

Are 'business ethics'  
an oxymoron?  
introduction



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## **INTRODUCTION**

Ethics and moral conduct are two of the oldest research subjects in the history of mankind. To be able to understand what the individual words within the term ' Business Ethics' mean, we refer to Microsoft Encarta which states that business is a " complex economic operations concerning those functions that govern the production, distribution, and sale of goods and services for the benefit of the buyer and the profit of the seller." And it defines the term ethics by stating that they are the " principles or standards of human conduct, sometimes called morals (Latin, *mores* , customs), and, by extension, the study of such principles, sometimes called moral philosophy... it [moral philosophy] is concerned with questions such as ' When is an act right?', ' When is an act wrong?', and ' What is the nature, or determining standard, of good and bad?' ".

From the above mentioned, we can reach a clear idea regarding what the term ' business ethics' means, which is the right standard of conduct within an organisation and in what concerns the products and services that it presents to the public. As Shaw explains, " business ethics is the study of what constitutes right and wrong, or good and bad, human conduct in a business context" (5).

The issue is not as simple as it seems; as the subject of ethics and morality is a controversial one, and as many philosophical schools and views were formed around them, it has become somewhat difficult to understand what the basis concerning the proposed conduct is. The changes and the various advances in human activities in today's world have made it even more

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challenging to reach an agreed upon model in what concerns the ethical standards within businesses.

### IS BUSINESS ETHICS OXYMORON?

Ethics are essential to any business because they are the regulations concerning the kind of culture within the working environment. Moral values are the measuring instrument regarding the way in which everything should be performed within the organization. The results of ethical conduct within the production management department, for example, will create a good reputation for the company in the market and, thus, bringing more profit to the organisation as a whole.

Many people look at the functions of various businesses as unethical and that the essence of both business and ethics is completely contradictory; which is the meaning of the term 'oxymoron': The claim is that any organisation or company would do anything possible, whether right or wrong, in order to reach its business goals which might include higher sales, larger market share, and overcoming competition. Some negative examples of management, such as the case with WorldCom and Enron, added to this dark image. The reasons why businesses and individuals alike tend to make decisions that can be considered unethical are explained by Maxwell as he states that people (and businesses) tend to take the easy path towards their objective regardless of its moral aspect; that people have the idea that being ethical limits the options in what concerns winning over the competitors; and that they tend to consider actions according to the circumstances and not according to what is moral and ethical in absolute (5-7).

One of the reasons why some businesses might be viewed as unethical in one or more of their actions is relativism of ethics; which means that some businesses consider actions as 'right' or ethical to a certain society while it is not for another (one of the most recent examples is the Google conduct within China in what concerns search results). This idea is contested by Williams; according to his explanation, we can understand that even the identification of 'a society' indicates that the business is situated within it, and this means that it is a part of it and that it should comply with the ethical standards acceptable to that society. But, on the other hand, if we look at the cases where negative outside influence was felt on a society, it was not ethical even according to those who brought it from outside that society. "It is... true... that there are inherent features of morality that tend to make it difficult to regard a morality as applying only to a group." The author highlights the idea that "it cannot be a consequence of the nature of morality itself that no society ought ever to interfere with another," which is the main idea regarding relativism in business ethics: What is ethical and moral in a society is moral and ethical universally (20-25)

Another aspect of ethics in business is the role of management; as long as the main objective set for managers is to make profit and to maximise that profit without any indication to what concerns the methods which should be implemented in order to accomplish that objective, that ethical issue will always be problematic. Collins notes that the way to correct that view is to strengthen the manager's understanding of ethics:

Utilitarianism would instruct managers to do those things that will result in the greatest good for the greatest number... Deontology, on the other hand,  
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would instruct managers to respect individuals by recognizing their rights and contributing to their just treatment... describing the manager's role in terms of building trust and creating value would make management an activity more worthy of people's commitment. It would provide a purpose that transcends the self by connecting the management role to the well-being of others, making effective management an activity that stimulates the spirit and involves issues of character and values. Managers would have to strengthen their souls-not sell them." (1-8)

Managers and CEOs should not only focus on making profits for the business, they should be also aware of what concerns the value their customers, their shareholders, their employees, and their societies are receiving as a result of their work.

To understand why a manager should be ethical, we refer to Frederick who states that " society expects managers to be ethical and that managers should be responsive to the expectations of society and stakeholders if they wish to maintain their legitimacy as agents in society" (142).

## CONCLUSION

The truth is that, as indicated earlier, there are no standards regarding the moral and ethical conduct in any field of life, let alone business, and the wide range of philosophical schools attempting to reach a clear idea about ethics made the problem even worse. But when it comes to business, it is essential to understand that short-term success is not what will keep any business alive, instead, it is the long-term that will determine whether a company or an organisation deserves to keep on. Relations with customers, with the

shareholders, and with the law are what can be considered as the main corner stones of success. Ethics is not only the produce of idealistic thinkers who wanted to solve the problems of the world and those of humanity; ethics are a drive towards continuous achievement and success. All the examples of poor ethical conducts of companies resulted in ruining the profits, the market shares, and the businesses themselves. But the most important point to comprehend here is that the examples of wrong doers in the business realm do not mean that business ethics are non-existent.

The revelations of corporate malpractice should not be interpreted to mean that thinking about ethics in business situations is entirely redundant. After all, as various writers have shown, many everyday business activities require the maintenance of basic ethical standards, such as honesty, trustworthiness, and co-operation... Business activity would be impossible if corporate directors always lied; if buyers and sellers never trusted each other; or if employees refused to ever help each other. (Crane and Matten 6)

Concerning the role of managers, it must be stated that it has a direct link in answering the main question in study here, " If we accept the traditional description of the manager's role, business ethics is an oxymoron because there is a conflict between the pursuit of self-interest and consideration of others. This traditional description is dysfunctional as an approach to management because it blinds managers to the need for trust and cooperation in the interdependent environment in which they operate" (Collins 8).

Business Ethics are essential for success, and this is why the term is not an oxymoron; it is required as a main factor in making business.

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