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Assignment

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Is Ethical behavior of a company is profitable ?

The genuine ethical foundations of business , apparently, have yet to be formed. However, it is now clear that a systemic three-tier approach is needed here, involving the state, society, and entrepreneurs themselves. Ethical problems in business are most acute in the clash between the two sides of the activity of one firm: the achievement of economic indicators (costs, revenues, profits) and the fulfillment of social obligations to its employees, partners and society. Ultimately, however, ethical behavior and maintaining a reputation is more effective than winning a competition using unethical means.

So far, many companies understand only charity and sponsorship as ethical behavior. But gradually, more and more are becoming aware of the benefits of voluntary compliance with civilized business standards: from basic honesty in business relations to the realization of their social role for those whose life and work depend specifically on the activities of your company.

Nowadays, cherishing the honor of a company is not a luxury, but a necessity, because if you do not respect and deceive your customers and suppliers, then at one point they can turn their backs on the “unethical company” and go to its competitors. In addition, enterprises are increasingly paying attention to non-financial sources of growth, namely the formation and development of human capital. The main areas of investment are social programs aimed at developing the company's personnel, protecting health and creating safe working conditions.

In addition to customers, there are other parties in the business environment that impose ethically legitimate requirements on the company. They are channeled into companies through market mechanisms and social relationships. The customer may choose not to buy the product, the employee may choose another employer. Businesses face a value debate. Some of our values are ethical.

According to Byars and Kurt, “throughout the years 2008 and 2009, numerous unethical companies went bankrupt. Nevertheless, those businesses that evaded the “quick buck,” dangerous and unethical investments, and other unethical business practices often thrived. If nothing else, customer comment on social media sites such as Yelp and Facebook can damage an unethical company’s prospects”( Byars and Stanberry21).

Case of Ford motors

With its vision of being a good corporate citizen, Ford has been named one of the world's most respected research centers by the Ethisphere Institute for the 8th consecutive year, one of the world's most ethical companies. Ford is one of the most ethical companies in the world; Sustainable supply chain practices, responsible resource management and its collaborations for a clean environment played a major role in the vision of being a good corporate citizen. In addition, Ford, the only company among the automotive manufacturers to be awarded this award for the 8th consecutive time, achieved another important first in the sector.

The grandfather of the aforementioned Henry Ford, Henry Ford I, adhered to other ethical standards, who not only became famous as the "father" of the American auto industry, but also proved to be a visionary sociologist who put a lot of effort into creating a middle class in America. Henry Ford, I immortalized his name not only with his success in creating a mass car, but also with an ethical attitude towards the employees of his company. In 1914, he introduced wages in the amount of five dollars a day, which was twice the standard daily wage. This was an amazing event in America and company faced, 2008 economic crisis and survived because company never left its core values and ethical standards. (Brenkert 917).

As we can see from the above examples, the position of businessmen in relation to ethics, moral standards diverges, each has its own scale of reference values. They differently (even being members of the same family) perceive the concept of duty, decency to colleagues, society. The problem of creating "normal" business relations in our unstable political and socio-economic situation is, of course, a difficult matter and requires careful development.

To be ethically sustainable, a business must be profitable. This can lead to well-being that is shared between different stakeholders. Capital is only of value in a prosperous human community and ecological environment. The company's interest is to promote the existence and well-being of its operating environment. Ethics is part of a successful business.

Work cited

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