

# International business related

Business



It is more important to follow the ethical practices of the host country; even when it includes things like taking bribes, allowing low environmental policies, and child labor. Ethical imperialism promotes the idea that there should be one absolute code of ethics that is shared internationally, one that negates the particulars of differing societies and cultures. Both of these perspectives have supporters, but they both have their weaknesses as well. Cultural relativism sometimes forces people to abandon their ethical beliefs to live as those in their environment. In the article, Donaldson, discusses how America would never allow, legally, the handling and dumping of toxic waste, not all companies around the world share the same policies. However, is an American company no longer required to live up to its own ethics codes when they cross international lines. This is the problem with cultural relativism. Ethical imperialism standardize ethics and takes too little consideration into the differences in cultural beliefs; for example, in the article attempted to teach managers in Saudi Arabia the negatives to sexual harassment using the same teaching aid as used for their American counterparts. It was disastrous, because the relationship between men and women is very different then in the united States.(Donaldson 49) For this reason Ethical Imperialism is unsuccessful as a whole. Ultimately, Cultural Relativism is not strict enough; Ethical Imperialism is too absolute. 2. What core values does Donaldson recommend international business people use to establish standards for ethical conduct which will work anyplace in the world? Donaldson suggests when it comes to ethical behavior businesses should rely on three principles. First, there must be respect for core values of human beings and rules to determine what lines you will and, more importantly, will not cross. Second, is the need to have respect for local

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culture and traditions. Third, and final, that right and wrong is a matter of specific and individual context. (Donaldson 52) Donaldson believes that there are certain values that are shared all over the world, while other values and ideals are very different. Finding a standard of ethics that can be adapted to be beneficial internationally and then finding the “core” common ground is paramount. 3. What guidelines does he offer for fostering ethical conduct in a firm? Donaldson discusses that creating a code of ethics for a corporation is not enough. A company must actively enforce them. He believes that enforcing them falls to those in charge. Management must be able to bridge the gaps between divergent ethics and differing cultures in order for their international businesses to be successful and not infringe on the “parent” companies ethical standards. Donaldson suggests 5 guidelines for international managers that could be beneficial. First, consider the values of a corporation as absolute standards. Simply meaning, that they are a concrete foundation for all the ethical issues you face. Next, decide ahead of time how you will deal with ethical and unethical situations that may arise. In other words, make it clear that, for example, your company will never do business with a country that allows for genuinely unsafe working conditions and, then, stand by that position no matter what. Third, allow the foreign business units to participate in formulating ethical standards. This will help the company find balance between what is an ethical dilemma