

AN INSIGHT INTO THE BUSINESS WORLD IN LIGHT OF ETHICS AND VALUES

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ABSTRACT

Business ethics is the applied ethics. Ethical behavior is the best long term business strategy for the company. However, it is neither like that acting in an ethical manner is going to prove costly for the business or unethical behavior is always punished nor that ethical conduct is always appreciated or unethical behavior always pays off. The final paper contains the details and examples of ethical and unethical behavior of businesses towards various parties that come across the business in day to day operations. These parties largely include shareholders, customers and other stakeholders. The businessman is not bound to behave ethically. The paper also contains whether ethics are same as morals or there is any difference at all. The present paper also takes a dip into the thought that how far the markets today are operating on ethics, values, principles or morals. People, more specifically marketers, in order to increase their profits indulge in unethical activities like high prices, black marketing, adulteration, monopolies, etc. The paper also discusses the so far recent entrant into the field of ethics that is "computer ethics" and "computer and information ethics". Computers are now a thing of day to day use and could be easily misused or be used in unethical manner. The latest branch added in the field of ethics is the computer ethics. This attempt was made by Walter Manar, after looking at the tremendously increased use of computers in almost every field. In its concluding part the paper describes the computer ethics, its origin and its meaning. To conclude, the paper includes the relevance of ethics, difference between ethics and morals, business ethics, ethics in market place, meaning of computer ethics.

Keywords: *Morality, Voluntarily, Indispensable, Principles.*

Introduction

Business ethics is the applied ethics. It is the application of our understanding of what is good or right to something that we call business. Ethical behavior is the best long term business strategy for the company, however, this does not mean that doing what is ethical will prove costly to the company nor that the ethical behavior is always rewarded, or that unethical behavior is always punished. On the contrary, sometimes unethical behavior pays off and the ethical behavior sometimes loose.

Objective

The main purpose behind selecting ethics and values is that these are the factors which are capable of changing the entire essence of any business. Ethics and values play a vital role in building the image of a business or a person. A conduct which is ethically wrong for a person may not be wrong for the other and vice versa. For example, selling a product containing harmful ingredient, for profit earning may be unethical for one manufacturer whereas the same is not unethical for the other. This difference between the thoughts or views of different persons towards one thing makes this topic very interesting for study and research.

Concept of Business Ethics

Managers should develop a deeper knowledge of the nature of ethical principles and concepts. This helps managers see their way through the ethical uncertainties that they have to face in their business lives. Ethics is a kind of investigation and includes both the activities of investigating as well as the result of investigation, whereas morality is the subject matter that ethics investigate. In order to

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increase the profits, businessmen, producers and marketers indulge in unethical activities like high prices, black marketing, adulteration, monopolies, etc. Morality is the standards which individual or group determine about deciding what is right or wrong and good or evil. Moral standards include the norms we believe are normally right and wrong as well as the values we place on the kinds of objects we believe are morally good and bad.

Morals are expressed in the statements like “always tell the truth” or “it is wrong to hurt people”.

Scope of Ethics

The issues that business ethics cover have a wide variety of topics. A few of them are:

- Systematic issues in business ethics are ethical questions raised about the economic, political, legal and other social systems within which the business operate. These include questions about the morality of capitalism, or of the laws, regulations, industrial structures and social practices within which business operates.
- Corporate issues in business ethics are ethical questions raised about a particular company. These include the questions about the morality of the activities, policies, practices or original structure of an individual company taken as a whole. Here questions about morality would be a company's decision to invest million of dollars on a project that the company knew would probably not generate any profits.
- Finally, individual issues in business ethics are ethical questions raised about a particular individual or individuals within a company. These include questions about the morality of the decisions, actions or character of an individual. An example here could be the question whether it is moral for a leader of an organization to allow its researchers to develop a drug that would probably not generate any profits.

Stakeholders and Ethics

A company's duty to employees arises out of the individuals' energies devoted towards the business and who depend on the business for their economic well being. The chosen strategy should promote employee interests and concerns such as compensation, career opportunities, job security and overall working conditions. At worst the chosen strategy should not disadvantage employees.

A company's ethical duties to suppliers arise out of market relationships that exist between them. They are partners and an opponent/ enemy. They are partners in the sense that the quality of supplier's material affects the quality of a firm's own product. They are opponent in the sense that the suppliers want the highest price and profit while the buyer wants a cheaper price, better quality and speedy service.

A company's ethical duty to the community at large comes from its status as a member of the community and as an institution of the society. Communities and societies are quite reasonable in expecting businesses to be good citizens- to pay their shares of various taxes and to exercise care about the outcome of their business activities on the environment, on society and on the community in which they operate. The questions that arise here is that is it ethical for a beer company to advertise its product on television when it is likely to be seen by the under aged viewers. A company's community citizenship is displayed by whether it avoids from acting in a manner contrary to the well being of the society.

Business and Ethics

Business is a cooperative activity whose very existence requires ethical behavior. All businesses require a stable society to carry on their business dealings and the stability of any society requires that its members follow some minimum standards of ethics. E.g. TATA is renowned for its long standing ethical culture.

Ethics in Market Place

Perfectly competitive markets embody capitalist justice because such markets necessarily meet on equilibrium point and the equilibrium point is one where buyers and sellers on an average receive the value of what they contribute.

In monopoly, conditions change. Unregulated monopoly markets fall short of the values of capitalist justice and economic efficiency. Seller forces high prices on a buyer in monopoly which is unjust and unfair. These unjustly high prices are the source of the seller's excess profits. The high profits in a monopoly indicate a shortage of goods. Thus, monopoly market results in a decline in the efficiency with which it allocates and distributes goods.

Oligopoly markets which are dominated by a few large firms. It is relatively easy for the managers of these firms to join forces and act as a unit. By agreeing to set their prices at the same levels and to restrict their output accordingly the oligopolies can function like a single giant firm and therefore can create barriers to entry and result in the same high prices and low supply which is questionable on ethical grounds.

Computer Ethics

Computers have become an indispensable part of the business world and therefore, its use has increased tremendously in the business world today. Today, computers also form a part of business and market, so we shall discuss the meaning and relevance of computer ethics. In 1976 Wiener's Book Cybernetics Walter Maner noticed that the ethical questions and problems became more complicated when computers came into existence. Sometimes the addition of computers generated altogether new ethics problems that would have not existed if computer had not been invented. It can be, therefore, concluded that like medical and business ethics new branch of ethics should also be developed. Computer ethics is set of moral principles that regulate the use of computers. Some common issues of computer ethics include intellectual property rights (such as copyrighted electronic content), privacy concerns. In most countries of the world, the "information revolution" has changed and affected many aspects of life like commerce, employment, medicine, etc.

Badly affected areas include community, family, human relationships, education, careers, freedom, etc. "Computer and information ethics" can be understood as that branch of applied ethics which studies and analyzes such social and ethical impacts of ICT. The term "computer ethics" has been used to refer to applications by professionals for cases that involve computers and computer networks.

Conclusion

To conclude the above study we can say that ethics play a vital in almost every field of life and certainly differ from person to person, business to business, organization to organization and so on. The reason ethics and values differ is that it is neither that ethical conduct help earns appreciation or profits for a business nor that an unethical conduct is always punished or criticized or make losses in business. Ethics and values are the virtues from within a person. Everyone, including a person, a business, a producer, a manufacturer, an organization etc is the guide and a judge of its own when it comes to values, principles and ethics.

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