely based on 'Descriptive and Applied aspects of ethics' which is a field of ethics that deals with ethical questions in many fields such as medical, technical, legal and business ethics and analyse business ethics as an asset for the organization.

Every organization tries to achieve the main goal, which visibly 'maximisation of profit'. While doing that in practice every organization should also consider their moral, ethical and social responsibilities. If these responsibilities are neglected, in the long run it would involve many devastating results, while satisfying those could prove to be a very valuable asset in the long run.

Definition

Ethics is a set of rules that define right and wrong conduct among people.

In this point of view, business ethics can be defined as 'written and unwritten codes of principles and values that govern decisions and actions within a company'. In the business world, the organization's culture sets standards for determining the difference between good and bad decision making and behaviour.

Types of Management Ethics

- Moral Management
- Amoral Management
- Immoral Management

- **Moral Management**
It is related to Individual or group and confirms to high standards of ethical behaviour.

- Amoral Management
It is classified into two. They are,
 - a) Intentional - Does not consider ethical factors within or outside.
 - b) Unintentional - Casual or careless about ethical considerations in business.

- Immoral Management
A style devoid of ethical principles and active opposition to what is ethical.

In Developing Moral Decision

Most of us		Many of us		Very few of us
To avoid some punishment	To receive some reward	To be responsive to family friends or superiors	To be a good citizen	To do what is right, pursue some ideal, such as justice.

Sources: <https://www.slideshare.net/y4ss1r/business-ethics-14811885>

Making Ethical Judgements

People Compared with	Behaviour or act that has been committed.
	Prevailing norms of acceptability.
	Value judgments and perceptions of the observer.

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Which is Ethical Behaviour?

In several situations appearances between right and wrong are unclear. Such situations can lead to ethical dilemmas. When tackled with ethical dilemmas, it's important to consider outcomes of the decision - making process. One way of dealing with ethical dilemmas is by using the four-way test to evaluate decisions. These involve asking questions as follows:

- Whether my decision is truthful or not?
- Whether my decision fair to everyone or not?
- Is it build goodwill for the organization?
- How far the decision is beneficial to all parties who have a vested interest in the outcome?

Responsibility to create Ethics in an Institution or an organisation

Every company's managers are playing important role in establishing their ethical quality. If managers behave as if the only thing that matters is profit, employees are likely to act in a like manner and company's leaders are also responsible for setting standards for what is and is not acceptable employee behaviour. It is important for managers to play an active role in creating a working environment where employees are encouraged and rewarded for acting in an ethical manner.

Business ethics based on the following principles

- Be trustful.
- Keep an open mind.
- Meet obligations.
- Have clear documents.

- Become community involved.
- Maintain accounting control.
- Be respectful.

- **Be Trustful**

Trust is the key to establishing an ethical organization environment -- one that guides decisions and actions. Trust in business is the cornerstone of relationships with customers, suppliers, employees, and others who have dealings with an organization. Trust means to be reliable and carry through words with deeds.

- **Keep an Open Mind**

For continuous improvement of a company, the leader of an organization must be open to new ideas. Ask for opinions and feedback from both customers and team members and your company will continue to grow.

- **Meet Obligations**

Business owners are ultimately responsible for whether a business fulfils its ethical obligations. Conduct ethics training that sets clear expectations and shows staff members how their decisions and attitude towards ethical behaviour impacts long-term business.

- **Have Clear Documents**

Re-evaluate all prints materials including small business advertising, brochures and other business documents making sure they are clear, precise and professional.

- **Become Community Involved**

According to the concept of social responsibility the objective of managers for taking business decisions is not merely to maximize profits or shareholders' value but also to serve and protect the interests of other members of a society such as workers, consumers and the community as a whole.

- **Maintain Accounting Control**

According to the concept of social responsibility the objective of managers for taking business decisions is not merely to maximize profits or shareholders' value but also to serve and protect the interests of other members of a society such as workers, consumers and the community as a whole.

- **Be Respectful**

Respectful leaders are respected leaders. They become more resilient and better able to manage others during times of crisis. These leaders are able to find greater satisfaction and sense of confidence and composure in their work and in life.

Overview of Issues in Business Ethics

- Corporate social responsibility.
- Fiduciary responsibility, stakeholder concept v. Shareholder concept.
- Industrial espionage.

- **Corporate Social Responsibility**

Corporate Social Responsibility, or “CSR,” refers to the need for businesses to be good corporate citizens. CSR involves going beyond the law's requirements in protecting the environment and contributing to social welfare. It is widely accepted as an obligation of modern business.

- **Fiduciary Responsibility, Stakeholder Concept V. Shareholder Concept**

The shareholder, again, is a person who owns shares of the company. A stakeholder has a stake in the company. Therefore, shareholders are owners and stakeholders are interested parties. The biggest difference between the two is that shareholders focus on a return of their investment.

- **Industrial Espionage**

Industrial espionage is the illegal and unethical theft of business trade secrets for use by a competitor to achieve a competitive advantage. Industrial espionage is conducted by companies for commercial purposes rather than governments for national security purposes.

General Business Ethics

- Ethics of human resource management.
- Ethics of sales and marketing.
- Ethics of production.
- Ethics of intellectual property, knowledge and skills.

- **Ethics of Human Resource Management**

Human Resource Management (HRM) deals with work force management, manpower planning and other employee related activities in an organization. HRM concerns human issues, especially those related with compensation, development, industrial relations, health and safety issues.

- **Ethics of Sales and Marketing**

Ethics are a collection of principles of right conduct that shape the decisions people or organizations make. Practicing ethics in marketing means deliberately applying standards of fairness, or moral rights and wrongs, to marketing decision making, behaviour, and practice in the organization.

- **Ethics of Production**

Ethics in production is a subset of business ethic that is meant to ensure that the production function or activities are not damaging to the consumer or the society. In order to survive in the competitive sphere organizations, try to reduce the costs involved in production processes.

- **Ethics of Intellectual Property, Knowledge and Skills**

The three types of laws that protect intellectual property are copyrights, trademarks, and patents. Unlike conventional property, like physical objects or land, intellectual property is often intangible because it concerns creations of the mind.

An Example,

Nowadays, product safety is the talk of the world and the story about Coke and Pepsi, Maggi and Dairy Milk charges that the versions of their products manufactured in India contain unacceptably high levels of chemicals. Basically, World's biggest brand names, known for wooing customers around the world, are facing a credibility crisis in one of their crucial emerging markets is simply highlight the significance of ethics in business.

Religious Views on Business Ethics

- The basic of Indian subjectivity lies in the belief of god.
- He suggested the fundamental law of ethics.
- "Don't injure others; love everyone as your own self universe is one".

Conclusion

Ethics are significant not only in profession but in all aspects of life. It is an essential part of the foundation on which a cultured society can be made and build balanced life nature. When a business or society lacks ethical principles are bound to fail as quickly or far ahead.

References

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Websites

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