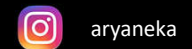




Introducing Business Ethics

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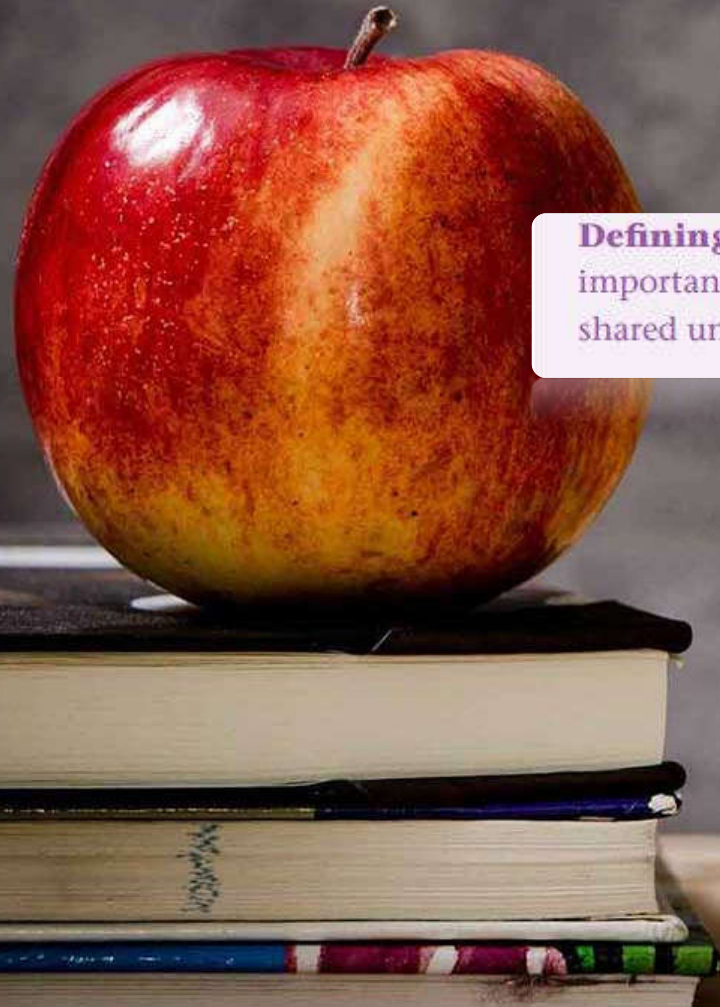




**What is
business ethics?**



business ethics as the
study of business
situations,
activities, and decisions
where issues of right and
wrong are addressed



Defining business ethics. Establishing what you mean by business ethics is an important skill for managing the issues in practice. Definitions help to provide shared understandings and clarify the scope of what you are trying to achieve.



Business ethics and the law

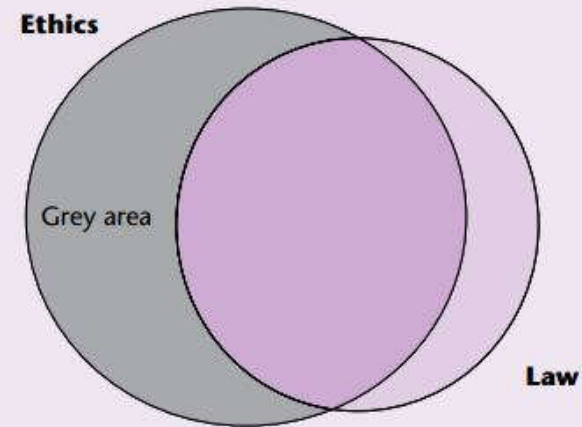
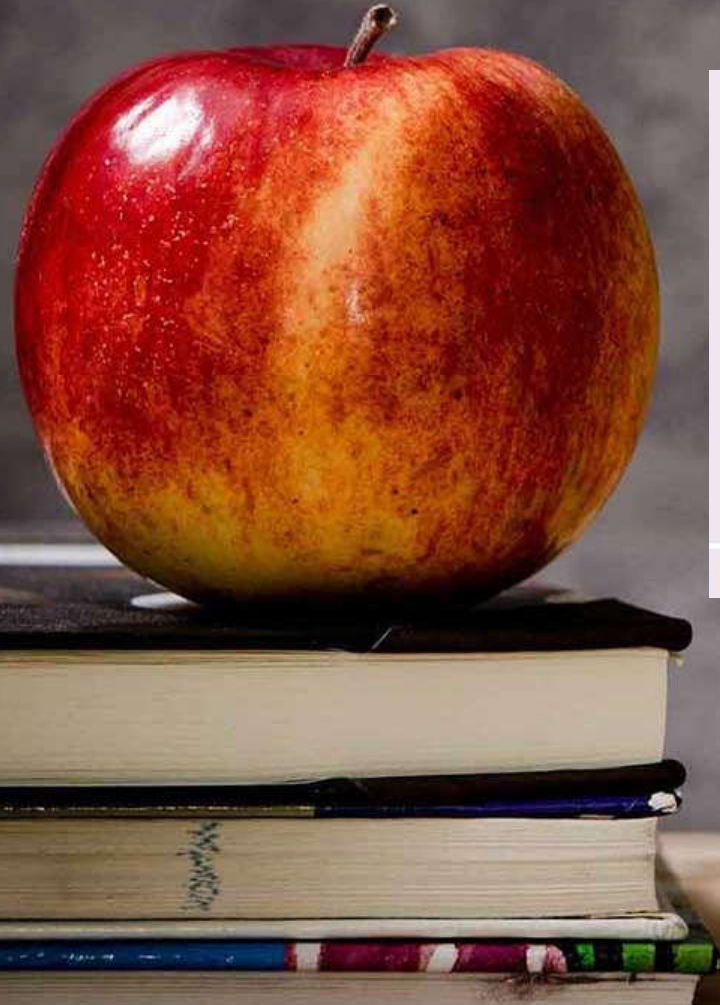


Figure 1.1 The relationship between ethics and the law



The law might be said to be a definition of the minimum acceptable standards of behaviour.

However, the law does not explicitly cover every possible ethical issue in business—or for that matter outside of business.

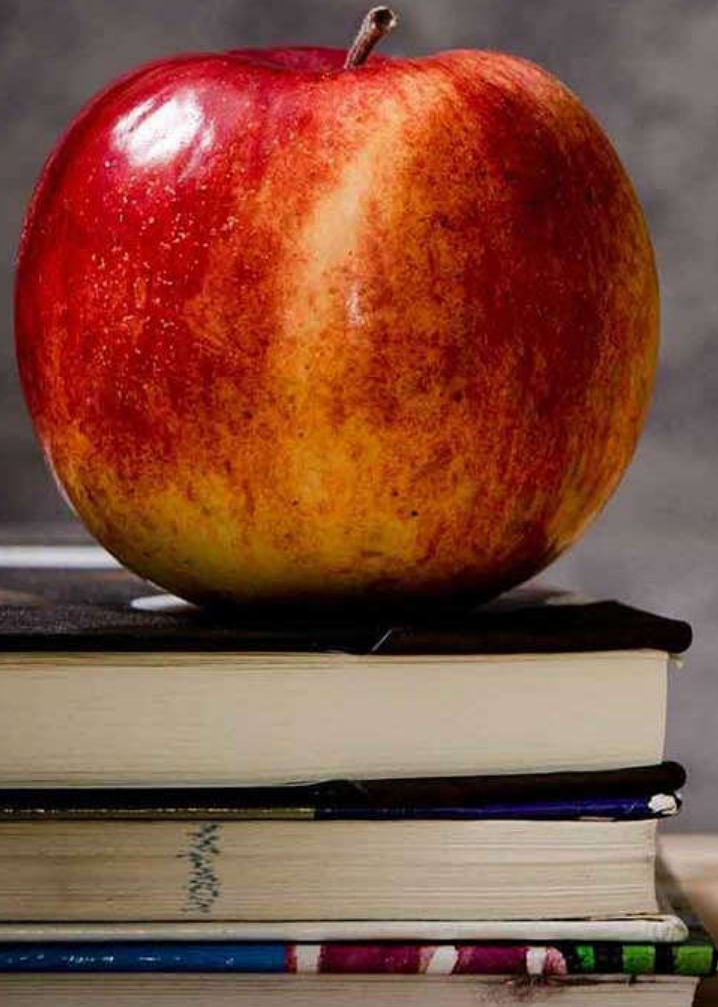
For example, just as there is no law preventing you from being unfaithful to your significant other (although this is perceived by many to be unethical), so there is no law in many countries preventing businesses from testing their products on animals, selling landmines to oppressive regimes, or preventing their employees from joining a union—again, issues that many feel very strongly about.



Defining morality, ethics, and ethical theory

Morality is concerned with the norms, values, and beliefs embedded in social processes which define right and wrong for an individual or a community





Ethics is concerned with the study of morality and the application of reason to elucidate specific rules and principles that determine morally acceptable courses of action. Ethical theories are the codifications of these rules and principles.

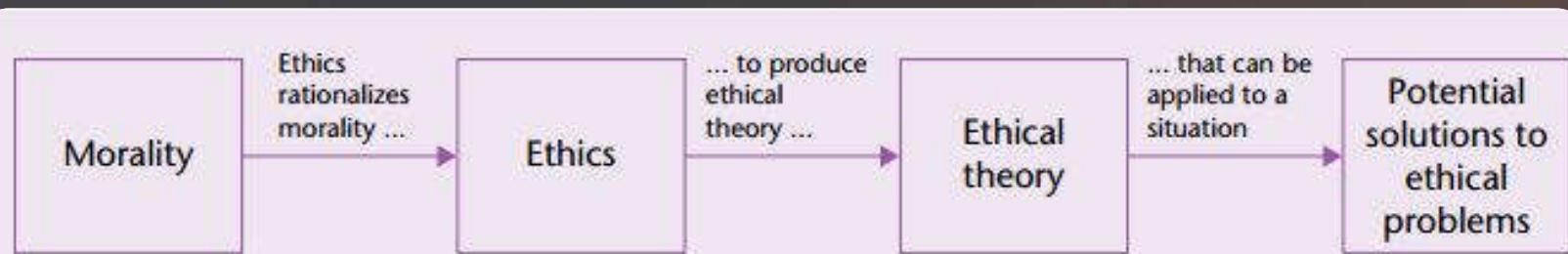
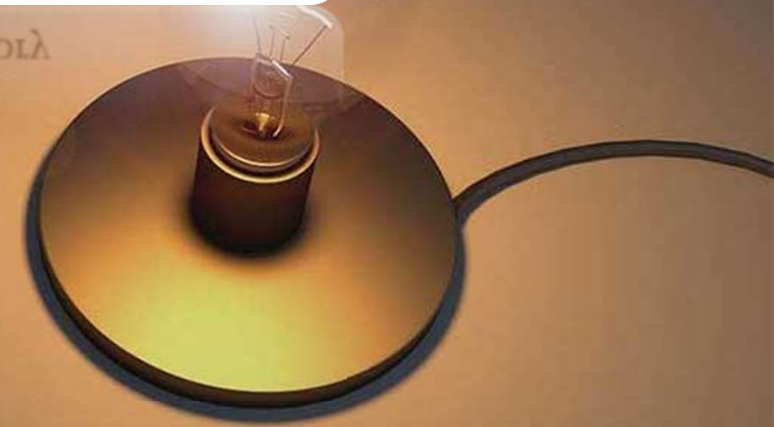


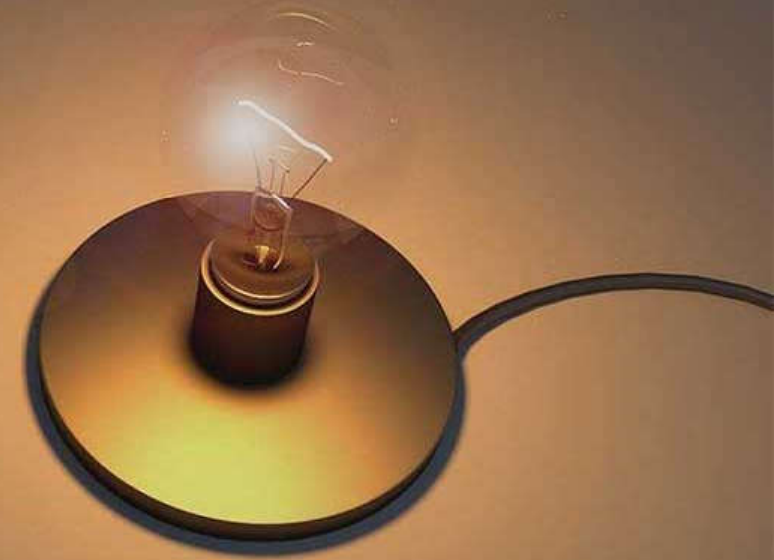
Figure 1.2 The relationship between morality, ethics, and ethical theory

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Why is business ethics important?

1. Business has huge power within society
2. Business has the potential to provide a major contribution to our societies
3. Business malpractice has the potential to inflict enormous harm on individuals, communities, and the environment
4. The demands being placed on business to be ethical by its various stakeholders are becoming more complex and challenging
5. Employees face significant pressure to compromise ethical standards
6. Business faces a trust deficit





Ethical fashion for ethics girls

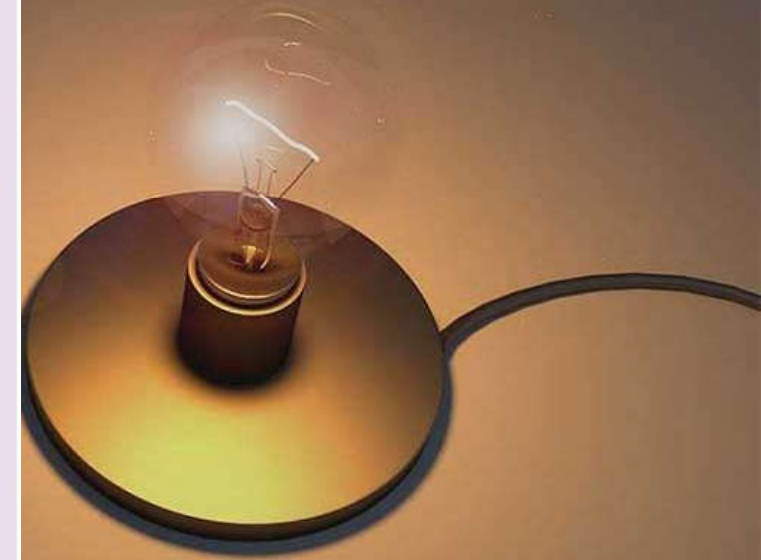
Want to buy a new pair of skinny jeans, but also care about how much the workers were paid to make them? Think there may be space in your life for an iPhone case made from upcycled fire hose and reclaimed parachute silk? Well, being ethical does not have to mean being unfashionable any more, at least not according to the Ethics Girls, a UK-based organization launched online in 2007. The Ethics Girls website seeks, as they put it, to 'set the example' in 'ethical fashion, shopping and ideas'. Featuring a shop, magazine, and even the opportunity to become a member of the Ethics Girls co-operative the site promises to 'take the guilt out of ethical consumption, to make life and our choices simpler'.

Unlike some ethical shopping sites, such as the Ethical Consumer organization's online buyers' guides (which provide detailed scorecards for a wide range of products in numerous categories), Ethics Girls do not claim to have a particularly robust research methodology. Their approach is style led rather than research led, with an emphasis on lifestyle journalism and the promotion of positive choices among young women. And perhaps more than anything, it shows the continuing transformation and maturation of the internet as a place for ethical shoppers of all kinds—and not just diehard activists—to go for advice, information, and inspiration.

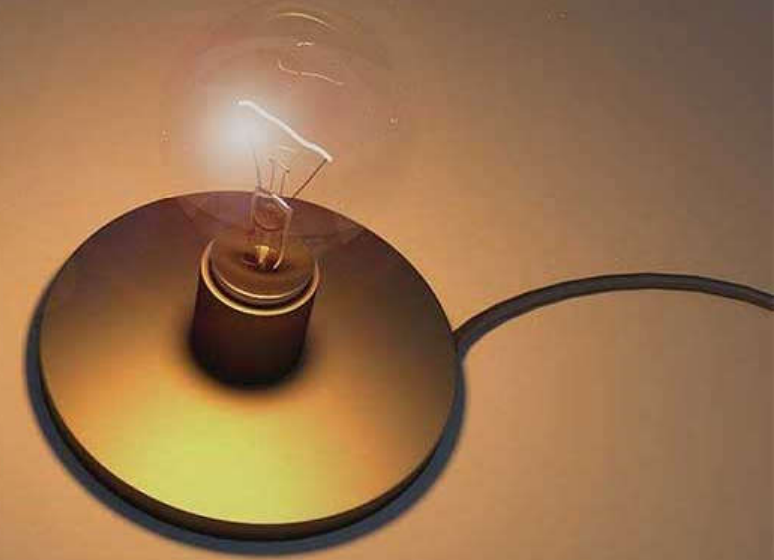
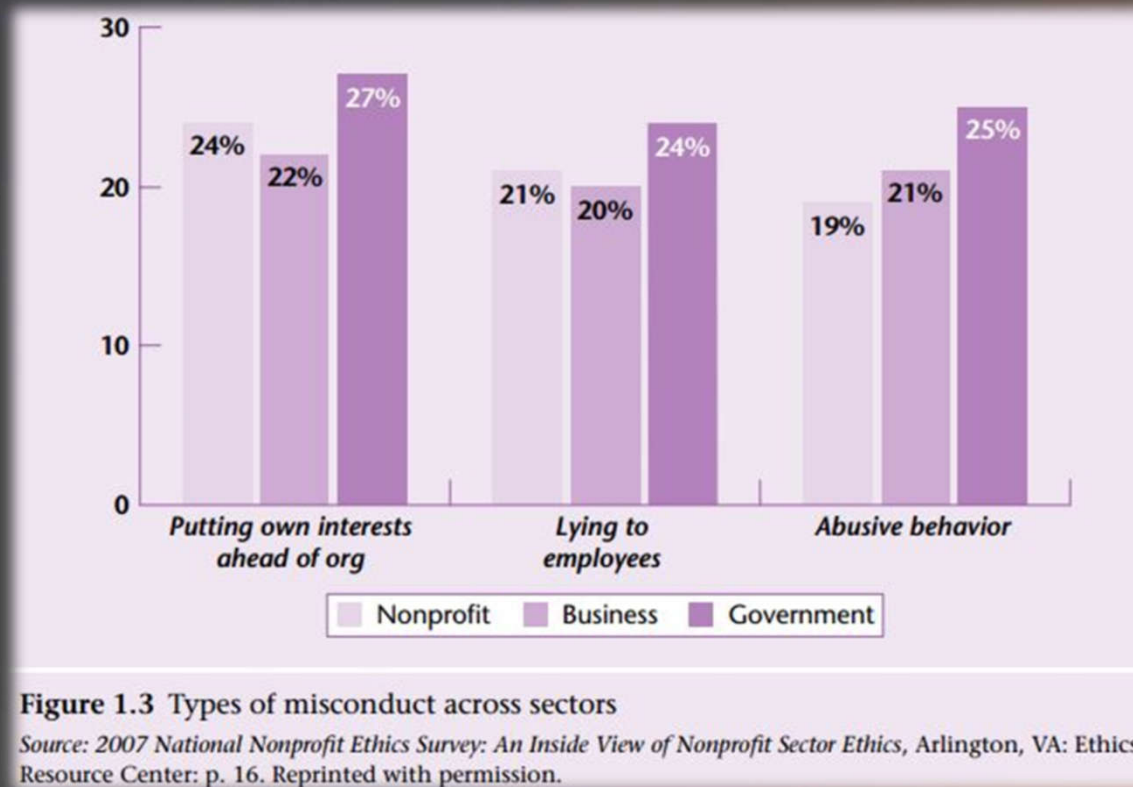
Sources

Ethics Girls website: <http://www.ethicsgirls.co.uk>.

Ethical Consumer website: <http://www.ethicalconsumer.org>.

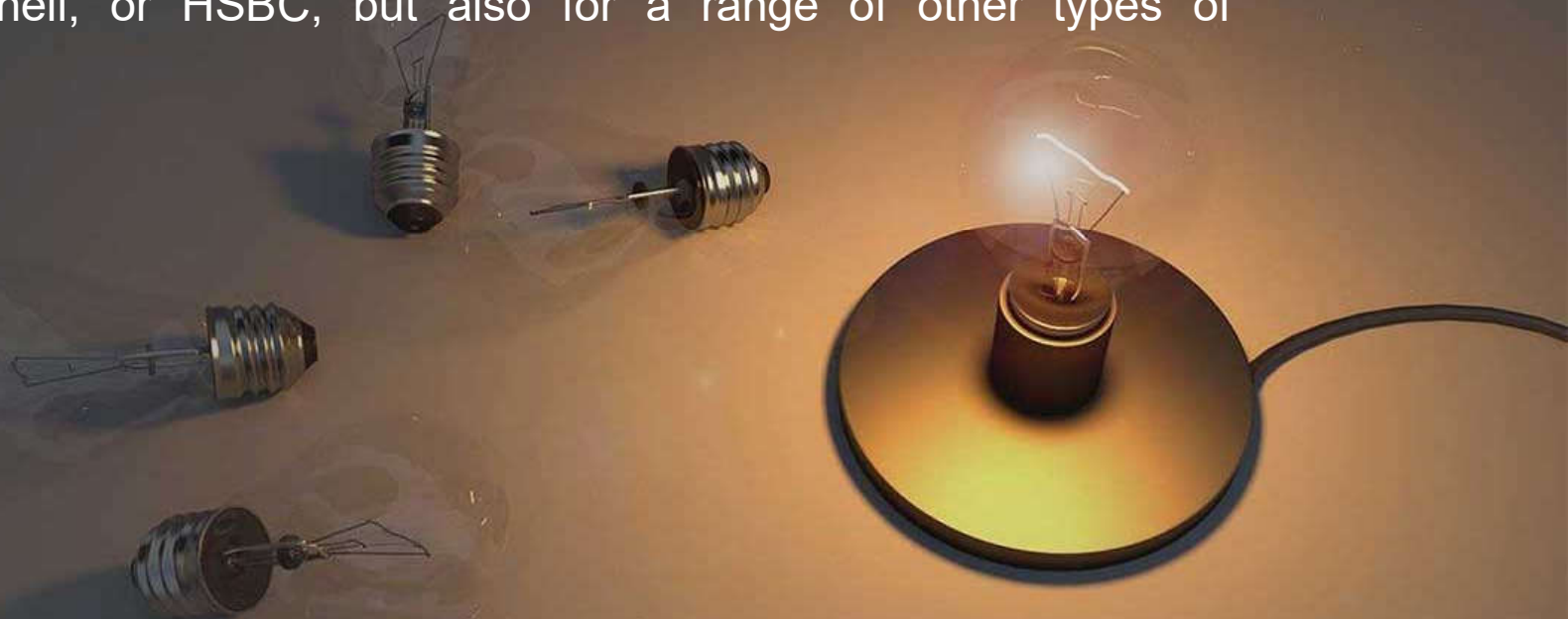


Business ethics in different organizational contexts



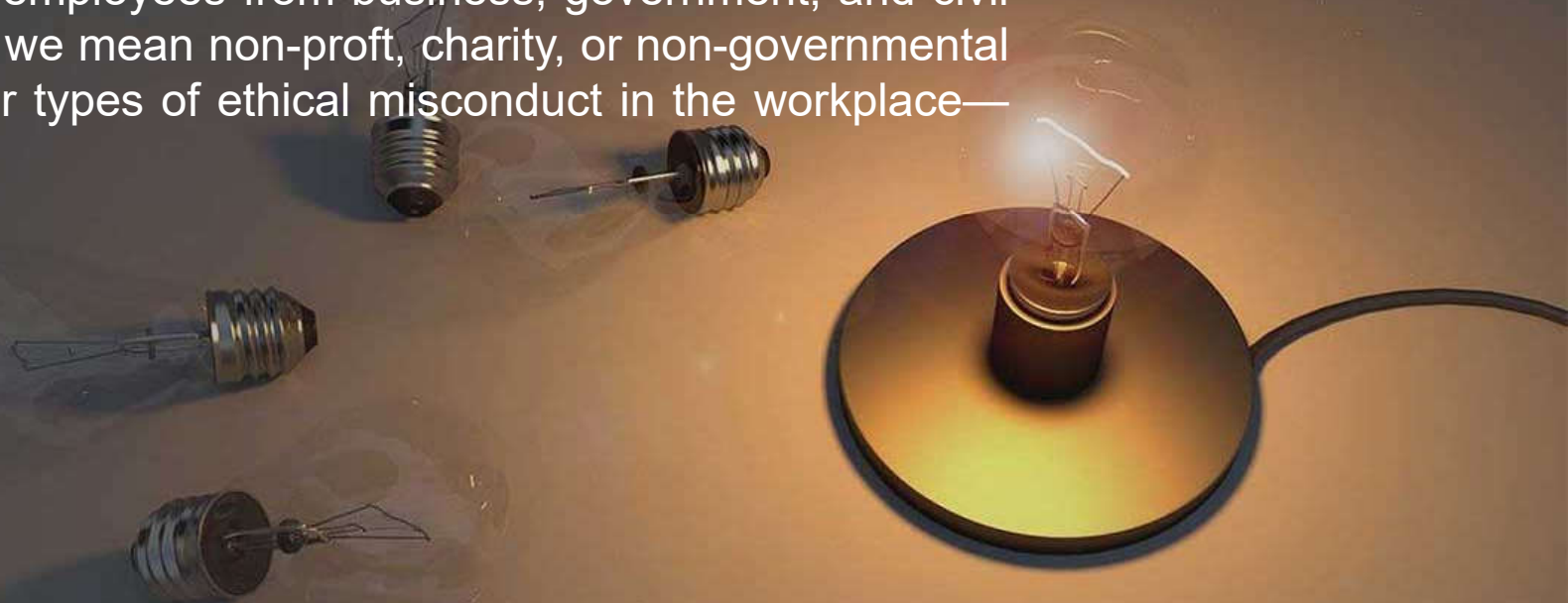


It should be clear by now that whatever else we may think it of it, business ethics clearly matters. It matters not just for huge multinational corporations like McDonald's, Nestlé, Shell, or HSBC, but also for a range of other types of organizations.





the issues will inevitably be rather similar across organizational types. Figure 1.3, for example, shows that employees from business, government, and civil society organizations (by this we mean non-profit, charity, or non-governmental organizations) observe similar types of ethical misconduct in the workplace—and at similar intensities.

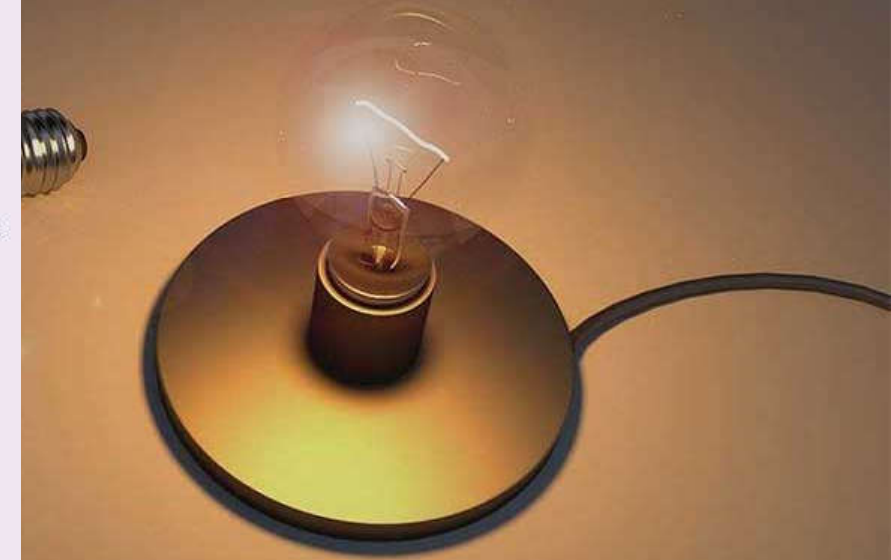


Business ethics in large versus small companies

	Large corporations	Small businesses	Civil society organizations	Public sector organizations
Main priorities in addressing ethical issues	Financial integrity, employee/customer issues	Employee issues	Delivery of mission to clients; integrity of tactics; legitimacy and accountability	Rule of law, corruption, conflicts of interest; procedural issues, accountability
Approach to managing ethics	Formal, public relations and/or systems-based	Informal, trust-based	Informal, values-based	Formal, bureaucratic
Responsible and/or accountable to	Shareholders and other stakeholders	Owners	Donors and clients	General public, higher level government organizations
Main constraints	Shareholder orientation; size and complexity	Lack of resources and attention	Lack of resources and formal training	Inertia, lack of transparency

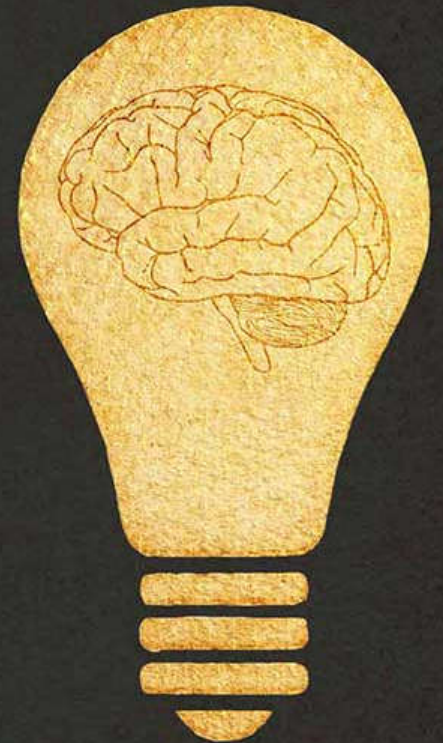
Figure 1.4 Differences in business ethics across organizational types

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Get
You



REFLEKSI

1. Informasi penting hari ini
2. Manfaat penting dari informasi penting hari ini
3. Tindak lanjut yang dapat saudara lakukan





THANK YOU

Any Question ??