

# Business ethics and values essay sample



**ASSIGN  
BUSTER**

## Ethics

- Greek word: Ethos that means both an individual's character and a community culture.
- Business ethics involves adhering to legal, regulatory, professional and company standards, keeping promises and commitments and abiding by general principles like fairness, honesty and respect

## Social & Legal Issues

### Business Ethics

The application of general ethical concepts to the unique situations confronted in business. It asks what is right or wrong behavior in business and what principles or rules can be used as guidance in business situations.

## Social & Legal Issues

### Two Characteristics

- Tells people what they ought to do
- Set of principles or rules

## Social & Legal Issues

### Case

- Jonica Gunson is the environmental compliance manager for a small plastics manufacturing company. She is currently faced with the decision whether or not to spend money on new technology that will reduce the level of a particular toxin in the wastewater that flows out the back of the factory and into a lake.
- The factory's emission levels are already within legal limits. However, Jonica knows that environmental regulations for this particular toxin are lagging behind scientific evidence. In fact, a scientist from the

university had been quoted in the newspaper recently, saying that if emission levels stayed at this level, the fish in the lakes and rivers in the area might soon have to be declared unsafe for human consumption.

### Social & Legal Issues

#### Case

- Further, if companies in the region don't engage in some selfregulation on this issue, there is reason to fear that the government — backed by public opinion — may force companies to begin using the new technology, and may also begin requiring monthly emission level reports (which would be both expensive and time consuming).
- But the company's environmental compliance budget is tight. Asking for this new technology to be installed would put Jonica's department over-budget, and could jeopardize the company's ability to show a profit this year.

### Social & Legal Issues

#### Questions for Discussion:

- What motives would the company have to install the new technology?
- What motives would the company have to delay installing the new technology?
- Why might the companies in this region prefer for the government to impose new regulations?

### Social & Legal Issues

#### Relativism

#### Egoism

## The 4 Concepts of Ethics Utilitarianism Deontologism

### Social & Legal Issues

#### Concepts of Ethics

- Developed by moral philosophers over generations
- Used to distinguish ethical from unethical behavior
- Each has problems

### Social & Legal Issues

#### Relativism

- There is no universal standard by which morality can be judged
- What is correct for one society may be wrong for another
- Ethics and morality are relative

### Social & Legal Issues

#### Egoism

- One ought to act in his or her own self interest
- Ethical behavior is that which promotes one's own self interest

### Social & Legal Issues

#### Utilitarianism

- The morality of an action can be determined by its consequences
- An action is ethical if it promotes the greatest good for the greatest number

### Social & Legal Issues

#### Deontologism

- Derived from the Greek word for Duty
- Actions are not justified by their

consequences. Factors other than good outcomes determine the rightness of actions

Social & Legal Issues

Utilitarianism Vs. Deontology

- Utilitarianism – The ends justify the means
- Deontology – It is the means which are important

Social & Legal Issues

Ethical Dilemmas in Business

- Conflict of Interest Have two interests – cannot pursue one without having negative impact on other
- Two Types Private Interest Conflicts with Corporate Business Interest Conflicts with Public

Social & Legal Issues

Whistleblowing

- Act of disclosing wrongdoing in an organization
- Types Internal External

Social & Legal Issues

Whistleblower

- A person who publicly alleges concealed misconduct on the part of an organization or body of people, usually from within that same organization. This misconduct may be classified in many ways; for example, a violation of a law, rule, regulation and/or a direct threat to public interest, such as fraud, health/safety violations, and corruption Whistleblowers may make their allegations internally (for example, to other people within the accused

organization) or externally (to law enforcement agencies, to the media or to groups concerned with the issues).

### Social & Legal Issues

#### Consequences in an Organization

- Dissent – Must speak out against others in organization
- Breach of Loyalty – Perceived as one who violates confidentiality and loyalty
- Accusation – Singles out specific individuals as threats to organization or the public

### Social & Legal Issues

#### Possible Retaliation

- • • • Fired Blacklisted Transferred to undesirable locations Physical abuse and murder possible

### Social & Legal Issues

#### Ethics of Whistleblowing

- When is it ethical to reveal wrongdoing ?
- When is it ethical to remain silent?

### Social & Legal Issues

#### Case

- • Chantale works as a clerk for Avco Environmental Services, a small toxic-waste disposal company. The company has a contract to dispose of medical waste from a local hospital. During the course of her work, Chantale comes across documents that suggest that Avco has actually been disposing of some of this medical waste in a local municipal landfill. Chantale is shocked.

She knows this practice is illegal. And even though only a small portion of the medical waste that Avco handles is being disposed of this way, any amount at all seems a worrisome threat to public health. Chantale gathers together the appropriate documents and takes them to her immediate superior, Dave Lamb. Dave says, “ Look, I don’t think that sort of thing is your concern, or mine. We’re in charge of recordkeeping, not making decisions about where this stuff gets dumped. I suggest you drop it.”

## Social & Legal Issues

### Case

- The next day, Chantale decides to go one step further, and talk to Angela van Wilgenburg, the company’s Operations Manager. Angela is clearly irritated. Angela says, “ This isn’t your concern. Look, these are the sorts of cost-cutting moves that let a little company like ours compete with our giant competitors. Besides, everyone knows that the regulations in this area are overly cautious. There’s no real danger to anyone from the tiny amount of medical waste that ‘ slips’ into the municipal dump. I consider this matter closed.” Chantale considers her situation. The message from her superiors was loud and clear. She strongly suspects that making further noises about this issue could jeopardize her job. Further, she generally has faith in the company’s management. They’ve always seemed like honest, trustworthy people. But she was troubled by this apparent disregard for public safety. On the other hand, she asks herself whether maybe Angela was right in arguing that the danger was minimal. Chantale looks up the phone number of an old friend who worked for the local newspaper.

## Social & Legal Issues

### Questions for Discussion

- What should Chantale do?
- What are the reasonable limits on loyalty to one's employer?
- Would it make a difference if Chantale had a position of greater authority?
- Would it make a difference if Chantale had scientific expertise?

## Social & Legal Issues

### Whistleblowing Example

- In charge of Quality Control Company makes parts for automobile brakes
- Find defect in brake part Could cause failure in brakes Failure not certain  
May take many years to develop

## Social & Legal Issues

### Whistleblowing Example (cont.)

- Go to VP of Production, your boss
- He tells you to overlook defect – company may lose too much money
- What would you do?

## Social & Legal Issues

### Cautious Approach to Whistleblowing

1. Make sure situation involves an imminent threat to society or to the business
2. Document all allegations
3. Examine internal whistleblowing first
4. Should you remain anonymous?