

Free research paper about ethics and social justice in a non-profit organization

[Business](#), [Organization](#)



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Introduction

The most important problem that any organization faces is the problem of unethical behavior. It is a common problem faced by both for-profit as well as nonprofit organization. Examining ethical issues is a thorough observation of the moral conducts that must be kept in mind while planning the operations of an organization. It is the duty of the management to consider the ethical issues or moral conducts before planning the strategies of an organization. Here in this report a study has been made regarding the problems and challenges faced by any organization to cope up with the moral values or ethical issues that bounds the operations of the organization. It must be seen that each and every activity of the organization must enhance the social justice themes that are discussed in details in the report. It has been seen that people working in the fields of ethical issues are professionals who does not suffer from the downturn of the economy. It has been observed that since last decade most of the organization faces the problem raised by the ethical issues that has become an important factor to be considered in present day situation (Okonkwo, n. d.). It has been seen that in corporate sector no organization has control on the greed. The higher level official makes use of the properties and assets of the organization that is out of ethical conducts. Hence it can be seen that in corporate sectors, the higher level official enjoys a leisure and luxurious life with the help of the organizations profit and assets. Hence, this report has been developed to carry on a research on the non-profit organization and the ethical issues that

needs to be followed by the organizations to fulfill the requirements of the laws and conducts that bounds and regulates its operations. To conduct this research a local nonprofit organization has been considered and the name and location of the organization has been kept secret as per the rules and regulations of conduction of this research.

Background

A nonprofit organization is a corporate body that works for the welfare of the society and community in which it operates. Here in this research a corporate body of such kind has been considered that helps to provide education in the rural areas. The main aim and mission of the organization is to help poor and disabled children to achieve their right of education. The organization works for the welfare of the society with the help of the local government authorities. It raises its funds by organizing charitable functions and gets the fuller support of the government authorities to have enough funds to carry on its charitable activities. As the organization works for the welfare of the society, it gets fuller support of other international NGOs. Non-profit organizations work with a partnership with the government organizations, to get support to carry on their activities for the welfare of the society as well the community. Here in this report the aim and mission of the organization and organizational structure of it has been observed along with the practices of the principles that it follows are analyzed and examined to understand the problems faced by it in its regular day operations. The company purchases services from the market and uses these services to fulfill its aims and targets. In general context each and every aspect of the

organization has been checked out and compared with the moral conducts to check the challenges faced by it in its long run. This is done to help the organization to run a smooth operation by keeping in mind all ethical issues that guides and regulates its operations.

Scope of the Research

The scope of this research is to study the ethical issues that a nonprofit organization needs to follow and collect data from the reports presented by the organization to compared them and observe the challenges faced by it during its operations. As it can be said that principles are developed to make an organization work in a proper track, principles written on paper is worthless until it is put into action. Hence, it is important to monitor the operations of an organization to put a check on proper implementation of the principles and moral conducts that helps the organization to be within the boundaries of law regulating it. Along with that, as it is a nonprofit organization that works for the welfare of the community and the society, it must be seen that the activities of the organization helps to maintain each and every ethical approaches that tare proposed by various philosopher. To do so, various literature presented by different philosophers and experts have been studied and explained in this report which helps to analyze the challenges faced by the organization and helps to suggest proper recommendation to the problems.

Objective of the Research

The main aim and objective of the research is to study and observe the ethical issues that are needed for the nonprofit organization to consider and

maintain the moral conducts for the social justice and welfare of the community. In this research various theories explaining ethical approaches have been discussed along with the practices of principles implemented by the organization has been monitored and assessed to understand the problems faced by the organization. As per the results and findings from the analysis, a proper solution has been recommended. Along with assessment of the recommended policies and strategies have been done and discussed to compare the actual outcomes with the proposed outcomes and justify how this recommendation helps the organization to maintain themes of social justice and ethical behavior.

Literature

Ethical Issues

Ethical issues are important factors that a nonprofits organization has to face. Ethics generally refers the right or wrong thing that the human should do or not to do. It is generally explained in terms of duties, ideal, principle, or beneficial of society. The combination of all this is generally defined to be ethics (Lewis, 1989). When it comes to the organization of non-profit ethics, it generally includes various approaches into it as per the organization requirement; some of the main approaches are listed here:

Virtue approach: This help organization to deal with personal characters.

Organization need to know about the limitations for an individual character so that as per there requirement they can use them for the benefits of the community.

Communitarianism approach: This approach is based on the community and

what is good for it. In this approach the organization look for the ethics that are good for the community, as the organization works for the benefit of the community so this ethics is one of the important ethics for the non-profit organization, as it is for the good deed for the society or community.

Utilitarian approach: This approach deals with the ethical conducts that further deals with the better life for the people who are related with the organization and its activities. It helps to organization to carry on its activities for the betterment of the community on an individual basis. Hence it can be said that it says to take care of individual elements in the community.

Pluralism: It is the mixture of all approaches that have been mention above, depending on the relevant situation. Organization is facing these ethical issues at a very different way as per the different situation. So as per the required situation the organization use this approach.

Causes of Ethical Issues

Non-profit seeking organization deals with a vast area. As it is for the benefits of the community it has to cover huge geographical boundaries. While covering those areas different ethical conflict and challenges are introduced at different stages of the organization. This concludes a complicated relationship between community and the individuals. For this the organization has to face much other type of difficult challenges like: criminal activities, fraudulence, misuses of assets, falls representation and many other negative challenges which occurs in the organization to introduces the ethical errors (Idowu et al., 2013). Organization also faces

many ethical errors or problem such as the problem relating the outskirts areas and also involves clashes of interest in the organization which pulls back the development of the organization, misallocation of the raw material and other resources also occurs which is another drawback of the organization to serve the community, mistakes in the accounting areas are also create due to this ethical problem which create a rapid negative effect in the financial field of the organization to develop and grow. These ethical problems are of much general to this type of non-profit organization, those are the main challenge that the organization has to face. So, many other ethical issues are introduced, so that the organization can cope up with these difficult challenges and can develop and benefit the community as per the individual way.

Results and Outcomes

Major Ethical Challenges Faced by the Organization

In Non profit seeking organization ethical issues plays vital role. Some of the major ethical issues that arise in the organization are financial principle, public interest, strategic management, accountable and investment policies (Bird and Westley, 2011).

Financial Principle: Non-profit seeking organization always faced the financial problem as it has to be very sensitive from whom to accept the donation.

Non-profit organization cannot accept the donation just like wise they have to investigate about the donor. So, that the donor later on can't take advantage of the organization and also can't misuses its resources and assets. Organization should look through this sort of points to be saved.

Public Interest: Non-profit organization should always look for it clarity. The organization should disclose all their funds and deposits that they use in administrative expenses, in a non-misleading and clear way. This is very important for the donation purpose and grant agreement.

Strategic Management: As Non-profit organization does not deals with the market research so it works free under the inspection, which leads to their growth. As the organization does not deals with profit making purpose so it became tax free and enjoy other types of exemptions. This leads the organization for the growth of their funds for future uses.

Accountability: A non-profit organization should always be sensitive in its account as it does not deal with the profit purpose so they have to be very clear and straight in their account. So that it can be disclose to their donor in future so that they can be more faithful towards the organization.

Investment Policies: There is always having a debate relating this point in the non-profit organization. They should always decide their investors according to their needs so that their investment portfolio should remain under control.

Main policy of the organization is to invest in the newly ventures so that the organization can make their investment in a better position.

Strategies for Maintaining Responsible Conduct

The organization needs to maintain some of the main strategies that are very crucial to solve ethical problems. As ethical problem are the major drawbacks of non-profit organization. Some of them are discuss below:

Moral Awareness: This awareness deals with the moral knowledge. Over here the situation are examine from where the ethical problems are arising and

after that solution to that problem is also cultivated by the organization (Bai, 2012). The organization tries to reduce and cut off the risk of evaluating the ethical errors or problems. So, that the organization can run without its ethical problems.

Moral Intent: Moral Intent is the part where the organization has to decide their correct donor. So, that the donor can't take the advantage of the organization's resources and assets. By solving this problem, ethical problems are also solved.

Making Moral Decision: The organization has to decide the correct action that should be taken to solve out the ethical problem that has been discussed earlier.

Moral Action: Here, the action is implementing over the decision that has been made by the organization in previous step. The action is done according to decision to solve out the major ethical problems. So, that the organization can work freely without an ethical errors or problems.

Relationship with Social Justice Themes

It is important to see that the operations and activities of the organizations follow the social justice themes to maintain an ethical behavior in the organization. Social justice explains the rights of human beings for equality, justice and liberty (Wehle, 1917). The themes of social justice related to the ethical issues faced by the organization are discussed in the following points:

Equality: As it can be seen that the organization does not publish its financial report, therefore there occurs a chance of fraudulence that causes to an

inequality in the society. Only the members of the organization are allowed to access the financial report that brings in front the conflict of inequality between the society and the organization. It must be seen that the operations of the organization must maintain the concept of equality and helps to provide justice to the society by maintain the ethical issues.

Liberty: The organization gets liberty and freedom from the outer world. As it works for the welfare of the society, it gets extra benefits like exemption of tax. It gets liberty and freedom of organizing functions and other welfare activities. But it can be seen that the higher authorities of the organization practices power over the lower employees and enjoys better facilities as compared to them (Wright, 1915). Hence, it can be said that it makes them over utilize the power of liberty in the organization.

Recommendation

It is important for an organization to promote ethical decision making which is one of the necessary factors of getting success in the developing society and community. In the present scenario it can be seen that satisfaction of the general public is the main element for getting success and live alive in the globalised world (Tomlinson & Schwabenland, 2009). Hence it is important to promote ethical decision making that will consider all different ethical issues that are related to the operation of a non-profit organization.

Some of the suggested recommendations are discussed in the points below:

Ensuring effective rules and law: It is important for the organization to implement effective code of conducts and build compliance programs that will help it to solve problems regarding conflict interests and legal issues. It

is important for the organization accepts and enforces codes that will help to reinforce values, reduce misconducts, decrease organizational risks and promote trust. It is important for the management to consider this code of conducts and implement them in a proper way to solve the conflicts of ethical issues.

Implementing better financial management: It is suggested to the organization to implement an enhanced and better financial management system by employee better professionals and publish the financial reports publically to earn the trust of the general public and gain a better position in the society. A better financial management system will help to eliminate the issue of fraudulence in the financial statements and will help the organization to manage its assets and properties in a better way.

Institutionalizing ethical culture: It is important for the organization to implement and initialize an ethical culture in the corporate world of the organization. In other words it can be said that the organizational structure of the organization must be developed keeping in mind the ethical issues and moral factors that are needed to enhance social justice in the community. The organization must promote ethical behavior that will help them to maintain a better environment within the organization.

Implementation of recommended solution is not only the ultimate solution of the ethical problems occurring in the organization. It is important for the management of the organization to conduct an assessment procedure that will help to observe the actual situation and compare it with the planned scenario that will further help understand the gap and will help the management to use ethical decision making to solve the issues of ethical

problems (Zhu, Wang & Bart, 2014). By conducting an audit, the financial system can be made strong. Using code of conducts will help the organization to move on a particular track that is decided by the management, but it is the duty of the higher officials to implement the code of conduct in a proper way so that each and every member of the organization follows it and each and every decision making for the organization is made keeping in mind the ethical issues that regulates it.

Expected Outcomes

It is expected from the suggested solutions that it will help to build a corporate environment in the organization that will follow certain code of conducts implemented by the management. It is expected that a better financial management system will help to eliminate chances and risk of fraudulence. But it is the duty and responsibility of the management that will help to implement the codes of conducts and help to implement an ethical behavior in the organization. If the higher officials do not perform their duty properly as per the rules and guidelines, there always occurs a chance of unethical activities that effects the reputation of the organization.

Conclusion

A non-profit seeking organization mainly has to face several ethical issues, which has been discussed in this research paper. As a whole, all this types of organization has the similar categories of problems regarding the ethical and social justice. These major errors that the organization has to face like strategic management, public interest conflicts, investment problems, financial problems that has to be faced by the organization as well as

injustice relating to the social and ethical problems. Therefore to solve out those problems NGO's has took several methodologies, strategies, several morals, relation relating the social justice, liberty, several rules and laws, financial management and institutionalizing ethical culture. As it is a non-profit organization so it also have some investigation freedom (tax free). The organization should also remain sensitive regarding its donor or investors as they have to choose the correct donors so that they can't take advantages of the organization assets and resources. Non-profit organization deals with the welfare of the community, so they have to work in several fields and for doing so, they have to be more flexible regarding their service. Hence, it is important to solve out those unethical behavior and social injustice by implementing better ways that will help the organization to work as per the moral conducts and promote ethical believes in the organization.

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