**Business Ethics Overall summary**

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1. Business as a Spiritual Activity
2. Ethical Whistleblowing
3. Companies as moral agents
4. Stakeholders, not only shareholders.
5. Globalization and responsibility
6. Advertising
7. Leadership and Spirituality

**Three parts**: empirical (cases), ethics; procedures (business)

**Aim**: to add virtuous action and meaning/tradition (religion) /human dimension to economics.

**Difficulties**: conventionalism, profit mindset.

a. Originally Aristotle—ethical distribution of goods; Calvinism—business as a spiritual means of work: Adam Smith—vice, not virtue is good, vice leads to the common good (egoism today).

b-c-d. Business Ethics of Organizations:

b. Different modes:

* **Engineering Model**—Cog in the machine
* **Profit Model**—Monopoly
* **Bureaucratic Model**—hierarchy—Jungle
* **Shareholders**—just those who own shares in a company
* **Stakeholder Model**—all agents are included.

c. Can a company be a moral agent?

* **Patricia:** Yes—ontology individuality but methodological collectivism—secondary actor.
* **Friedman:** No, only people do actions, and people need to follow the owner’s biding.
* **Peter French:** Yes, through analogy, a company=people + rules (an entity)
* **Velasquez**: No, since “Nestle is responsible” =metaphor, companies like trees do not have agency.

**Business Ethics aims for Stakeholders**—taking into consideration all agents involved=ethical.

**Stakeholder model**: a mind map of the factors involved in a company. Instead of excluding stakeholders, this map includes: putting the customer/the environment in the centre of the map; putting nobody in the centre.

e. Globalization and responsibility.

Companies due to profit production and through their manufacturing procedures are **ethically responsible for global issues** such as poverty, pollution, population, corruption, security, **and there are more models than the western one**; **companies can profit of less developed countries (bad)**.

Responsibility for the quality of products.

* **Caveat emptor—Social contract theory for companies**—common agreement between company and customer about products. Problems: the company is not always transparent to the customer🡪harmful products.
* **Due Care:** deontological duty to check products before selling (even if the customer does not impose it)

Problems: when do you know they are checked enough; can the company always know the risks of the product before selling it; states nothing about the desirability of the product. (B pays for injuries to p)

Responsibility for the customers

* **Not caveat emptor** (only free to not buy x) but also duties B has to p; e.g. p properly informed, x need not be toxic, x produced in alignment with p (people’s) wants (see UN guidelines)
* **Consumer sovereignty problems**
* **Ethical issues in marketing management (**Due to product policies (making x safe for p); marketing communication (deception of p for profit; encouraging materialism and consumerism); pricing approaches (price fixing above rate=too expensive; too cheap=no competition)
* **Ethical issues in marketing strategies (**Due to the desire for profit disfavoured social classes cannot get essential things due to: higher prices, lack of distribution)
* **Ethical consumption and production**

Responsibility for the employee

* Employee’s are stakeholders; legal issues; asset specify (the employee has other important factors besides what is written in a contract); effects on the employer (the employer cannot determine 100% the qualities of employee; having specialists who’s knowledge cannot be controlled)
* **Employee’s as human resources**. Problematic terminology, humans are things, resources?
* **Companies working in other countries where employees are not legally defended.**
* **Discrimination:** racial or sexual (including sexual harassment).
* **Employee privacy** (not always need to take data from people—is not relevant to know exactly why one performs good/bad; just know how employee performs)

f. Advertising: divination of brands—linking desires, concepts with products, **creating a false impression on what a product is** (misleading by innocent—bluff or superlatives/deceptive—hide relevant info or pseudo-scientific arguments). **Psychological needs intensification**; **Advocacy advertising**; **The economy of sing (+ alternative interpretation of the problem of advertising)**

1. Leadership and Spirituality: **‘Why is innovative leadership difficult today?’**; **Spirituality: the second way towards a solution**. \*not detailed the concepts at all