

# Managerial ethics

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



" Ethics is the code of moral values and principles that governs the behaviors of a person with respect to what is right or wrong (Burke)". Ethics sets standards on what is good or bad in a person's behavior or decisions making. In addition it deals with internal values that are a part of the company's culture and their employees. An ethical issue is found in a case that the actions of a person or an organization may harm others. "

Managerial ethics help to guide decision making and the organization of internal and external behavior.

Ethical problems usually arise from a conflict between an individual or group and the company, division or department as a whole. Companies have created a set of values and standards that are recognized by managers and consistently referenced during the work day have created an ethical platform that can operate managers and make decisions. Training managers on the specifics of managerial ethics by role play, case study and group discussion has paved the way for ethical behavior. " (Burke) Managers in most organizations seek to encourage ethical practices to gain whatever commercial advantage there may be in having potential consumers and employees regard the company as ethical, also to ensure ethical behavior in the company.

Distributing, creating, and continually improving a company's code of ethics is a one-step manager can take to create an ethical workplace. Another step managers can take is to provide the work force with appropriate training.

Many companies implement training programs designed at encouraging ethical practices within their organizations. (Marion, 2001) Managerial ethics are a set of standards that dictate the behavior of active manager within the

workplace. It helps to guide decision making and organize the future path of the organization. People need to increase their awareness about ethics. Therefore, this paper will illustrate the history and the importance of ethics in the workplace environment. It will also provide good example of ethical and unethical behaviors in the place of work. History of ethics: The history of “business ethics ” has a lot of definition and it depends on how people define it.

The history of ethics was known in 1970s and it was known in japan and Europe in 1980s. Business ethics is different in each country, for example the business ethics in China is way different from the business ethics in the United Kingdom. The history of business ethics will have three standards because it used in at least three different stands. First stand of the history is “ the term “ business ethics “ came into common use in the 1970 in United State. ” (George, 1998).

It was found in the academy, business meetings, and academic writing, research and teaching. Second stand of the history is when business ethics becomes more general usage in media and public discourse, and then they had to call it “ethics in business. ” And it is the most widespread stand in general public, news reporters and many business companies use this term. Another stand of the history is when the history is broader; it goes back to the principal of business and taken in a broad sense, for example; commercial exchanges and later meaning economic system.

Movement within business or movement to building ethics into structure in a form of ethics code, ethics training is the third stand of the history of ethics.

Moreover, the meaning of business ethics is different from each country. According to Richard T. De George “ Corporate socialresponsibility(CSR) has become something that corporations can no longer ignore and still maintain a positive public image. ”. It plays in most of European countries, where the government has a huge role than United States, for example, a lot of labor force that were managed in United states were legislated in United Kingdom.

Also, Agreeing to Richard T. De George,” CSR is a somewhat nebulous concept and it is often adopted by companies in response to external criticism, without any overarching framework or set of values”. Ethics of CSR is recognized in all cases by ethical norms not by the demand of interest groups. The globalization of business ethics has been in the worldwide of all the three stand of business ethics. The globalization of business ethics is still in tis incapability. They have a little attention of global issue; lobal warming is an example of attention they have. TOYOTA ethics in Japan’s 1)Leave employee exhausted. 2)They think the more working hour daily will give more productivity and quality to the product. 3)Work late at night without break time. 4)No meals available in the company. Toyota in japan have a strict rules of ethics that employee must do it if they joins the Company. However, Toyota ethics in other countries is different from japan due to the change in culture, environment and what people believe in.

Religion perspective on business ethics The reason why religion is the most important factor in a person’s perspective of business ethics is because there are several different views of religious. For example: Muslims use the Holy Quran and the teaching of Prophet Mohammed to inform people their

views on business ethics, while Christianity uses the Ten Commandments and the teaching of Christ to explain their ethics in business. The Jewish uses the Torah. In Islam, responsibility, freedom and honesty are the three main concepts of ethics.

In addition of these three main concepts, a Muslim person should also have to be fair and productive. They believe that a selfish habit has no room in Muslim's ethics. Moreover, they also believe that an absolute freedom should not have a place in their ethics because the economy will damage slowly if it has absolute freedom. According to religious views on business ethics website, " Jewish faith believes that a person should show reasonable concern for others. In these aspects Judaism is like Christian faith, however, there is a major difference in their beliefs. ' Jewish thought that wanting wealth is a fault and this fault turn people away from God. Furthermore, they also believe that a person should only have what is necessary to him/her to live a happy life.

Judaism has rules that they follow as business ethics. Employers and employees are in different levels, so they will have different rules to follow. According to Religious views on business ethics website, " One rule that Jews believe, is that an employer should not demand more from a worker than they are capable of doing. ' The basis for these different religions for their business ethics is: wealth and to know the perfect ways to deal with that wealth while staying in the limitation of their laws and rules. The main different in these religions is the way in which to deal with a situation that arise in everyday life and that because every religion has its own policy. The

importance of ethics: Obviously, unethical and abnormal performance difficulties are of huge worry to businesses, which need to precede stages to resolve them.

Unethical performance leads to unethical workplace environment that's full of animosity, dishonest competition and inconvenient atmosphere and that's why ethics are central quantity of each business organization. The ethical culture should be encouragement, solid and optimistic. "The vanity of the sciences, physical science will not console me for the ignorance of morality in the time of affliction. But the science of ethics will always console me for the ignorance of the physical sciences" (Pascal, 1998).

There is a rising acknowledgment that noble ethics can have an optimistic financial influence on the performance of organizations. Lots of statistics provision the basis that ethics, integrity, responsibility and values are essential in the modern place of work. For customer crowds and the general public at outsized, studies has shown that noble ethics is good business. Ethics are essential aspect in the business environment. It goes beyond setting rules and applying them in the workplace to increase the organization's profit, spread their reputation and competitive advantage to consumers and suppliers.

Ethics advance the productivity and efficiency of the labor, honesty, and dependability, positive Work Habits, initiative, humility, positive Attitude, Teamwork, protect humanrights of employeesand provide a restful atmosphere at work. The importance of ethics in the workplace environment lays down numerous benefits in many different approaches. It can benefit

the internal culture and atmosphere to the external firm's reputation and stature. Several college courses are currently comprehensively applying the training of ethics and for worthy purpose.

Young minds will proceed this info into the workplace and recognize that ethics must be practical there as well as in the private division. A great level of ethics in the business has to be in place as a minimum for the consumers. If anything, it is the consumer that would be reflected the furthest when it arises to ethical business performs. Customers will rather purchase their needs from a good reputation company that teach and apply good ethics to their employees. Ethics are believed by a lot of individuals as something that is associated to the private sideways of lifetime and not to the business sideways.

In countless businesses, consuming ethics is assumed as an undesirable topic. This is since business is frequently about choosing what is the finest for number one, not about what's truly the correct thing to do. Ethics are theoretical to advance our lives and appeal honest spirits. Maybe the purpose ethics is such an uncomfortable topic is for the reason that they are repeatedly unwell applied, if applied at all. Ethics aren't checkered at the gate when arriving the place of work. Ethics obligate each little as much a place in the community as they do the private.

What is unethical behavior? We can describe unethical behavior as any act that is not accepted by the principles of behavior recognized by the association. Unethical behavior can take place at any situation with an employee; either it can occur while dealing with another employee, in day to

day running of the business or when he is dealing with the company's resources and finance. Unethical behaviors show damaging in workplace . There are a lot of unethical behaviors in workplace. One of the important causes of unethical behavior is greed.

For example, the worker who's in contact with a client may be willing to give him/her a discount in exchange for a kickback. The essential reason that can lead to unethical behaviors in the workplace is ignoring the firm's policies . The most common unethical behavior is deception in the workplace. Such as, switch prices of products so that items are marked as cheaper than they should be. Also, failure to commit with clients, such as delays in the due date and failure to respond to customers' calls or emails . You must know how to deal with difficult clients. (Wallace, 2012)

Also one of the common unethical behaviors by an employee in a company can be seen in a situation where he uses the company's computer for his personal use. Unethical behavior is carried out when he uses the computer for either shopping online, checking his personal emails not related to company's official work, playing games ...etc. These tasks may lead to delay in the responsibilities that he was assigned to do for the company. In addition " fraud is a form of unethical practice, which involves falsification of facts or data to obtain unjust rewards Fraud is a crime which attracts harsh sentences to offenders.

It also causes huge losses to business organizations. "(Thomson, 2004)

Moreover, bribery is considered number one of the most unethical behaviors in the companies. Bribery means offering or accepting anything of value in



exchange for changing or influencing the behavior of the recipient of the bribe. Anything of value can use as a bribe, but themoneyis a classic bribe. It also can be more intangible, and they might be like offers of real estates, valuable objects or a promise to do a specified service in the future.

In order to consider it as a bribe, the object of value should be offered with the clear understanding that the person who accepts the bribe will be doing something in return. This distinguishes bribes from gifts given in real good faith, and also discriminate bribery of tipping, a practice in offering gifts in return for good service. For example, a driver being ticketed for speeding or parking in the wrong place might offer a bribe to the police officer to ask him to rip up the ticket.

In many areas of the world bribery is considered as a crime, and it can be hardly punished. While in other areas bribery is more socially acceptable, and that can put a heavy burden on those in the lower levels of society, as they cannot afford to bribe officials in the pattern to which they are accustomed. The cultural differences on bribery can lead sometimes to confusions. In some cultures, for example, offering a tip may be considered a bribe, while in others, if you did not give a tip it considered as an offensive.

Depending on regional laws, bribery can be punished with fines, imprisonment for a specified period, or compensation. Particularly in countries that are based on high ideals ofequality, bribery is usually seen as especially offensive, because it erases the illusion that all the members of society are equal when someone can basically buy favors or someone else's skills with the right bribe. Ethical behavior: Ethical behaviors are essential for

employees to deal with clients in a professional way . Employees face ethical and unethical behaviors from clients every day in the workplace.

If you want your company or shop gain profit you must train the staff to act ethically in accordance with the company. Working with clients requires specific ethics. For example, ability to offer successful communication to makes them repeat clients. As employee in company you must protect the rights of the client when delivering the service. Such as, rights of privacy. Moreover, the worker should have confidentiality relating to the release of information about clients. Be a good employee for instance, tell the truth always to your clients.

Must respect all people and not to differentiate between them, give the clients your best advice and listen to the client because he/she wants to know that you care about his/her problem. Apologize and correct the problem if you had mistaken. Also, show the positive relationship between the employee and the clients. (Knight, 2009) Other example of ethical integrity in the workplace is confidentiality. It is a major illustration of veracity in any place of work. It is also considered as a legal obligation for any employee at any level of organization.

All the employers in an organization has got certain information that is to be kept as secret and exposure of these to anybody can lead to fines, penalties and lawful punishments. Confidentiality helps in building trust and motivates genuine deliberation of secrecy of others. The most basic business ethics are honesty, integrity and fairness. Honesty is related to ethical advertising and a reasonable cost for the quality of the products or services. The businesses

make profits through ethical business strategies instead of trying to benefit from others through dishonest pricing.

Moreover, integrity includes a very wide range of ethics, but it covers issues like social and environmental responsibility. Integrity in business is to be fair and considerate to others but at the same time make profit. Finally, fairness is a very basic concept of ethics, where the company has to treat all the people in commercial dealings either employees or buyers fairly. Fairness in commercial dealings means to be objective and to have an interest in creating a win-win situation for both parties, whether between an employer and employee or a company and a client.

Conclusion: To sum up, ethical is essential and very important aspect in the workplace environment. Ethics sets standards on what is right and wrong in an individual's performance and decisions making. There is a rising acknowledgment that noble ethics can have an optimistic financial influence on the performance of organizations. Unethical behaviors provide lack of enthusiasm and negativity in the workplace. Therefore, ethical behaviors are central part to the workplace environment and to employees to work with clients in a professional way.