

Snc reaction paper



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What was it spent on? Who were the recipients? Investigations suggested that the money was used to pay bribes to unknown North African agents in order to sanction multi-million dollar future projects. This was possibly done to maximize company revenue, but the deed is still questionable with Demise's grey past. The archbishop Of Milan, SST. Ambrose once said, "When in Rome, do as the Romans." Does this translate to Zinc's actions in North Africa? Doing business in different parts of the world can be a difficult game because of varied cultural and professional differences.

What may seem wrong in North America may be an everyday occurrence in another part of the world. Bribery is one such act. A bribe, according to the Merriam-Webster dictionary is " money or favor given or promised in order to influence the judgment or conduct of a person in a position of trust".

From personal experience, in some countries, not paying a bribe or not " giving a gift" may prolong or delay work, and in some cases even create a roadblock and completely stop the project. In some countries, offering a bribe is legal while in others it is considered a felony.

The question forever is, is bribery ethical? Ethics, in my opinion, are culture specific and, as the professor mentioned in class, time specific. Slavery, for example was an integral part of a perfectly normal society in ancient times but now is considered a heinous crime. Pierre Daytime bribed officials to influence their decision in choosing SYNC Laving for construction projects. But even after investigations, it is not known what this bribe was used for. Daytime and Ben Sass were also linked to illegal activities like money laundering with the controversial Miramar Godhead of Libya.

Keeping in mind his past history and the act of bribery itself positions me to believe that Daytime acted unethically. I also believe that bribery, in any form, is morally wrong irrespective of where one does business. In this case, Daytime, the board of directors, the agents and the officials in North Africa are the active agents. The shareholders, potential and current clients, the employees of SYNC Laving as well as their competitors are the passive agents. Let's analyse the ethical issues in this case using a few models.

Virtue Based Moral Reasoning expects en to maximize certain virtues like honesty, integrity, fairness and transparency. Daytime in his actions exhibited dishonesty and dishonor by bribing and laundering money. These actions were unfair to the shareholder as they were and still are unaware about where their money was spent. Lack of transparency creates a loss of trust amongst employees and stake-holders as well. Demise's actions were, therefore, unethical. Next, let's look at it through a Communitarian's approach. This method stresses that contracts, implicit and explicit, should be respected and not breached under any resistance.

Daytime had a fiduciary duty towards the corporation, which he breached as the company lost its reputation as a result of this bribery debacle. He had also signed an implicit contract with the employees of the organization which was breached when he paid no heed to company ethics before making his decisions. Falsifying accounts by using terms like " project consultancy costs" and " project commercial costs" for the money spent towards bribes is equivalent to lying to shareholders as these statements are finally sanctioned by the CEO. Thus we see that SYNC Laving and Daytime acted unethically on the basis of Communitarian's.

However, if you look at the decision through a Consequentiality perspective, an approach where only the consequences of your actions matter, Daytime, while making this decision was actually right. He paid a small price (in the form of a bribe), which in turn would bring in business worth billions and increase the company's revenue. He believed that ends justified the means. However, after the entire incident unfolded, SYNC Laving not only lost a lot of money through trials and fines, but also lost something more important, trust and reputation.

Thus, I believe that this act was unethical even through a consequentiality approach. If Daytime was acting under a veil of ignorance, he would definitely not authorize these payments. SYNC Laving could have been a company that has lost out to a lucrative contract just because another company was willing to bribe their way to the contract. Here we see that through a Rawlins Liberalism approach, Daytime was unethical. According to Graham Tucker's theory, an ethical decision should positively answer all his five questions. Daytime and SYNC Lapin's board fails to answer these questions positively.

Was their decision profitable? Definitely not. SYNC Lapin's profits reduced from \$76 million to \$67 million in the first quarter of 2012 itself. Secondly, bribe giving is illegal in Canada which negatively answers his second question, is it legal? He then goes on to ask if it is fair. If you look at this from their competitors perspective, their decision was unfair to the competitors who missed out on deals as they refused to pay bribes. This decision was also not right as this money was paid to unnamed and unknown recipients to influence the company's goals.

Finally, it fails to positively answer if paying bribes ensures sustainable development. Such acts result in recurrence of ill doing which in turn can backfire on the corporation. Most successful organizations usually boast of having a clean slate and usually do not indulge in such acts. Bribery may be a quick fix but is definitely not a permanent solution. Informs CEO and my former boss, Nary Murphy once suggested, " If bribe giving, and not bribe taking, is made legal then the bribe giver shall indeed cooperate with the authorities to expose the bribe taker.

This seems to be an interesting idea and think it should be implemented". Such a policy will encourage victims to blow the whistle on bribe takers fearlessly and in turn help combat corruption. In my view, businesses can very well flourish even in the harshest situations. Informs is a great example; an organization which flourished ethically in an environment which was not very welcoming to entrepreneurs with a conscience. Their vision was not to just build a profitable organization, but a respectable one. In 1984, Informs imported a supercomputer and the customs official at the airport refused to clear it without a bribe.

Any delay was unacceptable and the only alternative was to pay a customs duty of 135% and then appeal for a refund. Murphy borrowed money and paid the duty. He believes that at the end of the day, a clear conscience is the softest pillow on which you can lay down your head at night. I firmly believe that bribery is an evil which eventually leads to corrupt business and political environment. Even though it is viewed differently in different cultures, morally it still is wrong and unethical. I'd rather not do business in a

market which enforces bribery than silence my scruples and indulge in a social evil.