

Memorandum paper

Business



INTRODUCTION Corporate ethics in a business are a group of norms and beliefs that a company obeys or support and that govern its behavior in the ways the company does and conducts business. Some of these corporate ethics include: Being truthful and morally upright is a norm that most of the company should adhere to both the employees and the clients.

If the company deals with goods, the quantity of the good should be measured correctly without the weighs being adjusted. The companies should keep the promises made to the clients and employees. The business should also make promises that are achievable I the near future. Being fair to the employees in terms of salary earned promotion and rewards. The business should also be fair to its customers in terms of the most often and those that are not so often. The business should also come up with processes that are to be followed and attain results that are rational.

Respect as always said, it is never earned but it is given and therefore the business should have respect for the employees and the clients. This will be demonstrated in being open and direct in communication, and be willing to influence. Also the business should respect and value the abilities and contributions of others, advocate the responsibility and responsible for its actions. The business should maintain create an alert to each and every employee in that every one of them is needed ad valued in the business and act towards minimizing harm whenever possible. The business should also perform in a way that is reliable with the commitment to be social responsible.

It is always the role and duty of a business to be socially responsible to the society by giving back to the community. This is done by activities like participating in harambees or supporting the needy. Providing good and conducive environment for the workers at work place is a business ethic. Also fair labor standards like security, fair salary e. t. c.

Policies Most of the ethical problems various businesses have experienced indicate that common ethical problems that businesses find themselves facing are from individuals trying to protect their own financial gain and/or profitable goals that are for a short period of their businesses and not minding the safeness of the people who have some interest in the business. Businesses can avoid the results by considering the consequences of their actions to the business partners, customers, employees, opinion formers, community and authorities (Trevino, 2005). By considering how companies have both effectively and ineffectively responded to severe ethical dilemmas, the Government can reform the corporate ethics using this policies: 1. Ensuring that responsibility from the highest hierarchical rank do exist. The head of the business should be responsible for managing the ethical behaviour of the business and its employees.

This responsibility cannot be assigned to the assistants or any other member of the business. These accountabilities cannot be treated as of less function than other key managerial accountabilities. Top leadership must set the ethical how ethical responsibilities should be carried out in the business. They should make it as a reminder to every employee by communicating to them often and with as much emphasis and clarity as they do with other

business' objectives. The manager cannot delegate the ethical responsibility to anyone within the business. 2.

The business must have set of principles and rules that are used in the business. This set of this principles and rules should be adopted and initiated from a broad section of individuals within the business. Every member including employees and stakeholders of the business should be let know and the business should refer to often put employees in practice by training and adopt other ways of passing information so that the set of rules and principle might be viewed as valued documents guiding and reminding them of what is right and what is not within the business premise. 3. The business should establish policies that must supported and strengthened in the business concerning ethical crimes.

Workers of the business must comprehend and clearly understand what to do when ethical crime happens without fear of punishment. Care must be taken that this is an example of real reporting be given and employees are appreciated for reporting ethical dilemmas. 4. Corporate ethical responsibility must be taught to members of the business in all ways. This must be done in various ways like, organizing seminars, practicing and attending workshops activities, holding business meetings, round-table discussions with leaders, distributing newsletters. Training might include ways that the workers can be use to assess and discuss ethical dilemmas that they might face in the work place and possible actions they should take in case of its occurrence.

These case studies should include real cases that have occurred or cases that might occur in the business in the future and so people can know the right way to approach a situation if it happens to them. Employees must be in a position to comprehend what they have acquired knowledge on ethical accountability by sharing with others who have interest in the business together with business accountability. 5. All business activities and practices must be merged to ensure that discussions concerning corporate ethics are included in the decision making process. Decisions should be considered by an ethics committee or department in the business to assess the possibility of a hazard to the business stakeholders. The way of evaluate decisions made and discussing teir future results should be advocated and appreciated.

6. Being accountable for corporate ethical behavior must be taken seriously by all members of the business in all ranks of business. Unethical behavior should be punished and not allowed to continue while ethical behavior should be highly rewarded. The systems of ethical behavior should be well followed as other key aspects of job performance. There should be no favoritism during punishment of anyone who is unethical i.

e. those in higher ranks in the business should be punished equally as those lower in rank in the business. It could be of much help to a business to reprimand those in higher ranks in case of an ethical crime since they are the one who have the most knowledge and are example setters in the business. 7. Businesses should handle the members, client and its stakeholders carefully and protect them when unethical behavior occurs.

Dependence upon chance to occur might be made ready to deal quickly with the case in case of an emergency. 9. The business should define its position as an ethical business by Providing employees and customers with a written pledge that are well outlined on what is right, fair and good. Also train employees on their ethical responsibilities, teach to put the pledges in the way that they can understand better employee and clients on how people how to translate the pledge and build trust. The business should provide support and guidance to employees, and employees should take time to pass the knowledge acquired during pledge lessons on how the pledge applies in particular cases within the business.

The business should also assess and determine the business members are acting on what they promised. 8. All the members of the business must know what they are supposed to do and know their basic responsibility is to protect and maintain the high and good opinion of the business at all times. The leaders should also encourage high standards of behavior to be set higher in the business premise than what the law itself requires because good and high standards should be set higher in order to enhance and protect the image of the business. 10.

While dealing with unethical crimes, the fundamental principles should be followed and acted upon since they are required to resolve a conflict among the members who are within business premises or members from outside the business without favour or discrimination on basis of gender, age e. t. c 11. Before any decision is fully implemented in the business premises, the decision makers should first put that decision into litmus by introducing it to see the reaction from the employees. This will help the management to know <https://assignbuster.com/memorandum-paper/>

whether the decision will be effective and also know whether there will be resistance from internal and external member of the business.

12. Most of the employees or clients might be going through unethical problem within and outside the business premises but due to fear of harassment from other members, they do not voice it out. The business should conduct an assessing method often e. g. use of questioners that can be distributed to employees and clients to be able to know the progress.

POLICY AVENUEIt is seen that all businesses have their corporate ethics and in order to adhere to these policies, each and every business requires a stable approach to keep the business strong in its ethics. This can include: Each business should set a chain of command that must be followed by each and every employee, client or the stakeholders. This will assist in knowing who to approach and when in case of a corporate crime. The employees will do what is required of them to without interfering with work of other employees. This is mainly because, it sets a good image of the business since even the clients and the stakeholders will view the business as well organized. Each and every activity will run smoothly without confusion.

All the employees will be told on what to do in case of any problem or a corporate ethical crime committed against them. Respect will reign within the business premises since no one will do what he/she is not supposed to do. When the stakeholders and employees are involved in the decision making of the business, there will be less resistance from the employees thus maintaining the good image of the business as an ethical business.

Similarities They are both focused on the way to gain and attain the best

way to strengthen the corporate ethics. They are practiced in an organization to improve the image of the business and to enable activities run smoothly. Differences Having a well organized chain of command will save more time in a business compared to holding training lessons on corporate ethics that take most of the time.

Having a chain of command will provide an easy way to solve unethical crimes compared with holding training that at times might be misunderstood by the employees, stakeholders or the clients. Most of the businesses have the set rules and regulations that should be followed by each an employer and the employees. The Government has also set the norms that every organization or business should put in place. In modern days, corporate malfeasance is commonly practiced in most of the businesses. The commonly practiced corporate crimes include: Employee Mistreatment This is done by the workers themselves mistreating and harassing one another in the place of work. The high rank management can also be harassing their subordinates.

This can be either through sexual harassments, poor working conditions or wages and salary payment lateness. (Bell, 1999) Customer Mistreatment This can include intentionally releasing poorly made products, offering low quality goods or services, cheating on clients and being unfair to the in terms of religion, color etc. Unethical Employee Behaviour This is mainly done by misusing business' resources, abusing substances, and breaching customer's privacy, taking business resources like websites for personal matters and stealing from customers Corporate Intelligence Issues These are practices in which businesses act unethically against business to business or employees

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of one company steal and sell corporate intelligence. These acts include misuse of another business' confidential information, hacking into a computer system for information and tricking someone into revealing valuable information concerning another business. Accounting PracticesThe management or the employees of a business can record false expenses or sales by changing the business' financial documents like balance sheets or trading and profit accounts in order to benefit the business and also by informing on employees and stakeholders falsely through giving misleading statements on the business financial position.

Some employees might try to rise in the business by taking other work that has been done by other employees. And if not well taken care of, it can affect employees' emotionally. Remedies a) Using well defined corporate ethics programs and by ethical leaders or owners establishing a way where ethical crimes are not tolerated and are punishable. This can help in eradicating corporate ethic crimes in the businesses. b) Where employees experience misconduct among themselves or from high rank employees, it must be immediately reported to the people who are responsible with punishing or reprimanding.

The punishment or reprimand should be done fairly and immediately after the investigation is completed. c) Due to the increase in accounting fraud and unethical financial practices, clear records should be kept, filled and correctly followed. The accounting information should be made available to the employees and the stakeholders for viewing to avoid lying and cheating in business. d) A legislation that is supposed to deal with corporate crimes should be set aside and the top managers should certify their business"

financial statements and makes chief executive officers (CEO) and chief financial officers personally accountable for the financial statements. e) The Sentencing Commission of the country should change its guidelines to make sentencing stricter for businesses that commit corporate ethics crimes and to outline components of the most effective ethics programs for the business. f) Businesses should use its guidelines as their context of their ethical conformity plan.

g) The business should make sure that the ethics policy prohibits any unethical behavior and take seriously employees' complaints that are reported to them and follow the till they are solved. This will help reduce complaints regarding corporate malfeasance. Corporate governance
Corporate governance involves the specific functions and the interaction of the business with its management, clients, employees, stakeholders and the goals of the business. These are the recommendations that can help improve corporate governance: 1) The business should elect and employ managers who are experienced and have the knowhow of business activities. This reduces errors in the business premises and with this, every activity, goods or services offered by the business will be of high quality and trusted.

2) The business should appoint independent directors to the fund's board to avoid a conflict that arises from interests concerning protection of stakeholders. 3) Limiting the relationship between independent directors. This will help to keep the business information secretly. 4) The business should also appoint the directors that are able to function by themselves and who are ready to work under minimum supervision. This avoids wastage of business time following on the directors' work or when holding meetings

since the work is not appropriately done. 5) For a greater order arrangement of interests, the business should put a senior member of the investment manager on the fund board.

This will assist in provision of transparency and understanding to the employees, stakeholders and the clients. 6) The business should encourage active involvement between the directors and the managers. This will enable smooth running of business and managerial activities and also in the business. It will also create awareness to both the management and directors on the progress of the business and the problems will be tackled in an appropriate manner. 7) The business should hold often board meetings to assess the progress of the business. It will also help in making new decisions that will help the business' continuation.

Annual general meetings should be frequent e. g. four or three times in a year. 8) Appoint at least full-time directors who have adequate experience and to clearly follow the business activities correctly and closely. 9) Businesses should enlarge the board's area of discussion to enable them tackle all the problems experienced in all the areas of the business including: liquidity risks, pricing risks, investment risks, financial reporting e. t. c.