Ethics web field

Sociology, Ethics



1. In view of what you read in current publications relative to ethical practices in today's business and government environment, what factual evidence can you find to either support the study or refute the findings of the study? You should present evidence to substantiate your position by researching Internet sources to gather relevant evidence that supports your position The current status of business ethics may seem to be improving only in certain business organizations (especially those in which strong ethical principles exist).

A survey conducted by the Ethics Resource Center in 2007 clearly demonstrated that in spite of the lessons learnt from the infamous American Business corporate scandal, the ethical standards in various business organizations does not seem to be improving. This study is popularly known as the "National Business Ethics Survey" of the year 2007. ERC is a NGO concerned with improving the level of business ethics in various governmental and non-governmental organizations. More than 2000 employers belonging to public and private organizations took part in the study.

The ERC has observed that in only companies having effective ethical principles, there was a reduction in about 75 % in the rates of ethical misconduct. Following the ethical scandal of 2000 in the corporate sector, the reportance rates of ethical misconduct have more than doubled in organizations following strong ethical principles. The NBE survey demonstrated that only about 40 % of the employees are aware of the ethical compliance programs that exist in the organization.

Several legislations such as the Sarbanes-Oxley Act (2002) have been introduced to prevent corporate ethical misconduct. Companies are mainly developing an ethical strategy to help prevent the ugly events that had occurred in the past (Ethical Resource Source, 2007). However, in the majority of the organizations (75 %), the employers felt that the ethical misconduct occurred at the work place and most of the time it was not reported due to several factors including conflicting interests, lying, and abusive behavior.

This occurred in spite of efforts made by several organizations to increase the chances of the reporting, creating awareness and introducing new legislations to reduce the chances of ethical misconduct (Ethical Resource Source, 2007). In an organization, the employees may fear of reporting any kind of ethical misconduct as they may feel that there would be some kind of retaliation from at least one source, and there was every likelihood that correction action would be taken. According to the ERC, in an organization if a strong ethical culture is present, retaliation and ignorance of such complaints would not exist.

The ERC has also observed that the number or percentage of employees who are capable of reporting any kind of ethical misconduct did not improve (Ethical Resource Source, 2007). Thus it can be said that business ethics is only improving in those organizations that have a strong ethical culture. Creating greater awareness amongst the employees (to identify and report misconduct), introducing new legislations, and developing a strong corporate ethical policy would be some means of reducing ethical misconduct further (Ethical Resource Source, 2007).