

Example of essay on ethics and profits are mutually exclusive

[Business](#), [Company](#)



Abstract

The financial performance of a business entity depends on a myriad of factors. These include prevailing market conditions, level of competition, and consumers` tastes and preferences. Therefore, a profitable firm does not necessarily adhere to ethical standards. As such, one cannot argue that profitability fully depends on legal, ethical or philanthropic responsibilities. Nevertheless, the extent to which ethics and profits are mutually exclusive may be limited depending on the type and quality of the product being produced by various firms. Further, the extent to which ethical practices may influence a firms` level of profitability depends on the perception of the consumers at large. Corporate social responsibility ranges from economic, legal, and environmental to political and philanthropic responsibility. A firm which focuses on mainly maximizing profits may only adhere to a few responsibilities. This is because corporate social responsibility increases the level of costs incurred by firms. This paper seeks to discuss the extent to which ethics and profits are mutually exclusive in the private sector. Innovation, globalization and increased level of labour mobility, among other factors have led to increased level of competition in the market. This has particularly affected the private sector which seeks to maximize their returns while minimizing operational costs. Therefore, managers and employees at large have been tasked with the duty of rethinking about various ways of maximizing profits. Some of the ways through which firms operating in the private sector can maximize profits include maintaining a good work force, employing innovation strategies, and strategic human resource management. Additionally, firms can ensure good corporate governance and

ethical practices in their operations. Nevertheless, it is essential to conduct a critical analysis of the possible outcome of employing any strategy. This is because the success of the strategy employed will highly depend on the market forces and level of competition.

Ethical practices refer to practices that are considered right and beneficial to a firm and the society at large. On the other hand, corporate social responsibility is a process through which firms improve their surrounding environment and social performance over and above what they are legally required to do. Through corporate social responsibility, firms are able to positively impact on various stakeholders including communities, employees, government, and consumers. Moreover, a firm that ensures social responsibility positively impact on the environment. Nevertheless, the extent to which firms that adhere to ethical practises are profitable should be investigated. The private sector that focuses mainly on maximizing profits has particularly been on the limelight as far as this argument is concerned. Well, the answer to this argument depends on a myriad of factors that influence financial performance such as level of competition, type of market, government regulation, and consumer knowledge. This paper seeks to discuss whether ethics and profits are mutually exclusive in the private sector.

Ethical practises and corporate social responsibility have numerous advantages. Firstly, a firm that ensure ethical responsibility such as paying fair remuneration to its employees is likely to retain skilled employees. This is because with increased labour mobility and limited trade regulations, employees are able to move from one firm to another. Therefore, employers

not only have to attract, but retain highly skilled employees through good working conditions and fair wages and salaries. Secondly, ensuring legal responsibility through actions such as obeying the existing environmental and labour regulations prevents firms from being wound up by the government. Legal responsibility is an essential form of corporate social responsibility. This is because no firm can be allowed to operate within any country without following the pre-set rule and conditions. Therefore, for smooth running of business activities within any country, firms have to comply with regulations such as minimum wage payments and employing workers of a given minimum age. Thirdly, ethical practices such as providing consumers with adequate information about products, offering quality goods and services, and charging fair prices attract and retain potential consumers. A research published by the Journal of Marketing revealed that firms that engage in corporate social responsibility have a higher market value and customer satisfaction. Therefore, returns will obviously be higher due to an increased level of demand for given goods or services. As such, firms that aim at being profitable should first ensure increased demand of their goods and services. This can easily be achieved through charging fair prices and providing quality goods and services. Fourthly, ethical practices such as ensuring transparency and accountability in firms are beneficial. This is because such practices prevent embezzlement of funds and attract potential investors. Nevertheless, a firm that ensures ethical practices through corporate social responsibility and corporate governance is not necessarily to be profitable. It should also be appreciated that consumers may be willing to pay a premium for goods produced with consideration of environmental

impact thus increasing profits margins

Ethics and profits are mutually exclusive in certain instances. Firstly, the profitability of firms in the private sector mainly depends on the interaction of the market forces within the market. Research conducted in developing countries indicates that destroying resources and exploiting human labour could be beneficial in some instances. This is due to the fact that in developing countries, there exist cheap labour that can also be easily availed. Moreover, many firms take advantage of the high level of unemployment thus paying substantial wages to the workers. Secondly, engaging in corporate social responsibility uses a firm's resources in improving the environment and social welfare. Since resources are limited, engaging in corporate social responsibility reduces the dividend pay out to shareholders. In addition, it may necessitate an increase in prices reducing demand and subsequently revenue

I heavily relied on the internet as my source of information for this assignment. Nevertheless, there are advantages and disadvantages of using the internet as my research strategy. Firstly, it is essential to note that as much as the internet is a veritable source of information, it may not be reliable. This is because one cannot fully determine the credibility of the writers and institutions in general. However, academic journals are original. I narrowed my search to academic journals. Therefore, one is not only able to obtain adequate, but authentic and scholarly information. Secondly, internet as a research strategy can easily lead to plagiarism. This is due to the ease and temptation of copying and pasting one's original work from the internet. Nonetheless, I tried to overcome this challenge by comprehending what

various authors were talking about then writing what I learnt. This enabled me to improve my discussion and analysis skills to a large extent. Thirdly, internet as a research strategy enables one to access more information than a normal library. This is dangerous since one can be able to access information both legally and illegally. This, therefore, poses a challenge to many researchers since one is not able to verify what has been legally acquired or not. Fourthly, I experienced time constraints in the course of my research work as a result of employing the internet as a source of information. Nevertheless, I used that opportunity to learn more by reading different schools of thought and critically analysing different ideas presented by various authors. Fifthly, internet as a research strategy posed the challenge of unstable timeliness. This results to inability to access all the information pertaining a given topic in time. As such, I only used what was available when I logged in. However, I have to admit that internet as a research tool is extremely useful since I was able to access information at any time and place. Therefore, I did not experience geographical barriers. In a nut shell, internet as a research strategy enabled me to improve my analytical, discussion and comprehension ability.

Before conducting a research project, one has to plan effectively while considering time as the main constraint. I prepared my project plan by drawing a clear draft of what was required of me while putting into account the available time frame. Employing internet as my research strategy was of much benefit since I was able to work through my project day and night. This is because I was in a position to access the internet at any time of the day and night. Nonetheless, in some instances, time became a constraint since I

had access to a lot of information. This posed time management as a constraint during my research study. However, I was able to overcome this challenge by not only working for longer periods of time, but also analysing the various schools of thought to determine the existing similarities and differences. As such, this exercise enabled me to take up the task of proper time management while trying to bring the best out of my endeavours. Therefore, I improved my time management skills since I was able to access more information and analyse it within a short period of time.

In conclusion, undertaking this assignment has not only made me to learn new things, but discover my ability in critical analysis. I have learnt that a firm that wants to be profitable does not necessarily have to comply with ethical obligations. From the Taiwan Apple products manufacturers' case, I can truly attest that ethics and profits are mutually exclusive in the private sector. This is because profitability is not only influenced by the ethical practices, but consumers' preferences and the prevailing market forces.

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