SEMESTER-IV BUSINESS ETHICS

CHAPTER-2
PRINCIPLES OF BUSINESS ETHICS

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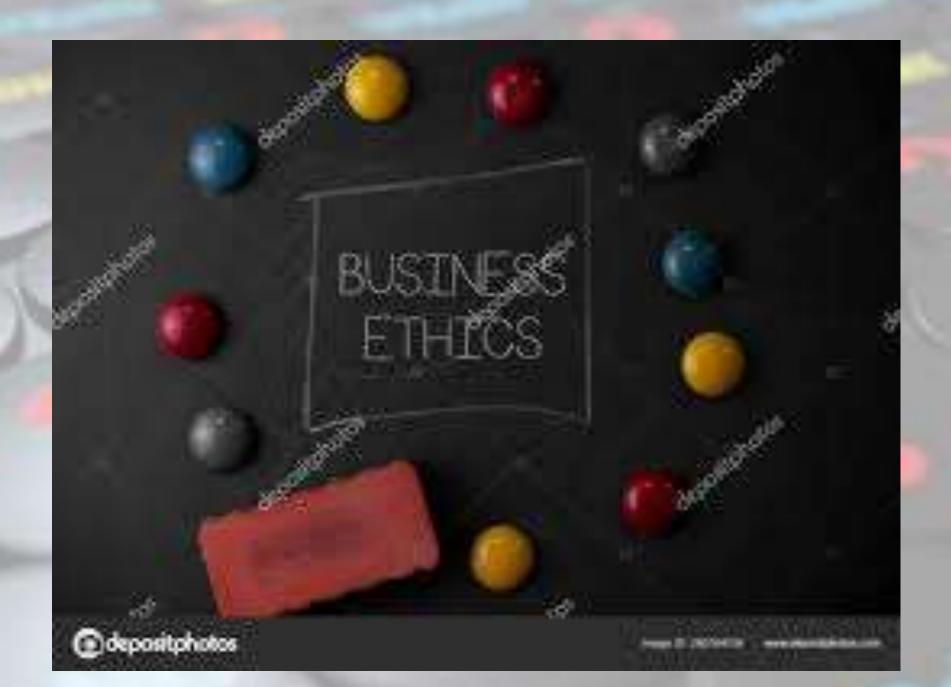


What is Ethics??

- Ethics is a code of conduct,
- which helps sentient beings comprehend the differences between
- what they have the *right to do* and what is right for them to do.







What is Business Ethics??

- Business ethics refers to the right and wrong behavior in business decision.
- It is concerned with the critical and structured examination of the principles, values and standard that guide behavior in the sphere of the business.





What is Ethical Principle??

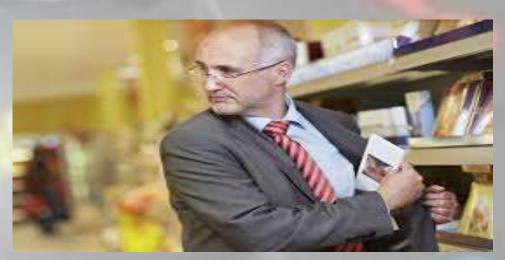
- Ethical Principles refer
 to the ethical values,
 which establish the
 desire level of behavior
 that an
 individual/organization
 should or should not
 exhibit.
- In short, ethical principles lay out the do's and don'ts for the organization / individual.



Elements of Principles of Business Ethics

- □ Identification
- Evaluation
- Imagination
- ☐ Tolerance
- **□** Obligation
- ☐ Competence
- ☐ Trustworthiness
- Confidentiality
- openness

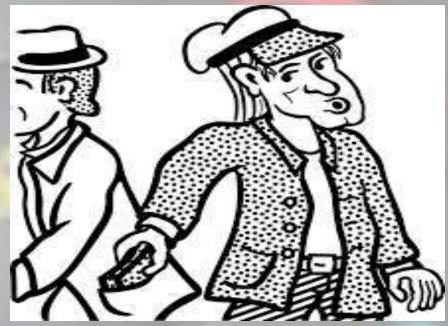




Principles of Ethics

- Autonomy
- Beneficence
- Confidentiality
- Do mo harm/Non-maleficence
- Equity or Justice





Principles of Business Ethics

- Integrity
- Loyalty
- Honesty
- Respect and Concern
- Fairness



Principles of Business Ethics for Business Executives

- Principle of Conscience
- Principle of Wish less Work
- Principle of Esprit
- Principle of Publicity
- Principle of Purity
- Principle of Humanity
- Principle of Commitment
- Principle of Rationality
- Principle of Communicability

Cont.....







Cont.....

- Principle of non-Cooperation in Evils
- Principle of Cooperation with Other
- Principle of Satisfaction
- Principle of Coordinate Ends and Means
- Principle of Due Process
- Principle of Liking in Expectations
- Principle of Transparency





ETHICAL "ISMS"

- ☐ Subjectivism: It state morality is the matter of sentiment rather than fact.
- Emotivism: It is a moral statement of that does not provide information about the speaker's feeling but about the topic but it expresses the feeling.
- ☐ Prescriptivism: Prescriptivists think ethical statements are instructions or recommendations.
- ☐ Intuitionism: Intuitionist thinks that goodness and badness can only be detected by adults.
- □ Consequentialism: It is a theory which influences from the moral actions of people. It teaches us people should do whatever produces maximum amount of good to maximum people.

What is Morale??

- Morals are the prevailing standards
 of behavior that enable people to
 live cooperatively in groups.
- Moral refers to what societies sanction as right and acceptable.
- Morality often requires that people sacrifice their own short-term interests for the benefit of society.

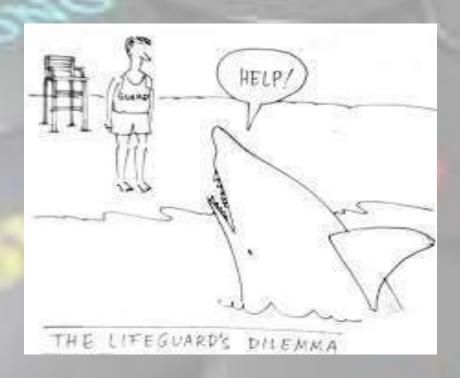




Ethical Dilemma

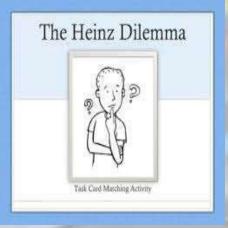
- An ethical dilemma is a conflict between alternatives, where choosing any of them will lead to a compromise of some ethical principle and lead to an ethical violation.
- A crucial feature of an ethical dilemma is that the person faced with it should do both the conflicting acts, based on a strong ethical compass, but cannot; he may only choose one.





Examples Of Ethical Dilemma

- Dilemma faced by a bank manager regarding the sanction of the loan to a good friend who has been a defaulter earlier.
 - (dilemma between 'supporting a good friend' and 'high probability of default').
- Dilemma faced by the driver of a corporate executive for using the company vehicle in regularly dropping his physically challenged son of a relative to school.
 - (dilemma between 'supporting a needy relative' and 'usage of company resource').



The Story of Heinz



- A story of a middle-aged ordinary middle-class man, called Heinz.
- His wife suffers from a dreadful disease.
- Doctors believe that a special drug which was invented recently and is available at the BIG pharmacy store, can only save his wife.
- When Heinz went to buy the drug, the drug-seller cost it around 2,000 dollars, while the actual manufacturing cost of the drug is 2,000.
- Heinz borrowed the money from friends and lenders and could finally collect only \$1,000 dollars.
- Though Heinz pleaded a lot, the greedy drug-seller refused to sell the drug at a low cost.
- Now, Heinz had no other option but to steal the drug from the shop to save the life of his wife.

Features Of Ethical Dilemma

- ✓ Right choice
- ✓ Sudden occurrence
- √ Concern
- √ No sinkage between two asternatives
- ✓ Resust is unique outcome
- ✓ Uncertain pressure





Steps to solve Ethical Dilemma



