Basic apparel production

Level - I

Learning Guide 08

Unit of Competence: **Demonstrate Work Values**

Module Title: **Demonstrating Work Values**

MO Code: **IND BAP 1 M02 LO-03 LG-08**

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LO 3: Deal with ethical problems

Instruction Sheet 08	Learning Guide 08

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Application of company ethical standards
- Company polices and guidelines compliance
- Reports on ethical problems

This guide will also assist you to attain the learning outcome stated in the cover page. Specifically, upon completion of this Learning Guide, you will be able to:

- Company ethical standards, organizational policy and guidelines on the prevention and reporting of unethical conduct are accessed and applied in accordance with transparent company ethical standard, policies and guidelines.
- Work incidents/situations are reported and/or resolved in accordance with company protocol/guidelines.
- Resolution and/or referral of ethical problems identified are used as learning opportunities.

Learning Activities

1. Read the specific objectives of this Learning Guide.

2. Read the information written in the "Information Sheets 1".

3. Accomplish the "Self-check 1" in page 12-13. Request the key answer / key to correction from your teacher or you can request your teacher to check it for you.

4. If you earned a satisfactory evaluation proceed to "Information Sheet 2". However, if your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity #2.

5. Read the information written in the "Information Sheet 2"
Training, Teaching and Learning Materials for Basic Leather Garments and Goods Production Operations Level I

TVET Program

6. Accomplish the "Self-check 2" in page 26-27. Again you can request the key answer / key to correction from your teacher or you can request your teacher to check it for you.

7. If your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity # 5.

8. Read the information written in the "Information Sheet 3".

9. Accomplish the "Self-check 3" in page 41. Again you can request the key answer / key to correction from your teacher or you can request your teacher to check it for you.

10. If your rating is unsatisfactory, see your teacher for further instructions or go back to Learning Activity # 8.

Information Sheet-3	Appliy of company ethical standards

3.1 Introduction

An ethical workplace environment supports a positive reputation for your company while improving the morale of your employees. Violations of basic ethics can hurt your business or cost your company money due to actions such as lawsuits or theft of goods and ideas. Building off the current ethical climate in your company, work to make improvements and maintain improved ethics for better business.

3.1.1 Policies

Written ethics policies establish your expectations for all employees. Spell out exactly what you expect from your employees on topics such as theft, intellectual property protection, proper use of resources and treatment of colleagues. Define the specific characteristics you want the company to represent, such as integrity, honesty and respect. All employees should receive a copy of the code of ethics and sign a form stating they recognize the expectations.

3.1.2 Management Actions

The upper level of the company sets the tone for the types of behaviors that are acceptable in the workplace. Leadership that values and acts ethically serves as a role model for all subordinates. This means making ethical decisions for the company as the

owner. Expecting your employees to act ethically while making questionable business decisions to get ahead sends mixed messages. Employees may feel they also can make unethical decisions if it gets them ahead in business. Another potential outcome is resentment toward management for creating a double standard for behavior. If you want to maintain the ethical environment, you need all of your management staff to adhere to the code of ethics.

3.1.3 Resources

Resources for making ethical decisions enable employees to better function within the code of ethics you establish. Training on ethical issues is one resource option. Plan

training sessions on topics such as proper handling of company resources, ethical business decision making and the effects of unethical decisions. All new employees should receive this training, while refresher courses should be held yearly for existing employees. Company newsletters on related topics offer another resource as well as continued education. Offer one-on-one support to employees who face decisions to help them make the ethical choice.

3.1.4 Reporting

Despite the efforts you make toward creating an ethical work environment, you may have employees who fail to uphold your standards. A reporting system that allows employees to alert you to possible ethics violations reinforces your commitment to respectable behavior. Employees need to know they can report the violations without suffering repercussions themselves. A reporting system also needs prompt action when a potential violation occurs. The fast action shows the employees you intend to hold them to the ethics standards.

Advantages & Disadvantages of Ethical Compliance in an Organization

Ethical compliance within an organization is done for the benefit of the company and the employees. The use of ethical standards can both reduce the chances of a workplace lawsuit and help to create a positive work environment. Before establishing your corporate ethical policies, you need to understand both the advantages and disadvantages of ethical compliance in an organization.

3.1.5 Laws

Local, state and federal laws help to guide part of a company's ethical policies. For example, a zero tolerance corporate policy for sexual harassment is in response to the many laws that govern this kind of workplace activity. Ethical compliance helps

companies to develop a work culture that abides by the workplace laws and reduces the costs associated with fines and lawsuits.

3.1.6 Workplace Culture

A policy of ethical compliance helps to create a workplace culture where all employees are treated with respect. Employees are given equal access to advancement

opportunities and the workplace becomes a positive and nurturing environment. A strong ethical standard in the workplace helps to create strong working relationships between the staff and management. It reduces employee turnover, improves morale and has a positive effect on productivity.

3.1.7 Lack of Management Support

One of the disadvantages of an ethical compliance program is that it requires the comprehensive support of management to be effective. If members of the management team decide to apply their own version of corporate ethics to the way they manage their departments, then this clash of principles can cause confusion in the workplace. For example, a manager who tends to look the other way when his employees are committing sexual harassment sets a precedent that can start to undermine the entire corporate culture.

3.1.8 Costly

Developing, implementing and maintaining an ethics compliance program within your organization can be expensive and time-consuming, according to attorney Michael G. Daigneault. Ethics policies need to be continually updated to reflect changes in workplace laws and changes in your company culture as the organization grows. Proper administration of an ethics program often requires the hiring of an ethics officer and the commitment of company financial and personnel resources.

3.1.9 How do I Change Company Policies?

Creating policies can help a company run smoothly and save hours of management time. Written policies set guidelines for ethics, safety, privacy, hiring, workplace issues and customer service, among other things. Growth of the company and changes in organizational structure are just two reasons that policies may need to change. The best way to make changes to company policies is a clear and concise presentation of facts.

Step 1

Create a team to support you in the effort. Assemble a team, such as the human resource manager and possibly the business attorney, to participate in putting together

the new company policy. Gathering members from different departments and levels of employment with the company helps to represent different areas of the business in creating to the new policy.

Step 2

Gather the necessary information. Do research within the company to determine the level of need for the change—essentially stating the purpose for the new policy. Talk to other companies about similar policies and see how the owner or upper management phrases the policy and how the new policy was implemented.

Step 3

Write the new policy. The policy should be written as simply as possible--easy to follow and understand. The policy should be written to support the company's objectives. Take time to develop the policy's wording with your team. Talk to people that may be affected by the new policy and receive their editing suggestions. Include the values and benefits of the policy change, as well as the methods used for enforcement.

Step 4

Make the policy look good. Appearance is important. It should look like you have spent time and conducted adequate research to present a well-written document. Use illustrations effectively, and only when necessary. Include a cover letter explaining the reasons for the policy change.

Step 5

Present the new policy to the employees. Arrange an employee meeting and create copies of the new policy to hand out and discuss at the meeting. Take the time to go through the policy change and answer any questions that employees may have regarding the new policy.

3.1.10 Organizational Culture's Influence in Ethical Policies

Ethics is an integral part of a functioning society, but many people struggle to define ethics and put it into practice in a business setting. Owners and managers set the bar for ethics in an organization, but they aren't the only participants. Employees and other business players also influence and perpetuate ethics. In the case of small businesses, managers need to know how to carry out ethical policies in addition to knowing the virtues.

Employees

From the point of view of employees, management sets the tone and shapes the overall working environment. It's easy to sow the seeds of unethical behavior into the minds of subordinates, especially if the people who sign the paychecks are not setting a good example. Employees need to know that they have personal and professional rights within a small business operation. For example, if an employee suffers any kind of harassment, management should take it seriously. Working conditions should be safe. Work schedules should be considerate and fair. Management that does not uphold the ethical rights of employees will end up creating policies that can adversely affect the morale and motivation of workers.

Business Customers

Small businesses frequently interact with other companies, such as suppliers and bankers. It is important to gain the trust and respect of these third-party organizations. You don't want to anger another company that supplies your business with a critical part in your manufacturing process or the lender at the bank that offers short-term loans to help your business meet payroll. Furthermore, you don't want to intimidate or strong-arm other businesses, because owners, managers, and even employees will take it personally. Companies should develop ethical policies that instill a sense of reliability and integrity, such as staying on top of bills due to other businesses in accounts payable or setting reasonable fees and terms when transacting or exchanging goods and services with another company.

Consumers

While most people understand the concept of paying for goods and services that are consumed, the public usually does not take kindly to unfair pricing and billing practices. Also, consumers want assurances that they will get quality products and services, based on truthful advertisements and presentation. Price gouging or accepting payment but not delivering the goods is a sure way to lose a customer. Furthermore, consider that many consumers don't have a lot of business savvy and they trust companies to do the right

thing. When that trust is violated, a single angry customer can form into a wave of resentment from other people who have had similar unethical experiences. In the age of social networking websites and consumer advocacy groups, bad publicity can destroy a company. Businesses large and small should have customer service policies and procedures in place to address consumer concerns before they get out of hand.

Community

Local businesses need to respect the institutions that keep a community intact and vibrant. In particular, city councils, county boards and state legislatures are all gaining influence in local, national and even global business matters. If lawmakers and enforcers become aware of unethical business practices, they can do more than express concern; they can enforce existing and create new laws that correct unethical behavior. Companies might need to consider creating legal policies, in addition to ethical policies. For example, convenience store clerks might make it a habit to check all driver's licenses and identification, no matter a person's age and appearance, before selling alcohol and tobacco products.

Society

In addition to respecting citizens, employees and community institutions, companies must respect the environment that society depends on. Social responsibility is the term that describes how businesses set out to be good stewards of the earth. Many larger firms have an entire section of a public website that clearly lays out the commitment to social responsibility. Some even hire staff who are environmental and sustainability specialists, helping the company develop these policies. Although small businesses often lack the extra resources to create new departments, managers can make a concerted effort to adopt more reasonable policies, such as recycling some trash or using energy-efficient lighting.

3.1.11 Types of Ethical Practices Employees Adhere to in the Workplace

Employee ethics cover a diverse landscape of practices, some with legal implications,

all of which the small business owner must be aware. Company policies and mission, employer demeanor and actions provide a working template for employees to use as

they conduct their day-to-day business. Develop a template for an ethical workplace culture by defining what constitutes ethical practices. Business values and ethics policies guide employee ethical practices.

Justice Practices

The Golden Rule is a succinct guide for just practices in the workplace. Small business owners can collaborate with staff in defining what constitutes justice. Apply that definition to every sector and situation in a small business operation. Criteria for justice apply to all people and all situations, according to Charles D. Kerns in "Creating and Sustaining an Ethical Workplace Culture." Employees put ethical guidance for justice on the job into practice by treating each other and all clients and customers fairly and equally. Anti-discrimination laws are examples of just employee practices.

Integrity Practices

Integrity requires the courage to do what is right despite popular opinion. Employees who practice integrity in the workplace support what is morally right and what the business represents to its staff and to its customer base. Members of a sales staff, for example, truthfully represent a product line or services. They keep their word to their clients because it is the right thing to do and because their word is the company's word. Integrity requires consistent practice.

Confidentiality and Privacy Practices

Confidentiality and privacy laws and practices play a role in every business. A healthy work culture displays respect for employee privacy. Employees practice confidentiality by refraining from gossip about colleagues' private issues. Employees of small healthcare businesses abide by privacy laws as a matter of daily operations.

Self-Control Practices

When challenging situations arise, employees who can control their emotions and actions exhibit ethical behavior in the workplace. Self-control prevents difficult situations from escalating into conflicts that disrupt workflow and threaten staff morale. Employees with self-control and discipline may strive to stay on top of their workload. When they

avoid backlogs, they help their colleagues to maintain a steady work pace and they contribute to the overall productivity of the business.

What Is Considered to Be an Ethical Supervisor?

Ethical supervisors provide a bridge between the needs of the company and its customers, clients, employees, contract workers and the community. Companies have ethical responsibilities beyond obeying laws, enforcing company policies and ensuring profitability. Those responsibilities begin at the top and extend down the chain of command to direct supervisors. Ethical supervisors share crucial information, build morale and avoid shifting blame during crisis moments. They communicate clear expectations and keep workers informed about upcoming changes, especially those affecting work availability.

Transparency

How a company treats its employees has a measurable effect on a customer's decision to purchase whatever goods and services that company produces or provides. Fair treatment includes transparent communication. Open, honest communication -- even if it means disclosing unpleasant news that might lead workers to leave the company until a crisis passes -- fosters a perception that your company balances profit-seeking with concern for the effects of its policies on workers and their families. Ethical supervisors provide clear explanations of what the company expects and explain all aspects of a policy without misleading. If the company implements a quality-control measure, for example, the supervisor tells workers from the very beginning whether it creates a bar that workers must meet in order to keep working for the company. Doing otherwise is extremely unethical, especially if that supervisor has any knowledge of a future intent to implement such a cutoff.

Morale

An ethical supervisor builds morale and fosters positive relations between workers and the company. He encourages workers to compete against themselves through continuous personal improvement rather than against each other. The ethical supervisor recognizes that success at the expense of fellow workers alienates workers the

company thinks it has honored when creating recognition programs for only a select few. He knows that top workers who feel the company makes fellow workers feel devalued will leave the company and will warn others about the unfair treatment. This opens the company to serious loss of reputation as a reliable employer.

Problem Solving

Ethical supervisors take personal responsibility for solving problems and dealing with crisis. They never allow situations affecting the quality of the work environment or a worker's overall quality of life to go unaddressed. For example, workers who do not receive their pay in full and on time must struggle along until the issue is resolved. Ethical supervisors ensure accurate and on-time submission of time sheets, invoices and expense ledgers, and resolve any errors or omissions within 24 hours of discovery, including issuing replacement checks on the spot when necessary.

Responsibility

Ethical supervisors accept responsibility for the quality and quantity of work produced and do not scapegoat workers in order to make themselves or the company look better to customers or investors. Implying that workers whose services you no longer need are somehow defective may create the impression that the company has taken steps to increase quality, but it unfairly tarnishes those workers and restricts their ability to find other work. While true incompetence has no defense, tarnishing a worker's reputation instead of simply admitting that you no longer need his services is completely reprehensible.

Self-Check 1	**Written Test**

Directions: Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

 Instructions: Write all your answers in the provided answer sheet on page **14**.

Directions: Answer all the questions listed below. Examples may be necessary to aid some explanations/answers.

Part I:

Fill in the blanks: (1 point each)

1. An ---------------------------- environment supports a positive reputation for your company while improving the morale of your employees.

2. ------------------- of basic ethics can hurt your business or cost your company money due to actions such as lawsuits or theft of goods and ideas.

3. Developing, implementing and maintaining an ethics compliance program within your organization can be expensive and ---------------------.

4. --------------------------- take personal responsibility for solving problems and dealing with crisis.

5. ---------------------------- provide a bridge between the needs of the company and its customers, clients, employees, contract workers and the community.

Part II:

 True or False (1 point each):

1. How a company treats its employees has a measurable effect on a customer's

decision to purchase whatever goods and services that company produces or provides.

2. Fair treatment does not include transparent communication.

3. An ethical supervisor does not build morale and fosters positive relations between workers and the company.

4. When challenging situations arise, employees who can control their emotions and actions exhibit ethical behavior in the workplace.

5. One of the disadvantages of an ethical compliance program is that it requires the comprehensive support of management to be effective.

Part III:

Very short answer questions: (2 points each)

1. Define policies.
2. Define reporting.
3. Define resources.
4. Define workplace culture.

Answer Sheet

Score = _____

Rating: _____

Name: _____ Date: _____

Part I:

Fill in the blanks:

1. _____

2. _____

3. _____

4. _____

5. _____

Part II:

True or False:

1. _____

2. _____

3. _____

4. _____

5. _____

Part III:

_____

_____

_____

_____

_____

_____

Note: **Satisfactory rating = 10 points and above**   **Unsatisfactory rating = below 10 points**

Information Sheet-2	Company policies and guidelines compliance

3.2 Introduction

Business ethics (also **corporate ethics**) is a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and entire organizations.

Business ethics has both normative and descriptive dimensions. As a corporate practice and a career specialization, the field is primarily normative. Academics attempting to understand business behavior employ descriptive methods. The range and quantity of business ethical issues reflects the interaction of profit-maximizing behavior with non-economic concerns. Interest in business ethics accelerated dramatically during the 1980s and 1990s, both within major corporations and within academia. For example, today most major corporations promote their commitment to non-economic values under headings such as ethics codes and social responsibility charters. Adam Smith said, "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices." Governments use laws and regulations to point business behavior in what they perceive to be beneficial directions. Ethics implicitly regulates areas and details of behavior that lie beyond governmental control. The emergence of large corporations with limited relationships and sensitivity to the communities in which they operate accelerated the development of formal ethics regimes.

3.2.1 Professional ethics

Professional people and those working in acknowledged professions exercise specialist knowledge and skill. How the use of this knowledge should be governed when providing a service to the public can be considered a moral issue and is termed professional ethics.

Professionals are capable of making judgments, applying their skills and reaching informed decisions in situations that the general public cannot, because they have not

received the relevant training. One of the earliest examples of professional ethics is probably the Hippocratic oath to which medical doctors still adhere to this day.

Professional ethics is a set of standards adopted by a professional community. Professional ethics are regulated by standards, which are often referred to as codes of ethics.

The code of ethics is very important because it gives us boundaries that we have to stay within in our professional careers. The one problem with the code of ethics is that we can't always have the answers in black and white. Sometimes there are grey areas where the answers aren't so simple. Professional ethics are also known as **Ethical**

3.2.2 Business Practices Components

A number of professional organizations define their ethical approach as a number of discrete components. Typically these include:

- Honesty
- Integrity
- Transparency
- Accountability
- Confidentiality
- Objectivity
- Respectfulness
- Obedience to the law

Honesty refers to a facet of moral character and connotes positive and virtuous attributes such as integrity, truthfulness and straightforwardness along with the absence of lying, cheating or theft. Honesty is revered in many cultures and religions. Honesty means being truthful, trustworthy, loyal, fair and sincere. Honesty also means straight forward conduct.

"Honesty is the best policy" is a proverb of unknown origin. "Honesty is the first chapter in the book of wisdom." AUTHOR- Jefferson.

Integrity is a concept of consistency of actions, values, methods, measures, principles, expectations, and outcomes. In ethics, integrity is regarded as the hone Sty and truthfulness or accuracy of one's actions. Integrity can be regarded as the opposite of hypocrisy, in that integrity regards internal consistency as a virtue, and suggests that parties holding apparently conflicting values should account for the discrepancy or alter their beliefs.

The word "integrity" stems from the Latin adjective *integer* (whole, complete). In this context, integrity is the inner sense of "wholeness" deriving from qualities such as honesty and consistency of character. As such, one may judge that others "have integrity" to the extent that they act according to the values, beliefs and principles they claim to hold.

Transparency, as used in science, engineering, business, the humanities and in a social context more generally, implies openness, communication, and accountability. Transparency is operating in such a way that it is easy for others to see what actions are performed. For example, a cashier making change at a point of sale by segregating a customer's large bills, counting up from the sale amount, and placing the change on the counter in such a way as to invite the customer to verify the amount of change demonstrates transparency.

In ethics and governance, **accountability** is answerability, blameworthiness, liability, and the expectation of account-giving. As an aspect of governance, it has been central to discussions related to problems in the public sector, nonprofit and private (corporate) worlds. In leadership roles, accountability is the acknowledgment and assumption of responsibility for actions, products, decisions, and policies including the administration, governance, and implementation within the scope of the role or employment position and encompassing the obligation to report, explain and be answerable for resulting consequences.

In governance, accountability has expanded beyond the basic definition of "being called to account for one's actions". It is frequently described as an account-giving relationship between individuals, e.g. "A is accountable to B when A is obliged to inform B about A's

(past or future) actions and decisions, to justify them, and to suffer punishment in the case of eventual misconduct". Accountability cannot exist without proper accounting practices; in other words, an absence of accounting means an absence of accountability.

Confidentiality is a set of rules or a promise that limits access or places restrictions on certain types of information.

Objectivity is a significant principle of journalistic professionalism. Journalistic objectivity can refer to fairness, disinterestedness, factuality, and nonpartisanship, but most often encompasses all of these qualities.

In the context of journalism, *objectivity* may be understood as synonymous with *neutrality.* This must be distinguished from the goal of *objectivity* in philosophy, which would describe mind-independent facts which are true irrespective of human feelings, beliefs, or judgments.

Sociologist Michael Schudson argues that "the belief in objectivity is a faith in 'facts, distrust in 'values,' and a commitment to their segregation." It does not refer to the prevailing ideology of newsgathering and reporting that emphasizes eyewitness accounts of events, corroboration of facts with multiple sources and balance of viewpoints. It also implies an institutional role for journalists as a fourth estate, a body that exists apart from government and large interest groups.

Respect gives a positive feeling of esteem or deference for a person or other entity (such as a nation or a religion), and also specific actions and conduct representative of that esteem. Respect can be a specific feeling of regard for the actual qualities of the one respected (e.g., "I have great respect for her judgment"). It can also be conduct in accord with a specific ethic of respect. Rude conduct is usually considered to indicate a lack of respect, ***disrespect***, where as actions that honor somebody or something indicates respect. Specific ethics of respect are of fundamental importance to various cultures. Respect for tradition and legitimate authority is identified by Jonathan Haidtas one of five fundamental moral values shared to a greater or lesser degree by different societies and individuals.

Respect should not be confused with tolerance, since tolerance doesn't necessarily imply subordination to one's qualities but means treating as equal.

The antonym and opposite of *respect* is disrespect.

Law does not have a universally accepted definition, but one definition is that law is a system of rules and guidelines which are enforced through social institutions to govern behavior. Laws are made by governments, specifically by their legislatures. The formation of laws themselves may be influenced by a constitution (written or unwritten) and the rights encoded therein. The law shapes politics, economics and society in countless ways and serves as a social mediator of relations between people.

3.2.3 Implementation

Most professions have internally enforced codes of practice that members of the profession must follow, to prevent exploitation of the client and to preserve the integrity of the profession. This is not only for the benefit of the client but also for the benefit of those belonging to the profession. Disciplinary codes allow the profession to define a standard of conduct and ensure that individual practitioners meet this standard, by disciplining them from the professional body if they do not practice accordingly. This allows those professionals who act with conscience to practice in the knowledge that they will not be undermined commercially by those who have fewer ethical qualms. It also maintains the public's trust in the profession, encouraging the public to continue seeking their services.

3.2.4 Internal regulation

In cases where professional bodies regulate their own ethics, there are possibilities for such bodies to become self-serving and to fail to follow their own ethical code when dealing with renegade members. This is because of the nature of professions in which they have almost a complete monopoly on a particular area of knowledge. For example, until recently, the English courts deferred to the professional consensus on matters relating to their practice that lay outside case law and legislation.

3.2.5 Statutory regulation

In many countries there is some statutory regulation of professional ethical standards such as the statutory bodies that regulate nursing and midwifery in England and Wales. Failure to comply with standards can thus become a matter for the courts.

Examples

For example, a lay member of the public should not be held responsible for failing to act to save a car crash victim because they could not give an appropriate emergency treatment. This is because they do not have the relevant knowledge and experience. In contrast, a fully trained doctor (with the correct equipment) would be capable of making the correct diagnosis and carrying out appropriate procedures. Failure of a doctor to help in such a situation would generally be regarded as negligent and unethical. An untrained person would not be considered to be negligent for failing to act in such circumstances and might indeed be considered to be negligent for acting and potentially causing more damage and possible loss of life.

A business may approach a professional engineer to certify the safety of a project which is not safe. Whilst one engineer may refuse to certify the project on moral grounds, the business may find a less scrupulous engineer who will be prepared to certify the project for a bribe, thus saving the business the expense of redesigning.

3.2.6 Separatism

On a theoretical level, there is debate as to whether an ethical code for a profession should be consistent with the requirements of morality governing the public. Separatists argue that professions should be allowed to go beyond such confines when they judge it necessary. This is because they are trained to produce certain outcomes which may take moral precedence over other functions of society. For example, it could be argued that a doctor may lie to a patient about the severity of their condition, if there is reason to

think that telling the patient could cause them so much distress that it would be detrimental to their health. This would be a disrespect of the patient's autonomy, as it denies them information on something that could have a great impact on their life. This would generally be seen as morally wrong. However, if the end of improving and maintaining health is given a moral priority in society, then it may be justifiable to

contravene other moral demands in order to meet this goal. Separatism is based on a relativist conception of morality that there can be different, equally valid moral codes that apply to different sections of society and differences in codes between societies (see moral relativism). If moral universalism is ascribed to, then this would be inconsistent with the view that professions can have a different moral code, as the universalist holds that there is only one valid moral code for all.

3.2.7 Policies and guidelines:

As part of more comprehensive compliance and ethics programs, many companies have formulated internal policies pertaining to the ethical conduct of employees. These policies can be simple exhortations in broad, highly generalized language (typically called a corporate ethics statement), or they can be more detailed policies, containing specific behavioral requirements (typically called corporate ethics codes). They are generally meant to identify the company's expectations of workers and to offer guidance on handling some of the more common ethical problems that might arise in the course of doing business. It is hoped that having such a policy will lead to greater ethical awareness, consistency in application, and the avoidance of ethical disasters.

An increasing number of companies also require employees to attend seminars regarding business conduct, which often include discussion of the company's policies, specific case studies, and legal requirements. Some companies even require their employees to sign agreements stating that they will abide by the company's rules of conduct.

Many companies are assessing the environmental factors that can lead employees to engage in unethical conduct. A competitive business environment may call for unethical behavior. Lying has become expected in fields such as trading. An example of this is the issues surrounding the unethical actions of the Salomon Brothers.

Not everyone supports corporate policies that govern ethical conduct. Some claim that

ethical problems are better dealt with by depending upon employees to use their own judgment.

Others believe that corporate ethics policies are primarily rooted in utilitarian concerns, and that they are mainly to limit the company's legal liability, or to curry public favor by

giving the appearance of being a good corporate citizen. Ideally, the company will avoid a lawsuit because its employees will follow the rules. Should a lawsuit occur, the company can claim that the problem would not have arisen if the employee had only followed the code properly?

Sometimes there is disconnection between the company's code of ethics and the company's actual practices. Thus, whether or not such conduct is explicitly sanctioned by management, at worst, this makes the policy duplicitous, and, at best, it is merely a marketing tool.

Jones and Parker write, "Most of what we read under the name business ethics is either sentimental common sense, or a set of excuses for being unpleasant." Many manuals are procedural form filling exercises unconcerned about the real ethical dilemmas. For instance, US Department of Commerce ethics program treats business ethics as a set of instructions and procedures to be followed by 'ethics officers'., some others claim being ethical is just for the sake of being ethical. Business ethicists may trivialize the subject, offering standard answers that do not reflect the situation's complexity.

3.2.8 Ethics officers

Ethics officers (sometimes called "compliance" or "business conduct officers") have been appointed formally by organizations since the mid-1980s. One of the catalysts for the creation of this new role was a series of fraud, corruption, and abuse scandals that afflicted the U.S. defense industry at that time. This led to the creation of the Defense Industry Initiative (DII), a pan-industry initiative to promote and ensure ethical business practices. The DII set an early benchmark for ethics management in corporations. In 1991, the Ethics & Compliance Officer Association (ECOA)—originally the Ethics Officer Association (EOA)—was founded at the Center for Business Ethics (at Bentley College, Waltham, MA) as a professional association for those responsible for managing organizations' efforts to achieve ethical best practices. The membership grew rapidly

(the ECOA now has over 1,200 members) and was soon established as an independent organization.

Another critical factor in the decisions of companies to appoint ethics/compliance officers was the passing of the Federal Sentencing Guidelines for Organizations in

1991, which set standards that organizations (large or small, commercial and non-commercial) had to follow to obtain a reduction in sentence if they should be convicted of a federal offense. Although intended to assist judges with sentencing, the influence in helping to establish best practices has been far-reaching.

In the wake of numerous corporate scandals between 2001 and 2004 (affecting large corporations like Enron, WorldCom and Tyco), even small and medium-sized companies have begun to appoint ethics officers. They often report to the Chief Executive Officer and are responsible for assessing the ethical implications of the company's activities, making recommendations regarding the company's ethical policies, and disseminating information to employees. They are particularly interested in uncovering or preventing unethical and illegal actions. This trend is partly due to the Sarbanes–Oxley Act in the United States, which was enacted in reaction to the above scandals. A related trend is the introduction of risk assessment officers that monitor how shareholders' investments might be affected by the company's decisions.

The effectiveness of ethics officers is not clear. If the appointment is made primarily as a reaction to legislative requirements, one might expect little impact, at least over the short term. In part, this is because ethical business practices result from a corporate culture that consistently places value on ethical behavior, a culture and climate that usually emanates from the top of the organization. The mere establishment of a position to oversee ethics will most likely be insufficient to inculcate ethical behavior: a more systemic programme with consistent support from general management will be necessary.

The foundation for ethical behavior goes well beyond corporate culture and the policies of any given company, for it also depends greatly upon an individual's early moral training, the other institutions that affect an individual, the competitive business environment the company is in and, indeed, society as a whole.

3.2.9 Academic discipline

As an academic discipline, business ethics emerged in the 1970s. Since no academic business ethics journals or conferences existed, researchers published in general management journals, and attended general conferences. Over time, specialized peer-reviewed journals appeared, and more researchers entered the field. Corporate scandals in the earlier 2000s increased the field's popularity. As of 2009, sixteen academic journals devoted to various business ethics issues existed, with Journal of Business Ethics and Business Ethics Quarterly considered the leaders.[218]

The International Business Development Institute is a global non-profit organization that represents 217 nations and all 50 United States. It offers a Charter in Business Development (CBD) that focuses on ethical business practices and standards. The Charter is directed by Harvard, MIT, and Fulbright Scholars, and it includes graduate-level coursework in economics, politics, marketing, management, technology, and legal aspects of business development as it pertains to business ethics. IBDI also oversees the International Business Development Institute of Asia which provides individuals living in 20 Asian nations the opportunity to earn the Charter.

Religious views

In Sharia law, followed by many Muslims, banking specifically prohibits charging interest on loans.Traditional Confucian thought discourages profit-seeking. Christianity offers the Golden Rule command, "Therefore all things whatsoever ye would that men should do to you, do you even so to them: for this is the law and the prophets." according to the article "Theory of the real economy", there is a more narrow point of view from the Christianity faith towards the relationship between ethics and religious traditions. This article stresses about how capable is Christianity of establishing reliable boundaries for financial institutions. One criticism comes from Pope Benedict by describing the "damaging effects of the real economy of badly managed and largely speculative financial dealing." It is mentioned that Christianity has the potential to transform the nature of finance and investment but only if theologians and ethicist provide more evidence of what is real in the economic life.

Related disciplines

Business ethics is part of the philosophy of business, the branch of philosophy that deals with the philosophical, political, and ethical underpinnings of business and economics. Business ethics operates on the premise, for example, that the ethical operation of a private business is possible—those who dispute that premise, such as libertarian socialists, (who contend that "business ethics" is an oxymoron) do so by definition outside of the domain of business ethics proper.

The philosophy of business also deals with questions such as what, if any, are the social responsibilities of a business; business management theory; theories of individualism vs. collectivism; free will among participants in the marketplace; the role of self interest; invisible hand theories; the requirements of social justice; and natural rights, especially property rights, in relation to the business enterpris

Self-Check 2	**Written Test**

Directions: Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

Instructions: Write all your answers in the provided answer sheet on pages 28.

Part I:

Fill in the blanks: (1 point each)

1. -------------------- refers to a facet of moral character and connotes positive and virtuous attributes such as integrity, truthfulness and straightforwardness.
2. ------------------- is a concept of consistency of actions, values, methods, measures, principles, expectations, and outcomes.
3. -----------------------, as used in science, engineering, business, the humanities and in a social context more generally, implies openness, communication, and accountability.
4. In ethics and governance, -------------------------is answerability, blameworthiness, liability and the expectation of account-giving.
5. ----------------------- is a set of rules or a promise that limits access or places restrictions on certain types of information.

Part II:

True or false :(1 point each)

1. **Objectivity** is not a significant principle of journalistic professionalism.
2. The code of ethics is not very important because it gives us boundaries that we have to stay within in our professional careers.
3. **Law** have a universally accepted definition, but one definition is that law is a system of rules and guidelines which are enforced through social institutions to govern behavior.
4. **Business ethics** (also **corporate ethics**) is not a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment.

5. Professional ethics are also known as **Ethical Business Practices**.

Part III:

Short answer questions: (2 points each)

1. Define honesty.
2. Define integrity.
3. Define transparency.
4. Define accountability.
5. Define confidentiality.

Answer Sheet

Score = _____

Rating: _____

Name: _____   Date: _____

Part I:

Fill in the blanks:

1. _____

2. _____

3. _____

4. _____

5. _____

Part II:

True or False:

1. _____

2. _____

3. _____

4. _____

5. _____

Part III:

Short answer

_____

_____

_____

_____

_____

_____

Note: **Satisfactory rating = 12 points and above**   **Unsatisfactory rating = below**

12 points

Information Sheet-3	Ethical Issues/problems

Raising Ethical Issues at Work

Responding to intense pressure for short-term results, people working for corporations often cut corners that they shouldn't. We use all kinds of rationalizations to excuse these behaviors—everything from "everyone does it" to "nobody's getting hurt by this" to "I'd get fired if I complained."

Most of us want to behave ethically, and we also know when something isn't right. But it can be very hard to speak up in support of our beliefs.

Here's how you can deal with ethical issues in the workplace.

First, realize that ethical dilemmas are a normal and predictable part of your job. Every manager, every finance officer, every marketing professional has to sort out complex (or not so complex) ethical issues. It goes with the territory, and recognizing this reduces the stress that can limit your confidence and capability to address these issues effectively.

Next, treat an ethical issue like any other business issue. Don't make self-righteous little speeches; instead, marshal your evidence and arguments, figure out who you need to talk to, and then make a strong business case for doing the right thing.

Third, tackle the rationalizations head-on. If "everyone really does it," why do we have a policy against this behavior? If "it's not hurting anyone," why have customers sued other companies for this same practice? And so on.

Fourth, learn to play to the psychological biases of your listeners. For example, people have trouble focusing on long-term consequences, so try to identify short-term wins that would result from more ethical behavior. How you frame a problem makes a difference. Participants in a recent class discussion about a potential product recall over safety concerns became more open to the idea when the question put to them focused on how they could craft a message for the press and the buying public, rather than whether that message was the ethical approach to the situation.

When raising an ethical issue, people seem to be most effective when they script what they'll say and how they'll proceed. It often helps to get some peer coaching, as well. It occurred to me recently that it might be interesting to do some scripting and peer coaching in this space (anonymously, where appropriate).

With that in mind, I invite you to share a story of a time when you found a persuasive argument or approach for voicing your values. Alternatively, share a situation you're thinking about right now (with details disguised, of course) and invite suggestions from peers for how to deal with it.

Major Ethical Issues Business People Face

Employee Behavior

From large corporations to small businesses, individuals involved in all types of business often face ethical issues stemming from employee behavior. For example, whether an employee can spend work time checking personal email accounts, how a manager deals with claims of harassment and to what extent a manager can "groom" a certain employee for a promotion are all examples of ethical issues regarding employee behavior. There are legal consequences for some unethical employee behavior. For example, if a supervisor discriminated against an employee based on her gender, religion or ethnicity when making recommendations for a promotion, legal action could be sought. Small business owners can help to prevent ethical problems stemming from employee behavior by drafting a clear, attorney-reviewed set of standards that dictate behavior policies for employees at all levels.

Employee Working Conditions

In addition to employee behavior, there are a number of ethical issues business people must consider about employee working conditions. For example, employers must be aware of the safety of their work environment and if they have compensated employees for all the time they have worked. The must also consider if they have required an employee to work an unreasonably long period of time or if they have him doing an unusually difficult task. Just like there are legal consequences for some unethical issues regarding employee behavior, there are also legal consequences for unethical working conditions. For example, an employer who requires an employee to work without pay or who creates an unsafe working environment can face legal action.

Supplier/Customer Relations

In addition employees and business owners must consider the ethical issues involved with their relationships between suppliers and customers. Business owners in particular must consider whether it is ethical to do business with suppliers who have unethical practices. When dealing with customers or clients, business people must ensure that they use their information correctly, do not falsely advertise a product or service, and do not intentionally do sub-standard work.

Small Business Ethics

Although there are ethical issues like discrimination that apply to all areas of business, each business area has its own ethical concerns. For example, business people who act as consultants must ensure they are giving sound advice. In the area of small business, some major ethical issues result from hiring, firing and dealing with employees. For example, conflicts of interest may cause ethical issues in small businesses, especially if they are family run. When personal family issues interfere with business decisions, this is a conflict of interest and an ethical concern.

Examples of Ethical Issues in Business

Ethics means different things to different people, but it generally boils down to a basic sense of societal right and wrong. Within the business context, it involves making decisions that align with that sense of right and wrong, as well as with the law. Various examples of ethical dilemmas exist in today's business environment.

Discrimination

You're the boss in a predominantly male environment. The presence of a new female employee stirs up conflict because your company has not had a chance to conduct sensitivity training. Some of your male employees make inappropriate remarks to your new employee. She complains to you; in response, you sanction those responsible for the conduct. You also wonder if it would be wise to move your new female employee to another position where she would be less likely to draw attention. Treating your female employee differently based on her gender or in response to a harassment complaint may be considered discriminatory and unethical conduct.

Side Deals

You're a business manager with an employment contract. The contract requires you to work solely for your employer and use your talents to attract new clients to the business. If you begin attracting more clients than you believe your employer can reasonably handle, you may wonder if there would be an ethical issue with your diverting that excess business elsewhere and taking the commission. If you don't, at minimum, disclose the idea to your employer, you will likely be in breach of both your contractual and ethical duties.

Partners

You're a partner in a business and see a great deal of profitability on the horizon. You don't believe that your partner deserves to profit from the business' future success, because you don't like his personality. You may wonder if you could simply take his name off the bank accounts, change the locks and continue without him. If you proceed with this course of action, you would likely be in violation of your ethical and legal obligation to act in good faith concerning your partner. The better course of action may be to simply buy out his interest in the business.

Gross Negligence

You're on the board of directors for a publicly traded corporation. You and your fellow board members, in hopes of heading off early for the holidays, rush through the investigatory process involved in a much-anticipated merger. As a board member, you have a duty to exercise the utmost care respecting decisions that affect the corporation and its shareholders. Failing to properly investigate a matter that affects their interests could be viewed as gross negligence supporting a breach of your ethical and legal duty of care.

List of Ethical Issues in Business

In the complex global business environment of the 21st century, companies of every size face a multitude of ethical issues. Businesses have the responsibility to develop codes of conduct and ethics that every member of the organization must abide by and put into action. Fundamental ethical issues include concepts such and integrity and trust, but more complex issues include accommodating diversity, decision-making, compliance and governance.

Fundamental Issues

The most fundamental or essential ethical issues that businesses must face are integrity and trust. A basic understanding of integrity includes the idea of conducting your business affairs with honesty and a commitment to treating every customer fairly. When customers perceive that a company is exhibiting an unwavering commitment to ethical business practices, a high level of trust can develop between the business and the people it seeks to serve. A relationship of trust between you and your customers may be a key determinate to your company's success.

Diversity Issues

According to the HSBC Group, "the world is a rich and diverse place full of interesting cultures and people, who should be treated with respect and from whom there is a great deal to learn." An ethical response to diversity begins with recruiting a diverse workforce, enforces equal opportunity in all training programs and is fulfilled when every employee is able to enjoy a respectful workplace environment that values their contributions. Maximizing the value of each employees' contribution is a key element in your business's success.

Decision-Making Issues

According to Santa Clara University, the following framework for ethical decision-making is a useful method for exploring ethical dilemmas and identifying ethical courses of action: "recognizes an ethical issue, gets the facts, evaluates alternative actions, makes a decision and tests it and reflects on the outcome." Ethical decision-making processes should center on protecting employee and customer rights, making sure all business operations are fair and just, protecting the common good and making sure individual values and beliefs of workers are protected.

Compliance and Governance Issues

Businesses are expected to fully comply with environmental laws, federal and state safety regulations, fiscal and monetary reporting statutes and all applicable civil rights laws. The Aluminum Company of America's approach to compliance issues states, "no one may ask any employee to break the law, or go against company values, policies and procedures." ALCOA's commitment to compliance is underpinned by the company's approach to corporate governance; "we expect all directors, officers and other Alcoans to conduct business in compliance with our Business Conduct Policies."

Common Types of Ethical Issues Within Organizations

Though the ethical dilemmas faced by certain companies may be specific to their industry or company, other types of ethical issues are common to all types of companies. Handling ethical decisions with wisdom is especially important for small businesses, given the potentially devastating effects these companies may face if such issues aren't handled correctly.

Health and Safety

One area of ethical consideration for employers is how to balance expense control with the health and safety interests of employees. Manufacturing plants and other

workplaces where employees use dangerous equipment or engage in physically demanding work should have strong safety standards that not only meet federal requirements, but that also make eliminating accidents a priority. Even standard office workplaces pose health risks to employees who are asked to sit or stand all day. Unfortunately, certain organizations opt to cut corners on safety controls, equipment and training to save money. This is both unethical and potentially damaging in the long run if major accidents occur.

Technology

Advancements in technology and the growth of the Internet in the early 21st century have produced a slew of ethical dilemmas for companies. Company leaders have to balance the privacy and freedom of workers while also maintaining standards that require that company technology use is for legitimate business purposes. Certain companies go so far as to monitor all online use and email communication from employee computers and work accounts. A company may have this right, but its leaders need to understand the potential concern about privacy and autonomy among employees.

Transparency

Prominent business and accounting scandals have made it imperative that companies operate with openness and transparency. For public corporations, this includes honest, accurate and complete reporting on mandated financial accounting reports. For large and small businesses, transparency includes communicating messages, including marketing messages, that aren't open to misinterpretation and that clearly represent the intentions of the company and its messages. Being caught in a lie or avoiding full disclosure may cause irreparable harm to small businesses.

Fair Working Conditions

Companies are generally expected to provide fair working conditions for their employees in the business environment, but being responsible with employee treatment typically

means higher labor costs and resource utilization. Fair pay and benefits for work are more obvious elements of a fair workplace. Another important element is provision of a nondiscriminatory work environment, which again may have costs involved for diversity management and training.

Top Ethical Issues Facing the General Business Community

Disparate industries across the United States face many of the same ethical dilemmas. These ethical issues cover a variety of issues such as employee pay rates and discouraging harassment in the workplace. Companies choosing to confront these ethical dilemmas may earn the praise or ire of consumers depending on the policies these companies adopt.

Accounting Practice Ethics

In the wake of corporate scandals involving unethical accounting practices from publicly traded companies, including Enron and Tyco, many consumers are justifiably distrustful.

Social Networking Ethics

Comments regarding employers or coworkers posted on social networking websites are costing employees jobs across the country. The ethical and legal challenges surrounding the use of social media and its consequences in the workplace affects the business industry as a whole because employers across the nation are setting policies regarding employee use of these websites while working and even what these workers can say when off the clock. According to the Business Ethics website, as of 2010 software developer Cisco Systems Inc. even has a program, Cisco SocialMiner, designed to help employers monitor their employees' social network site status updates, forum posts and blog posts in real time. The line between an employer's right to monitor employees and an employee's right to privacy can easily blur in this climate.

Harassment in the Workplace

Maintaining professional workplace relationships between employees is a continuing challenge for employers regardless of the industry. This challenge can become more difficult when the image companies choose to project has a significant sexual charge. This creates an ethical dilemma about what images companies use to sell products and the conduct expected of employees in the workplace. There's never an excuse or a justifiable reason for harassment of any kind in any workplace, though a willingness to use sexually charged imagery in advertising may indicate a working climate where harmful behaviors can occur with costly lawsuits resulting from permissive climates, reports the Business Ethics website.

Paying Employees Equally

Even though federal and state laws require workers to receive equal pay for performing similar work regardless of gender, race, age, ethnicity, disability or religion, the problem still persists in many industries. According to the National Committee on Pay Equity, as of 2010 a $10,784 gap in annual salary still persists between men and women nationwide. The ethical dilemma arises when some companies choose to men higher wages than women while at the same time espousing messages of equality and fair play.

Description of the Ethical Concepts Relevant to Resolving Moral Issues in Business

Attempting to define business morality provides a large gray area of ambiguity, but business scholars, industry leaders and, most importantly, your clients create their own benchmarks for ethical business practices. Business ethics and good governance, according to the U.S. Department of Commerce, involves establishing a corporate policy

to meet legal requirements, social responsibilities and environmental standards and safeguards. Creating ethical guidelines for your company operations helps your supervisors and staff in handling business issues.

Honesty and Integrity

Setting a standard for business integrity creates the foundation of trust, and "trust is the grease of commerce," according to Chairman and CEO of Clorox Don Knauss. Without determining standards for business honesty and company integrity, your staff and managers may apply these concepts based on different interpretations. Establishing a formal document that defines each term and uses practical examples from typical situations faced in your industry provides a working definition and also offers useful illustrations of the terms for staff still uncertain of the meaning.

Fair Practices

Defining fair or just business practices mandates creating a formal handbook for your firm that lists the precise regulations you require employees to meet in conducting business representing your company. Handbooks dealing with the concepts of fairness, justice and an approach to the common good of both the company and the consumer help workers apply key ethical concepts to the workplace. Mandatory staff training also helps explain the concepts and allows management an opportunity to reinforce the language used in the regulations.

Defining Ethical Concepts

Consumers typically define ethical business practices by incorporating personal moral issues when purchasing goods and services. A study conducted by "The Wall Street Journal" in 2008 of more than 200 volunteers found that companies making ethical choices by creating products using environmentally safe practices and non-polluting technology, attracting staff and employees under a progressive program that includes hiring a diverse workforce, manufacturing consumer-safe products, and following moral standards respecting human rights, including banning forced and child laborers, were rewarded by consumers. Consumers paid premium prices for items produced by businesses adhering to high moral standards incorporating these business policies.

Disclosure

"Caveat emptor," the Latin term for "buyer beware," assumes the buyer accepts the risks of doing business, your business also has an ethical and moral business responsibility to disclose any hidden risks not normally associated with the purchase or investment. The types of disclosures vary with the business offerings, but companies providing products with a high risk for health damage or personal injury require corporate guidelines for your staff in marketing and selling the items. Ethical considerations also require firms selling previously owned or damaged items to develop a policy for disclosing potential flaws and imperfections. Real estate and vehicles are two examples of sales requiring clear corporate business concepts that incorporate both legal requirements and ethical concepts embraced by your firm.

Recognize potential ethical issues and ethical dilemmas in the workplace and discuss with an appropriate person

Ethical dilemmas are recognisable by the fact that there are at least two sets of values involved, and you are being asked to decide which is most important. Being faced with conflicting values usually gives us a sense of confusion and makes us feel unsure. You need to ask yourself: what is the most important point (ie obligation, value, need, issue, etc) here?

As a worker your primary responsibility is to safeguard the client's rights, but sometimes the best way to do this is not always clear. Other workers, carers or family members may see the situation differently. The situation may not be clear-cut.

Ethical dilemmas can be roughly categorised in the following ways:

- **Competing values** – for example, you may be working with a young person who is abusing drugs. You have to acknowledge your client's right to self determination (which would be the case for not intervening) versus the value of protecting human life (the case for intervening).
- **Multiple client system** – Your client may have certain priorities and concerns, but there may be parents/carers in the client's life who view the situation differently and have conflicting concerns. To whom does the worker owe the primary obligation? The answer should of course always be the client, but this is not always straightforward especially when the client may be reliant on others to care for them. An example is an ageing person wanting to stay in their own home while family members want them to move to an aged care facility.

- **Value dilemma** – This is where your own personal values may conflict with the action you need to take. For example you have been working with a client for a number of months. At times the client can be difficult. Her family appear very supportive of her, are friendly and seem to do a lot for her often in very difficult situations. Recently however your client has been telling you that her mother has been taking money from her and hit her on one occasion. You know that this situation should be reported but on the other hand you really like your client's mother and are also aware that the family are operating under stress. You have the dilemma of wanting to cause the least harm to the family, but have the legal responsibility to act appropriately.

Ethical dilemmas are recognisable by needing to ask the 'But, what if …?' question and the feeling of confusion or tension around how to respond.

Recognise unethical conduct and report to an appropriate person

Unethical conduct is when you can see that another person is not adhering to professional ethics and is behaving in a way that puts clients at risk.

Examples of unethical conduct could include situations when:

- a fellow worker is overheard gossiping about a client at the local pub
- a fellow worker is openly intolerant of other cultures and says negative things about people belonging to different cultures
- two workers argue with each other in front of clients.

A code of ethics helps us to identify unethical situations, and is therefore important to think about regularly. It should never be a dead piece of paper stuck at the back of the filing cabinet.

Reporting unethical conduct

When you recognise another worker's unethical act, your first option is to confront the worker yourself and discuss the issue. If that is not successful you may need to report the unethical conduct to someone in higher authority. You will certainly need to report the conduct if the rights of others, as outlined in the code of ethics, are not being respected.

When reporting unethical conduct, you need to be clear:

- who was involved

- when the incident(s) occurred and who else was present

- the grounds on which you believe the conduct to be unethical, and

- what other actions you have taken eg spoken to the person.

When considering reporting unethical conduct, you need to access your agency's policy and procedures to know who to direct the report to.

Work within boundaries and constraints applicable to work role

Workers are often faced with situations that require and ability to make good ethical decisions. Management has a responsibility to develop policies and procedures within their organisation and ensure practice that reflects the values, mission and purpose of the organisation.

An ethical organisation has a clear set of values and principles that direct that everyone undertakes their role. That is why it is so important to have ethical standards, so that we are operating by a professional set of guidelines, not what we personally think is right or wrong.

Each professional discipline or its professional association, e.g. social work, psychology, nursing, welfare work, etc, has its own particular code of ethics and/or code of conduct. All members are required to abide by their own professional code of ethics and sanctions may be applied by the professional body for breaches of these codes. Ethical codes are usually broad and encompass key areas of concern for the particular type of work being performed. By clarifying what ethical conduct is supposed to be, professions

show commitment to a moral standard of behaviour.

As well as professional codes of ethical behaviour, some services also require their workers to comply with additional and more specific guidelines in keeping with the needs of that particular community and/or agency. For example, child care services and services for people with disabilities have particular requirements or standards, as does the aged care industry. All ethical code requirements are based on respect for the client, care and protection for the client where required, and appropriate behaviour towards the client at all times.

Self-Check 3	Written Test

Directions: Answer all the questions listed below. Illustrations may be necessary to aid some explanations/answers.

Instructions: Write all your answers in the provided answer sheet on pages 41.

Part I:

Fill in the blanks: (1 point each)

1. From large corporations to ----------------------, individuals involved in all types of business often face ethical issues stemming from employee behavior.

2. In addition employees and business owners must consider the ethical issues involved with their relationships between suppliers and ----------------------.

3. Maintaining professional workplace------------------- between employees is a continuing challenge for employers regardless of the industry.

4. There are legal consequences for some --------------- employee behavior.

5. The most fundamental or essential ethical issues that businesses must face are ------ -------------- and trust.

True or false :(1 point each)

1. Management's role in ethical practices for the business is to always demonstrate ethical behavior in verbal and non-verbal form.

2. Every business should not have a written ethics policy that details what is expected of employees within the business.

3. Prominent business and accounting scandals have made it imperative that companies operate with openness and transparency.

4. Setting a standard for business integrity does not create the foundation of trust.

5. Advancements in technology and the growth of the Internet in the early 21st century have produced a slew of ethical dilemmas for companies.

Short answer question:(2 points each)

1. Prepare a list of different types of ethical issues in business practices.

2. Define honesty and integrity.

3. Define employee's behavior in business ethics.

Answer Sheet   Score = _____

Rating: _____

Name: _____   Date: _____

Part I:

Fill in the blanks:

  1. _____

  2. _____

  3. _____

  4. _____

  5. _____

Part II:

True or false:

  1. _____

  2. _____

  3. _____

  4. _____

  5. _____

Part III:

Short answer

_____

_____

_____

_____

_____

_____

Note: **Satisfactory rating = 10 points and above**   **Unsatisfactory rating = below 10 points**