

BUSINESS ETHICS

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1 3 8 5 3

6th SEMESTER

Ans1. Because others are also doing the same is never the valid justification to commit an unethical act. Two wrongs don't make a right;

- Manipulating the accounts book is an illegal act and cannot be judged on the basis of Aslam's intention. If Aslam is caught, he won't be able to continue with the NGO work.
- Bribing official in charge to keep the grant money is a criminal act no matter what.

The shelf life of lie is very low. If Aslam keeps the unspent grant, government will continue pumping more money, other NGOs and in charges will keep amassing wealth. Therefore Aslma should return the unspent grant back to the government.

Ans2. Nadir's suggestions are completely unethical; manipulating accounts book, bribing someone and lying specially. All of his suggestions are both morally and ethically wrong. No matter what his intentions are at the end it is a crime and will create even greater problems for Aslam. He should focus on his acts first for running an NGO which is a very good cause. He should not ruin Aslam's good deed just because of the outcome. As long as their efforts and input will be pure, legal, ethical then they should not worry about the resulting consequences.

Ans3. JUSTICE THEORY

With justice theory, a decision or action that is fair or that results in equality would be considered ethically correct. There are two broad categories of normative theories, namely: teleological and deontological theories. Justice theory is a subset of deontological theory which means it is a theory that focuses on how people should or ought to behave and focuses on the intention behind an act or decision rather than on the final outcome or resulting consequences. There are two elements that makeup the justice theory. That is fairness and equality. So, under justice theory an ethically correct decision or action is one that is fair or that results in equality.

There are two types of theory of justice:

- Procedural Justice
The element of fairness refers to the same treatment of all people. This is linked to procedural justice since it results in the same treatment of all people.
- Distributive Justice

The element of equality refers to the equal distribution of advantages of benefits to all people within a particular group. Accordingly, equality is linked with distributive justice.

EXAMPLE: Consider an area designated for parking. There is a high demand for parking and only limited space. In terms of distributive justice, the area should be divided into equal parking spaces. So, equal sized parking spaces for everyone would be fair. Assume there are a few handicapped people who also require parking spaces. Due to their special needs, they require larger parking spaces. To allocate the same size parking space for a handicapped or fully abled person would be unfair.

Ans4. TELEOLOGICAL THEORY

The word teleology comes from a Greek word which means 'end' or 'purpose'. It focuses on consequences caused by an action. This is an ethics approach where actions are judged morally based upon their consequences. EXAMPLE: Its best example is utilitarianism which states those actions are right that produces the greatest number of happiness to the greatest number of people. It consists of three types:

- Ethical egoism
- Utilitarianism

Utilitarianism considers a decision or action as ethically correct, if the greatest benefits are received by the greatest number of people.

- Eudaimonism

Eudaimonism posits that the actions are said to be fruitful if it promotes the fulfillment of goals constitutive of human goals and nature.

ETHICAL EGOISM

Ethical egoism is a theory based on self-interest. That is, the pursuit of self-interest is considered ethically correct since this theory assumes that everyone acts in their own self-interest. It is a normative theory and should not be confused with psychological egoism. Psychological egoism describes how people actually behave whereas normative theories describes how people should behave. So, according to ethical egoism it is okay or acceptable to make a decision or choose an action that benefits one's self. But this should not be confused with selfishness. Selfishness refers to someone who doesnot care about others.

EXAMPLE: Many religious people do good because they believe there is a God, a Heaven, a hell or a moral force like Karma that makes it in their long-term sel-interest to do good.