

# Five ethical approaches for companies

[Sociology](#), [Ethics](#)



Being honest and trustworthy is one of the most important aspects within business ethics. The object of a business is to produce products that consumers have faith in and have confidence that they are getting the best deal with no hidden inconveniences. The Markkula article gives five examples of ethical decision that each business should take into consideration when making transactions with customers or implementing a product into the market.

The utilitarian approach, virtue approach, rights approach, fairness approach, and common good approach are all steps the business should use to make sure their brand is ethical. Companies like amazon, apple, and Wal-Mart are ethical and have prospered because these companies hold everyone accountable for their actions and decision-making. Amazon has great policies set for the consumers with multiple low prices valuable material as well as Wal-Mart. Apple has a code of ethics that is set for all individuals that work for them. To more thoroughly detail these principles, Apple has drafted a code of business conduct that applies to all its operations, including those overseas”(Fund).

Enron, Aig, and Fannie Mae Foundation are companies that did not always use ethical decision-making and therefore went under. “ After 1992 Fannie Mae and Freddie Mac were encouraged to purchase “ affordable” mortgages from banks, which essentially meant mortgages that did not pass the usual creditworthiness requirement for loan”(Congleton, 2009). Fannie Mae gave loans to anyone who basically applied thus, resulting in a major crisis in America. Good ethics in business would be to compete fairly and honestly, to communicate truthfully and to not cause harm to others. These are things

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that Enron did not seem to display, which led to Enron's operations file for bankruptcy in 2001" (Studymode 2008). Enron was convincing people to invest in insurances of their firms, but took the money and did not pay up for any claims. An unethical approach that Aig is known for is giving Ceo and other officials of the company bonuses and vacations when they were a failing business and an investor were losing money.