

NEED OF ETHICAL ISSUES AND PRACTICE IN BUSINESS

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ABSTRACT

Generally, ethics refers to rightness or wrongness of an action. In other words, it implies what must do or ought to not do. For instance- the moral issues regarding abortion, euthanasia, giving to the poor, sex before marriage, the executing, gay/lesbian marriage, censorship, so called “white lies”, paying bribe, cheating to the purchasers, barren promise so on. Further, applied ethics may be a field of ethics that deals with ethical questions in many fields, like medical, technical, legal, media, professional and business ethics. Business ethics is one in every of the important aspects of applied ethics that examines ethical principles and moral or ethical problems that arise in business environment.

In other words, business ethics means the applying of ethical rules and regulations in the field of business. It's applied to any or all types of business. It's associated with the conduct of people and business organizations as an entire. It one in all the emerging branches of philosophy generally, applied ethics particularly. Business Ethics deals with most of the aspects of a person and his obligations towards the shoppers, society and environment. It also affects every walks of individuals. There are innumerable problems in business ethics. It'll be difficult to practice business ethics or to ask others to follow them, unless one adheres one's personal code of ethics. In business, how does one have ethics, after you must be cut-throat? This can be an excellent dilemma for the businesspersons who want to create profit only. Nothing else, only profit and profit! The researcher has encountered some issues and challenges that are crucial and really pertinent with respect to ethical issues in business.

KEYWORDS

Ethics, innumerable, Responsibility, Unemployment, Environment, Upliftment, Professional.

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INTRODUCTION

There is one and only one social responsibility of business to extend its profits. What does it mean to mention that “business” has responsibilities? Only people can have responsibilities. A company is a man-made person and during this sense may have artificial responsibilities, but “business” as an entire can't be said to possess responsibilities, even during this vague sense. If this statement isn't pure rhetoric, it must mean that he must act in a way that's not within the interest of his employers. For example, he's to refrain from increasing the value of the merchandise so as to contribute to the social objective of preventing inflation, although an increase would be within the best interests of the corporation. There are three approaches to guard the social interests of man, namely, Corporate Social Responsibility (CSR), Business Ethics and company Governance. It's an obligation of decision-makers to require actions, which protect and improve the welfare of society as a full together with their own interests. Such decisions may affect environment, consumers and community.

The second approach deals with business ethics. It's concerned with social values that violate consumer and environmental protection. Business ethics are rules of business conduct, by which propriety of business activities could also be judged. It's equally relates to the behavior and responsibilities of managers and ethical obligations of business professionals. The third approach is corporate governance that advocates enhancing the accountability of the board of directors to shareholders, more transparent auditing and more responsibilities of independent directors and a division of roles of chairperson and chief executive, etc.

IMPORTANCE OF ETHICAL VALUES IN BUSINESS

Ethical values play a big role, not just for the expansion of business, but also for the upliftment of the living conditions of the workers. It helps the businessman to understand where he/she committed miscalculation and provides the scope to retrieve on the premise of ethical reasoning. Ethics and its values should go simultaneously in any field of business. It's said that, “to reach the highest is simple, but to retain the position is difficult.” so as to retain the highest position in business, one needs to adopt the core ethical values. How do the moral values help for the expansion of business? If someone fails in an exceedingly business, he/she will remember at the core ethical values to guide him. The moral values in business are honesty, integrity, responsibility, quality, trust, respect, teamwork, leadership, corporate citizenship and shareholder value. A number of the moral values of the business are

1. **Honesty:** it's said that, "honesty is the best policy." this can be true today over ever. This can be just not a hypocrisy, but most of the firms showed their commitment to honesty. One are often honest or not. Whether or not one has not been caught yet, the majority know who is and who isn't. The dramatic collapse of a number of the Fortune 500 companies like Satyam, Enron and World.com or the well-known auditing firm Anderson showed that even successful companies could ultimately meet with disaster, if their managers didn't practice the essential principles of honesty. Honesty doesn't come from outside. It's to return from inside the organization. Business operates as a system of values regarding business goals and techniques to fulfill specific human ends. This might mean viewing the requirements and aspirations of people as a part of society. It also means realization of the non-public dignity of people at large.
2. **Integrity:** Honesty and integrity are the two sides of the identical coin. One cannot have honesty, without having integrity. These two (honesty and integrity) are interdependent with one another. Integrity connotes strength and stability. It means taking the high road by practicing the best ethical standards. Demonstrating integrity shows completeness and soundness in one's character and in his organization. Again, integrity means soundness, firm adherence to a code, principles and values and openness and honesty (i.e., transparency, accountability, and responsibility).⁶ Without integrity at the individual, organizational, or system level, there's no trust and there may be no social, competitive, community or ecological sustainability nor effective business transactions.
3. **Responsibility:** Blaming others, claiming victimhood or passing the buck may solve short term crises but refusal to require responsibility erodes respect and cohesion in a corporation. Those that practice ethics take responsibility for his or her actions. Likewise, actions show the power to be responsible both within the little and large things.
4. **Quality:** Quality plays a pivotal role in an exceedingly company's reputation. Quality should be quite making the simplest product but should reach every aspect of your work. From one's memos to one's presentations, everything one touches should communicate professionalism and quality. Quality business manages to draw in customers, enhance their experience, satisfy and delight them, and generate repurchase. Unethical conduct of service providers penalize customers, tarnish their

experience, cause dissatisfaction that end in customer defection.

5. **Trust:** Legendary entrepreneur Warren Buffett has rightly pointed out: “Trust is just like the air we breathe. When it's present, nobody really notices. Trust is difficult to earn and even harder to induce back after one lost it. Trust consists of three fundamental elements: predictability, dependability, and faith.¹⁰ Predictability tends to eliminate surprises, which aren't usually welcome within the business environment. Dependability provides assurance that one may be counted on to perform for sure. Faith is the belief that one will still be predictable and dependable. The necessity for trust arises when one faces some form of risk. Trust in an exceedingly person or a firm is developed supported experience over time. Together gains positive experience and develops trust in another, the perceived risk of managing the party declines. Thus trust could be a risk-reducing mechanism.
6. **Respect:** Respect is over a sense, but an illustration of honour, value and reverence for something or someone. We respect the laws, the people we work with, the corporate and its assets and ourselves. It's said that, “Courtesy pays nothing, but gains much.” Everyone within the organization should pay respect towards one another. As a pacesetter of the group, one must improve attitudes, so as to induce respect. A person's attitude can have a robust influence on the attitudes of others who is also around him/her. This is often especially evident when people are involved during a team effort. You've got probably experienced the sensation you get when someone causes a positive change within the attitudes of a bunch.
7. **Teamwork:** it's not finance, strategy and technology. Teamwork remains the final word competitive advantage because it's so powerful so rare. Can one think about oneself performing on a project alone within the office and nobody out there to support and assist you? Obviously not! We all like to be a part of a team and achieve things through teamwork. Teamwork may be defined as an activity or a group of inter-related activities done by over one person so as to realize a standard objective. Teamwork isn't followed only within the corporate world today; rather it's one in all the oldest things known to man.

ETHICAL CHALLENGES IN BUSINESS

The world of globalization, commercialization and liberalization has opened a flood of ethical and unprecedented challenges in business. The moral challenges have a profound impact on their well being, dynamics, performance and also the sort of their survival. So as to attain success at the national and international level in

business seems to be a frightening challenge. The researcher has tried his best to debate the challenges that are crucial in business. A number of the challenges are:

1. **The Challenge of Ethical Behavior:** Ethics plays a pivotal role in business. The importance of ethics in business shouldn't be neglected or overlooked. It seems to be quite surprising that ethical behavior occurs in organizations. An efficient ethical atmosphere can promote ethical business. Although ethical behavior may cost initially, but within the long-run it pays.
2. **The Challenge of Managing a Diverse Workforce:** The challenge of managing various workforces is the second ethical challenge in business. This is often one amongst the very prominent challenges in business. The concept of globalization has opened doors for various people from diverse cultures, beliefs, and backgrounds than ever before across the planet to figure at one place. That's why; profit and nonprofit organizations need diversity to become more creative and receptive change. Maximizing and capitalizing on workplace diversity has become a vital issue for management today. Diversity is defined as acknowledging, understanding, accepting, valuing, and celebrating differences among people with reference to age, class, ethnicity, caste, creed, race, gender, physical and power, sexual orientation, spiritual practice, and public assistance status.³¹ Since India may be a secular state, Indian companies are specializing in diversity quite ever. They need to specialize in diversity and appearance for methods to become totally inclusive organizations because diversity has the potential of yielding greater productivity and competitive advantages. India particularly and also the world generally simply cannot ignore diversity.
3. **The Challenge of New Technologies:** this can be the third ethical challenge in business. Business isn't any more confined to a specific area, customer and face-to-face business. In the 21st century, business can be done through innovative technologies; computer, internet and e-business have gained plenty of importance nowadays. Technological innovations have brought in immense changes to manufacturing, transport and communications, information and knowledge management, pharmaceuticals and biotechnology, banking and financial management and to a number of other spheres. The impact of those innovations on business and industry, as in other walks of life, is immeasurable. Business and trade became global. The globe itself has become as small on be called the

world village. During this fast changing environment- social, political, economic and governmental- corporations must adapt themselves faster, reckon competition and figure out successful survival strategies.

4. **The Challenge of Increased Quality:**Quality plays a key role in an exceedingly company's reputation. Quality should be quite making the most effective product but should reach every aspect of your work. Someone who recognizes quality and strives for it daily incorporates a profound sense of self respect, pride in accomplishment and attentiveness that affects everything. From one's memos to presentations, everything one touches should communicate professionalism and quality. Quality business manages to draw in customers, enhance their experience, satisfy and delight them, and generate repurchase. Therefore, most companies have an interest to boost quality of their products and services through "Total Quality Management" (TQM). TQM approach focuses on trying to fulfill customer expectations or delighting the customer. All quality improvement initiatives must begin with an understanding of customer perceptions and desires. TQM is an organizational strategy with techniques that deliver quality products and services to customers and achieves total customer satisfaction. It should be a customer, which comes back and not the merchandise.
5. **The Challenge of Employee Motivation and Commitment:**this is often the fifth ethical challenge in business. This challenge is taken into account to be the backbone of any quite business. So as to succeed, as a manager or supervisor of a corporation, one should motivate the staff. It's possible to create their day or break their day. The word "motivation" has come from the Latin word "movere", which implies "to move". Hence a motive, quite simply, are some things that moves one to act. Characteristically these words "motive" or "motivation", however, suggest that something within oneself is at work, impelling or driving him forward. It should be a desire, desire or emotion, but it leads one to act and to act during a certain way. Abraham Maslow³⁹ has identified five sets of need, which are important to motivate the workers of a company. In keeping with Maslow, a key principle is that a satisfied need ceases to motivate. If a person's physiological needs are met, for instance, other needs emerge and supersede them in becoming the dominating ones within the organism. When these successively are satisfied, yet higher needs emerge, and so on. This can be what Maslow meant by asserting that the essential human needs is organized into a hierarchy of relative prepotency.

CONCLUSION

Ethics plays a cardinal role in business. In other words, it pays to be ethical. A matter is often raised, if ethics really matters in business, then what's the longer term of business ethics. So as to answer this typical question, there are two approaches, namely, optimistic and pessimistic. The optimistic approach discloses that ethics needs to play a dominant role in business. Those that have practiced unethical/unfair means in business, they need never succeeded. Additionally, they'd to pay the worth for it.

The company leaders were apologized and repented for his or her misdeeds. a replacement commitment to moral management will cause many leading executives to leap forward and demonstrate ethical leadership and statesmanship, and therefore the world are going to be encouraged by those new found expressions of integrity and transparency. At some point or other, the general public will have a point of trust on business and economic process will return. The pessimistic approach unfolds that business will never learn its lessons. This scenario of business is gloomy and unpredictable.

Business leaders will shirk responsibility and society will have a tough time holding decision makers accountable. Many companies are looking to chop corners so as to realize profit due to fierce global competition, slacking demand and therefore the pressure of cut. Under these harsh economic conditions, the chance of ethical behavior is extremely questionable and doubtful. This ends up in further unethical practices to stay companies afloat. Therefore, the long run of business ethics looks gloomy. Out of those two (optimistic and pessimistic) approaches, the scholar advocates former one. We'd like to be positive. Therefore, the scholar predicts that the longer term of business ethics is bright and prosperous.

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