

CODES OF BUSINESS ETHICS

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1- What does Ethic Mean?

Simply put, ethics involves learning what is right or wrong, and then doing the right thing. What is wrong? , What is right? Interestingly these questions have been asked for a long time. The main point is to be a good person. How? Ethics contribute, determine and create what rules, behaviors, attitudes, and effects on life for a good person.

Many philosophers have considered ethics to be the science of conduct. They explain that ethics includes the fundamental ground rules by which we live our lives. Philosophers have been discussing ethics for at least 2500 years, since the time of Socrates and Plato.

2- The Concept and Understanding of Business Ethics

Ethics cannot grow itself. Ethics, which is a vision, depends on people working in a job that make successful and professional studies in the process of life.

Economic life is supposed to be systematic. It has the understanding of ethics and is suppose to continue. It is important that people have understanding of ethics. There should be rules, which gain an understanding of responsibility among coworkers. Lack of ethics lead to damage group cooperation and groups can be separation. In the economic conditions, a real medicine for virus is ethics. Ethics concept is able to grasp to workers. Every social group needs their moral discipline any in circumstances. A person should be aware of social advantages whether they are willing or not. Because social values are out of personal advantages, Disciplines, Laws in life contribute to be collective conscious or adaptations for people.

There are different ethics understandings. For instance, A doctor's mission is different, a person who works in trade. A doctor knows reality. Sometimes Doctor has to keep the reality from its patients.

Consequently, There is no clear moral compass to guide leaders through complex dilemmas about what is right or wrong. Attention to ethics in the workplace sensitizes leaders and staff to how they should act. Perhaps most important, attention to ethics in the workplaces helps ensure that when leaders and managers are struggling in times of a crises and confusion, they retain strong moral compass. Business ethics can be a strong preventative medicine.

3- Importance of Business Ethics with a Historical Standpoint of View

Until 1920, Capitalist thinkers believed that industry was a tool for economist revaluation to gain maximum money. Work conditions had been neglected, natural sources were damaged, and no quality production and Unreal advertisement for production was first the plan.

Adam Smith, a famous liberal, realized that people in work life could show self-sacrifice out of personal behavior to each other in a long period. If you approach a positive a person who took a loan from you, this person might not be bankrupt.

Bell and Weber, a famous liberal approach, said that human was a tool. Workers feeling or any behavior were not important. In 1960, In USA, European countries and other countries changed their conjectural situations toward to ethical values. Why was the understanding of ethics changed or how this reaction effect countries?

Japanese Idealism;

Liberal thinkers in capitalist countries watched and analyzed Japanese development in the process of a new their Industry understanding. In business life, the Japanese protect own national values and main values of humanity. They have strong cooperative and power works. In addition, Japanese strategy in business life;

- a- Discover of marketing Strategy and purpose
- b- Not only given good opportunities for stakeholder, but also workers in Industry provided a good profit.
- c- Market demand was first plan
- d- Stable outcome system
- e- Work guarantee for workers in Industry

These factors have occurred responsibility of social consciousness in society. It contributed to morality, motivation, and a higher output in industry.

Japanese Government reduced tax ratios and provided education for unemployed people, result in no high inflations and tax increases.

4- Activities of Social Values for Development

- a- Orderliness
- b- Economical
- c- Ability think in a long term period
- d- The understanding of objective ethics, rationalism and justice
- e- To accept reforms (evaluations, Technology)

These factors affected to liberal opinions living in Europe and USA in 1960. Although Singapore is a small country in Asia; it has a power ethics life and a security life.

5- An Interfaith Declaration (A code of Ethics on International Business for Christians, Muslims and Jews.

Discussions of the terms of the code in 1988, and concluded at meeting held in October 1993 in Amman. Declaration purpose was to set out an ethical basis for International business. International Business Ethics is built on the precepts of three religions represented at the dialogues. Christians, Muslims and Jews have a common basis of religious and moral teaching. Four key concepts recur in the literature of the faiths and form the basis of any human interaction. They are:

- 1- Justice: Fairness, exercises of authority in maintenance of right
- 2- Mutual respect (love and consideration): The world love has many meaning in most languages. But, as is clear form the reading of scripture. The God of justice and mercy is also the God of love
- 3- Stewardship (Trusteeship): Beauties and wonders of nature as sign of God's goodness and providence
- 4- Honesty: In business dealing " true weights, true measures" are to be used.

6- Myths About Business Ethics at Workplace

- 1- Business ethics is more a matter of religion than management. Diane Kirrane, in" Managing Values: A systematic Approach to Business Ethics."(Training and Development Journal, November 1990), asserts that" altering people `s values or soul is not the aim of an organizational ethics program. Managing values and conflict among them.
- 2- Our employees are ethical so we do not need attention to business ethics.
- 3- Business ethics is superfluous, it only asserts the obvious: do good (Honesty)
- 4- Business ethics is a discipline best led by philosophers, academic and theologians.
- 5- Business ethics is a matter of the good guys preaching to the bad guys.
- 6- Business ethics in the new policeperson on the block.

Business ethics has gotten more attention recently because of the social responsibility movement that started in the 1960s.

- 7- Ethics cannot be managed.

Actually, Managers in workplace give moral influence to employees. Strategic priorities (profit maximization, expending market share, cutting costs, etc.) can be very strong influences on morality. This is indirect management for ethics.

- 8- Business ethics and social responsibility is the same thing.

The social responsibility movement is one aspect of the overall discipline of business ethics.

- 9- Our organization is not the workplace has little practical relevance.

Managing ethics in the workplace involves identifying and prioritizing values to guide behaviors in the organization, and establishing associated policies and procedures to ensure those behaviors are conducted.

7- Benefits of Managing Ethics in the Workplace

- 1- Attention to business ethics has substantially improved society.
- 2- Ethics programs help maintain a moral cause in turbulent times.
- 3- Ethics programs cultivate strong teamwork and productivity.
- 4- Ethics programs support employee growth and meaning (Wall Street Journal, April 11, 1991,p. B1)
- 5- Ethics programs are an insurance policy—they help ensure that policies are legal.
- 6- Ethics programs help avoid criminal acts "of mission" and can lower fines.
- 7- Ethics programs help manage values associated with quality management, strategic planning and diversity management – this benefit needs far more attention.
- 8- Ethics programs promote a strong public image.
- 9- Formal attention to ethics in the workplace is the right thing to do.

8- Business ethics = Social responsibility

There is a power relationship between Business ethics and the concept of Social responsibility. A company is supposed to have responsibility to internal environmental and External Environmental in the process of making production.

If we look essential responsibility places for a business:

- 1- To Workers (Equitable outcome ratios, security working places, providing Insurance guarantee etc.)
- 2- To Consumer (Providing Quality and cheap production, selling guarantee, ISO 9000 (International Standards Organization), services for production, etc.)
- 3- To Stockholders (According to Adam Smith There's a direct connection between people welfare and Maximum profit. Stockholders choose for maximum profit in terms of hoping revenue for a business. If a company gains more advantages, a stockholder invests in to company. There is a mutual benefit for them.)
- 4- To Natural sources (Ecological stability): It is important for Business to choose technological machines that do not give pollution for natural sources. To gain maximal profit for a factory, it does not have to leave its churn. To leave churn from factory not only damage natural sources but also increase to outside cost for people. Feasibility studying should be done for protecting to Natural source before to built a business place.
- 5- To Government (to pay regularly tax, To have a good vision for Business provide a great point of view for Government from people live on the world.

Essential Responsibility Places for a Business

To protect social right is necessary of Business ethics. Europe Human rights Agreement was accepted in Torino, Italy October 1861. The concept of this Agreement Including:

- 1 Work right
- 2- Equitable work conditions
 - 4- Security and healthy conditions right
 - 5- Organization rights
 - 6- Business education right
 - 7- Social Security right
 - 8- As a social and economic, Mother and child `s protection right
 - 9- Working immigrant and Families `s protection right etc...

9- The MVK Group Code Of Ethics: Reputation regional and nationally as a high professional, well managed sales organization. This group is in Georgia (GA) of USA.

- 1- Maintain in the highest standard of personal and professional conduct in our dealing with both principals and customers. (To Working Ethics)

- 2- Encourage and promote the highest level of ethical and professional conduct within our profession.
- 3- Strive to continually keep our principal`s informed of matters that may adversely affect our relationship with them and their ability to compete in the market space.
- 4- Maintain confidently of privileged information entrusted to us by our customer and principals.
- 5- Always communicate matters concerning our principals and their customers in a truthful and accurate manner. (To Customer Ethics)
- 6- Recognize and discharge our responsibility to uphold all laws and regulations governing the policies and activities of our profession. (To Government Ethics)
- 7- Respect the rights and interest of my competitors. (To Rival Company Ethics)

In summary, The Ethics principle are: Honesty, Promise-Keeping, Fairness, Respect for Others, Compassion, Integrity Business decisions can effect on society positive or negative. But Social manners and attitudes determine successful or unsuccessful of a Business. For many years now, MONY CEO Michael Roth has said, "Ethics is not just good business, It`s just doing the right thing." I couldn't agree with him more.

Another company, Northern Telecom, its strategy approach for Ethic "we believe in the principles of honesty, fairness, and fairness, and respect for individual and community freedoms. Again I couldn't agree with it more.

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