

Describe the social implications of business ethics facing

[Business](#), [Business Ethics](#)



Describe the social implications of business ethics facing a selected business in its different areas of activity. (PA and MM) Social Implications of business ethics The social Implications often refer to those businesses that have an effect on society as a whole. They can relate too number of areas of activity. I will now talk about the areas of activity. Areas of activity Ethics in financeln financial dealing and payments there are many kinds of unethical behavior, however there are regulations and voluntary codes that try to make sure that ethical practices are monitored.

There are many businesses these days In the financial sector, which offer loans to borrower. These loans are expensive to repay, which results in even worse debt for the borrower. Ethics in finance is always an area with a great deal of scope for unethical behavior. The primary purpose of free enterprise is to generate profit. Free enterprise is an economic system in which people are free to offer goods and services to meet demands.

There are a number of areas In financial affairs where unethical behavior arise; for example: Bribery: Bribery Is the act of taking or receiving something with the Intention of Influencing the recipient in some way favorable to the party providing the bribe. Bribery is illegal and can be punishable, either by Jail time or hefty fines. Bribery is also a form of corruption, the reason it is a form of corruption is because you have the use of financial muscle to gain unfair advantage over others.

For example attempting to gain decorating permission by givingmoneyto a decorating official/councilor. Another example of bribery Is giving money to someone to change decision making, to help you and gain a better

advantage. Insider trading: Insider trading is a very bad unethical behavior; it is an illegal practice of trading on the stock exchange to one's own advantage through having access to confidential information. An example of insider trading is when a company takeover bid is imminent; shares are rapidly bought up then sold at a big profit.

Insider trading is detected by the Securities and Exchange Commission (SEC) in the United States and by the Securities and Investment Board (SIB) in the United Kingdom. These agencies do not have any legal powers other than public disclosure, nor can they bring prosecutions themselves. Lobbying: Lobbying is the act of attempting to influence business and government leaders to create legislation or conduct an activity that will help a particular organization. People who do these types of activities are called lobbyists.

The main intention for lobbyists is to persuade politicians to adopt a particular cause or issue, in order to benefit it. For example, if a particular company was under pressure to take gain influence over policies. The reason lobbying is an unethical behavior is because lobbyists can be a source of corruption. Ethics in human resource management The job of human resource management is the process of hiring and developing employees so that they can become more useful and valuable to the business.

Human resource management can include planning personal needs, recruiting the right people for the job, conducting job analyses, orienting and training, salaries and managing wages, providing benefits and incentives, evaluating performance, resolving disputes and communicating with all

employees at all levels. The ethics in human resource management is to ensure that when jobs are advertised, there is no discrimination. Everyone is entitled to feel that a job selection is made on the basis of merit rather than on the basis of race, nationality, gender or other unfair groups.

Human resources professionals are trained specifically to avoid discrimination of all kinds. Ethics in production Ethics in production is becoming a major concern within the United Kingdom; the production of goods can lead to ethical problems for a business. The number of live experiments in Britain has halved in the last 30 years, due to an ethical concern. There are many examples, for instance animal testing, around the world animals are being used to help in the development of new products ranging from shampoo to new cancer drugs.

There is a new British law that requires that any new drug must be tested on at least two different species of live mammal. One must be a large non-rodent. There is The Animals Act 1986 insists that no animal experiments should be conducted if there is a realistic alternative. Before some medical treatment was tested in humans, but now that has stopped and it is not being tested on animals. Animals were used to develop anesthetics to prevent human pain and suffering during surgery. The main ethical question which is being asked, is the value of human life in relation to animals the same.

There are also questions about the extent to which animals suffer during these tests. Ethics in sales and marketing There are various ways a business

can employ unethical means to try and generate sales. There are three main ways and they are: 1. Spamming: spamming refers to sending emails to thousands of users similar to a chain letter. It is possible to have some email systems which have the ability to block incoming mail from a specific address, but because these individuals regularly change their email address it is difficult to prevent some spam from reaching an email box. . Spoofing: When an email appears to have been originated from one source, but they were actually sent from another. People who send Junk or spam emails typically want the email to appear as though it is from a real address, but on most occasions they may not really exist. The reason why they do this is because the email cannot be traced back to the originator. 3. Raising their own status: Either employees of the business pretending They place false recommendations or blobs onto a weapon. People who engage in this type of activity are known as 'shills'.

The reason they do this is online consumers are being conned into believing that legitimate consumers are recommending a reduce, when really they know nothing about the product and are giving false information. Ethics in intellectual property There is an intellectual property law that allows people to own their creative work the same way that they can own their physical property. The reason they want to own their intellectual property is because the owner of intellectual property can control and be rewarded for its use. This also encourages further innovation and creativity to the benefit of everyone.

There are four main types of intellectual property and they are: 1. Patents for innovation 2. Trade marks for brand identity . Designs for product appearance 4. Copyright for material The reason why many businesses such as music record label companies, and software companies use these different types of intellectual property is that they put a lot of invested time, resources, talents and money into creating something useful and enjoyable for others, they have the rights to protect it from being stolen or misused by other people. What is fracking?

Fracking is the process of drilling down into the earth before a high-pressure water mixture is directed at the rock to release the gas inside. Water, sand and chemicals are injected into the rock at high pressure which allows the gas to flow out to the head of the well. Hydraulic fracturing, or fracking, is a technique designed to recover gas and oil from shale rock The process is carried out vertically or, more commonly, by drilling horizontally to the rock layer. The process can create new pathways to release gas or can be used to extend existing channels.

What are the advantages of fracking? The advantages of fracking are that it allows drilling firms to access difficult to reach resources of oil and gas. Fracking has happened in the United States, and it has significantly boosted domestic oil production and reduced gas prices. The main half the CO₂ emissions of coal. Places such as United States and Canada have received gas security for about 100 years. The industry suggests fracking of shale gas could contribute significantly to the UK's future energy needs. Why is it controversial?

Fracking has been carried out in the United States, it has become a huge success but the main reason why people think it is controversial is because it has a huge impact on the environment and the concerns on the environment. The first reason why it is controversial is that fracking uses huge amounts of water that must be transported to the fracking site, at significant environmental costs. The second main concern is that there is a chance that a potential carcinogenic chemical use may escape and contaminate the ground water around the fracking site. This is really bad, as fracking could lead to polluting our water which we need to drink.

People who live around the areas not only are it damaging their environment but it is also affecting their health. There are also concerns that the fracking process can cause small earth tremors. There was an incident that hit the Blackball area in 2011, this was due to fracking. There were two small earthquakes; the first earthquake was at 1.5 magnitudes and the second earthquake was at 2.2 magnitudes. A professor at the University of Manchester said "It's always recognized as a potential hazard of the technique" "But they're unlikely to be felt by many people and very unlikely to cause any damage. Environmental campaigners say "fracking is simply distracting energy firms and governments from investing in renewable sources of energy, and encouraging continued reliance on fossil fuels. "Shale gas is not the solution to the UK's energy challenges", this was said by 'Friends of the Earth energy campaigner Tony Bowwow's, he also commented "we need a 21st century energy revolution based on efficiency and renewable, not more fossil fuels that will add to climate change. List of

Franking companies within the I-J: Clique Energies Sensors Alkaline Third Energy Rattling Energy Northrop Quadrille Resources Research Europe Oil Coastal Oil Gas Moorland Energy 'gas Pal. Warwick Energy Magellan Petroleum Outline the concept of tax avoidance and its wider implications I will be talking about two business firms, the two firms I have chosen are Cutbacks and Google. These two firms have not been avoiding paying tax on their British sales. This has a big impact, Cutbacks have made a lot of sales within the I-J, within the last year, and they had made sales of 100 million.

They made so much money but paid no corporation tax. According to the BBC Cutbacks had transferred some money to a Dutch sister company in royalty payments, they bought coffee beans from Switzerland and paid high interest rates to borrow from other parts of the business. Google also did the same thing, they also try to avoid corporation tax, Google made a turnover of 100 million. Google only paid 5 million to the Treasury in 2011. Such as Google and Cutbacks is avoidance and not evasion.

Google and Cutbacks are two big businesses where a lot of customers are disappointed. One person who was 45 years old, was self-employed businessman named Mike Bucker's, from Manchester. He was really disappointed and furious with what these two companies did. He said " I've installed Google Chrome and changed my search engine on all my home computers. If I want a coffee I am going to go to Costa, despite Cutbacks being nearer to me, and even though I buy a lot of things online, I am not using Amazon. He also commented, " I'm sick of the 'change the law' comments, I can vote with my feet, I feel very passionate about this because

at one point in my life I was a top rate tax payer and I paid my tax in full. " As you can see from his comments he is very upset and disappointed with these companies, for doing what they have done. I also believe that it is not fair and morally right, as why should these big companies who make millions of pounds be able to get away with paying tax, whereas there are people who have been working their whole life who have been paying corporation tax.

As the public have got to understand better what corporate tax avoidance is, there is a clear sense of outrage that is going well beyond a small group of protesters, it's something that the public feels is really not right with the current system. Compare the case of individual Chris Moles admitting to tax avoidance with the case of Cutbacks coffee company. Does the ethically principle differ between and individual an organization? " Chris Moles admits Joining tax avoidance scheme that would have cost the UK

Multimillion" This was the headline that shocked a lot of people. Chris Moles and two other men took part in a scheme called " working wheels" which counted " 450 fund managers and celebrities" as members Chris Moles admits to joining a tax avoidance scheme that would have cost the UK Multimillion. It wasn't only Chris Moles there was also a former Radio 1 DJ who pretended to be a used car salesman hit by losses to save up to £1 million in tax payments. The guy joined a scheme called Working Wheels' which boasted 450 high earning members, including celebrities.