

# Discussion for online business ethics class - week 3

[Business](#)



## BUSINESS ETHICS Discussion for Business Ethics and Section # of Discussion for BusinessEthics Class

The purpose of this paper is to compare and contrast the work of two authors, Novak and Kelly, on the role of corporations and how it may impact the happiness amongst masses. Moreover, the paper will also discuss Kelly's perspective on the role of a corporation.

### Novak and Kelly: Happiness

The work of Novak suggests that one cannot achieve happiness in a stakeholder society. As human desires are infinite which keep rising through the ladder therefore one cannot imagine satisfying all his needs at a particular time. Moreover, if one is to assume a scenario where all the humans are equal on social and economic grounds, even then there will remain a perceptual dissatisfaction due to human's nature to look beyond what he is today and thus strive for more, than what others have. Thus social democratic societies cannot achieve happiness. However, Kelly believes that happiness comes from exercising freedom. He calls the corporation of today as the government of the propertied class, a concept similar to plutocracy and timocracy where privileged class dictates the terms and thus few is the number of happy people. Therefore in order to bring happiness amongst the society, it is necessary to bring happiness amongst masses which can be brought by ending the rule of the elite, and the introducing the measures that shall also use the growth of other stakeholder's such as employees to indicate the growth of the corporations.

### Kelly: The Role of Corporations

Kelly has distinguished a corporation from its stockholders. The role of corporation is not to maximize profits only but to also address the issues of <https://assignbuster.com/discussion-for-online-business-ethics-class-week-3/>

the corporate stakeholders that also include employees, customers, suppliers, creditors etc. Thus instead of focusing on the shareholders only which it does by perceiving each and everything from his eye only, it shall also focus on the well being of its other stakeholders too by increasing wages and funding healthy environment for instance.

#### Novak and Kelly: Perception about Corporation

While Novak's perception is optimistic about corporations, Kelly views it pessimistically. Novak believes that corporations have been wrongly blamed to have ignored morality and promoted only that, which has been useful to them but he agrees that corporations do have the elements of aristocracy. On the other hand Kelly believes that the corporations have wrongly assumed the role of exercising the desires of the elite, it has to do more than maximizing the profits of its shareholders. Therefore, instead of competing on the wealth of the shareholders, the corporations need to compete on wider basis such as raising the standards of the employees, customers and providing them with a better environment to interact and work. While both may agree that the corporations satisfy the purpose of both the customers and investors but Kelly disagrees on the ground on which Novak's view is based, which is the maximization of shareholder's value.

#### Conclusion

While Novak perceives the role of corporations as constructive to the nature of society, Kelly believes the opposite is true and suggests that the corporations of today is another way of elites to rule the masses thus calling it as the aristocracy, the government of elites.

#### References

##### Book

<https://assignbuster.com/discussion-for-online-business-ethics-class-week-3/>

Jennings, M. M. (2012). *Business Ethics: Case Studies and Selected Readings*. (7th edition). Ohio. Location: Thomson/Southwest.