

Reflective journal

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REFLECTIVE JOURNAL When people think of the hard side of business, it usually includes the idea that somebody is earning money at the expense of another person, or getting the best of another person by fast talk and shady deals. A person who feels cheated or taken advantage of are often left with no recourse to rectify his situation, because the transaction is merely business and therefore impersonal. The word business has come to convey a cold objectivity that allows for no appeals, no sympathy nor compassion.

I believe the idea emerged because of the common idea about business being driven solely by the profit motive. Entrepreneurs and investors embark on business ventures because they wish to make money, and a business that does not make money on a regular basis deserves to be terminated. All the tools and techniques for decision making that are taught in the MBA or any other business management course will always have the profit maximizing criterion as a major consideration.

At least, that is the common perception, and one that I had entertained prior to my studies about business ethics and corporate social responsibility. In my readings, I was struck by the observation of Pride, Hughes and Kapoor (2009), that the profit maximization goal is impossible to define, and therefore impossible to achieve, because there is never a satisfactory answer to the question, ‘ How much profit is enough?’ Exactly, businessmen are depicted as greedy and heartless, loving money for money’s sake, and much like Charles Dickens’ Ebenezer Scrooge, the profit a business accumulates never appears to be enough. Such a goal is thus never attainable, and therefore the profit maximizing aim is a senseless one for business, as there is no maximum. After all, a goal that could not be defined could not be attained, and success becomes elusive and illusory.

What I have learned about ethical decision making is that it is the core of ethical business, the thing that makes business a noble undertaking that seeks to provide for the needs of people. It has the humane goal of satisfying people, of bringing goods and services to match human wants and needs. Business creates value, and offers this value up for human consumption, and the resulting profit is but a just reward commensurate to the value that was created.

Ethical decision making is what guides a businessman to do the right thing at the right time, and because of this his business becomes a tool to making peoples' lives better. I believe that this is the social responsibility of business. Social responsibility does not just mean giving away a portion of a firm's profits to charity, but it is closely integrated to every aspect of business: the aim to serve people. A shoe manufacturer creates value for people who need shoes, and in the course of this provides employment for its employees and business for its suppliers. It is with the realization of this facet particularly of big business that corporate social responsibility has been linked with social development (Hopkins, 2007), making business an important agent of national, even global, progress.

Why is it important to have ethical decision-making and social responsibility in business? It is because without deciding in favor of what is right, and without striving to make people's lives better, business loses its nobility and becomes just another tool for man's greed and lust for money. Not only that, a firm that is insensitive to the society it flourishes in and conducts business unethically loses its customers and shareholders, and will eventually go bankrupt. This is consistent with the idea of Donaldson (2001), that unethically dealing with one's customers, suppliers, employees,

shareholders, or any party a firm may be dealing with is counterproductive, because the business needs these parties to flourish in order for it to also thrive.

In my business dealings, I am careful to develop a genuine concern for the welfare of my colleagues and clients, because I want them to do the same for me. If people took care to render the proper and rightful service to the people they deal with, then it will create an interdependent relationship that is mutually beneficial for all. Our contemporary lifestyle is defined by the goods and services that businesses made possible. The ethical and socially responsible conduct of business is a very powerful tool for progress and change, and it is a revelation that it is not superheroes, statesmen or sages, but ordinary people, that make it possible for each and every day to be lived in comfort, health and relative happiness. This is well worth the realization of a commensurate amount of profit.

References

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- Pride, W M; Hughes, R J & Kapoor, J R 2009 Business. South-Western Cengage Learning, Mason, OH